

104TH GENERAL ASSEMBLY**State of Illinois****2025 and 2026****SB4008**

Introduced 2/6/2026, by Sen. Ram Villivalam

SYNOPSIS AS INTRODUCED:30 ILCS 574/40-10
70 ILCS 3615/2.39.5 new

Amends the Regional Transportation Authority Act. Requires the Northern Illinois Transit Authority to establish a goal to award not less than 3% of the total dollar amount of all contracts with the Northern Illinois Transit Authority, the Chicago Transit Authority, the Suburban Bus Division, and the Commuter Rail Division to qualified service-disabled veteran-owned small businesses and qualified veteran-owned small businesses. Provides that, by each March 1, the Board shall report to the Governor and General Assembly (1) the total number of qualified veteran-owned small businesses that submitted bids for contracts with the Authority and the total number of qualified service-disabled veteran-owned small businesses in the immediately preceding fiscal year; (2) the total number of qualified veteran-owned small businesses, and qualified service-disabled veteran-owned small businesses, that entered into contracts with the Authority in the immediately preceding fiscal year; (3) a year-by-year comparison of awarded contracts to certified veteran-owned small businesses and service-disabled veteran-owned small businesses; and (4) any other information that the Board deems necessary to assist veteran-owned small businesses and service-disabled veteran-owned small businesses to become certified with the State. Provides that, each year, the Board shall review the progress of the Authority and the Service Boards in meeting the goal, with input from statewide veterans' service organizations and from the business community, including businesses owned by qualified veterans, and shall make recommendations to the General Assembly regarding continuation, increases, or decreases of the percentage goal. Provides that the Board shall suspend any person who commits a violation of specified offenses under the Criminal Code of 2012 from bidding on, or participating as a contractor, subcontractor, or supplier in, any Authority contract or project for a period of not less than 3 years, and, if the person is certified as a service-disabled veteran-owned small business or a veteran-owned small business, then the Commission shall revoke the business's certification for a period of not less than 3 years. Makes conforming changes in the Commission on Equity and Inclusion Act.

LRB104 19775 RTM 33225 b

A BILL FOR

1 AN ACT concerning local government.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Commission on Equity and Inclusion Act is
5 amended by changing Section 40-10 as follows:

6 (30 ILCS 574/40-10)

7 Sec. 40-10. Powers and duties. In addition to the other
8 powers and duties which may be prescribed in this Act or
9 elsewhere, the Commission shall have the following powers and
10 duties:

11 (1) The Commission shall have a role in all State and
12 university procurement by facilitating and streamlining
13 communications between the Business Enterprise Council for
14 Minorities, Women, and Persons with Disabilities, the
15 purchasing entities, the Chief Procurement Officers, and
16 others.

17 (2) The Commission may create a scoring evaluation for
18 State agency directors, public university presidents and
19 chancellors, and public community college presidents. The
20 scoring shall be based on the following 3 principles: (i)
21 increasing capacity; (ii) growing revenue; and (iii)
22 enhancing credentials. These principles should be the
23 foundation of the agency compliance plan required under

1 Section 6 of the Business Enterprise for Minorities,
2 Women, and Persons with Disabilities Act.

3 (3) The Commission shall exercise the authority and
4 duties provided to it under Section 5-7 of the Illinois
5 Procurement Code.

6 (4) The Commission shall shall exercise the authority
7 and duties provided to it under Section 2.39.5 of the
8 Northern Illinois Transit Authority.

9 (4) The Commission, working with State agencies, shall
10 provide support for diversity in State hiring.

11 (5) The Commission shall supervise the implementation
12 and effectiveness of supplier diversity training of the
13 State procurement workforce.

14 (6) Each January, and as otherwise frequently as may
15 be deemed necessary and appropriate by the Commission, the
16 Commission shall propose and submit to the Governor and
17 the General Assembly legislative changes to increase
18 inclusion and diversity in State government.

19 (7) The Commission shall have oversight over the
20 following entities:

21 (A) the Illinois African-American Family
22 Commission;

23 (B) the Illinois Latino Family Commission;

24 (C) the Asian American Family Commission;

25 (D) the Illinois Muslim American Advisory Council;

26 (E) the Illinois African-American Fair Contracting

1 Commission created under Executive Order 2018-07; and
2 (F) the Business Enterprise Council for
3 Minorities, Women, and Persons with Disabilities.

4 (7.5) The Commission shall have oversight over the
5 collection of supplier diversity reports by State agencies
6 to the extent that those agencies are required to collect
7 supplier diversity reports. This oversight shall include
8 publishing, on the Commission's website, a copy of each
9 such supplier diversity report submitted to a State agency
10 and may include conducting an annual hearing with each
11 State agency to discuss ongoing compliance with supplier
12 diversity reporting requirements. The Commission is not
13 responsible for ensuring compliance by the filers of
14 supplier diversity reports to their respective agencies.
15 The agencies subject to oversight by the Commission and
16 the relevant voluntary supplier diversity reports include
17 the following:

18 (A) the Health Facilities and Services Review
19 Board for hospitals;

20 (B) the Department of Commerce and Economic
21 Opportunity for tax credit recipients under the
22 Economic Development for a Growing Economy Tax Credit
23 Act;

24 (C) the Illinois Commerce Commission for utilities
25 and railroads;

26 (D) the Illinois Gaming Board for casinos; and

1 (E) the Illinois Racing Board for race tracks.

2 (7.6) The Commission may hold public workshops focused
3 on specific industries and reports to collaboratively
4 connect diverse enterprises with entities that manage
5 supplier diversity programs. These workshops may be
6 modeled after Illinois Commerce Commission hearings for
7 utilities and railroads that include a collaborative
8 discussion of filed supplier diversity reports.

9 (8) The Commission shall adopt any rules necessary for
10 the implementation and administration of the requirements
11 of this Act.

12 (9) The Commission shall exercise the authority and
13 duties provided to it under Section 45-57 of the Illinois
14 Procurement Code.

15 (10) The Commission is responsible for completing
16 studies as required by Section 35-15 of the Illinois
17 Community Reinvestment Act.

18 (Source: P.A. 103-865, eff. 1-1-25; 103-959, eff. 1-1-25;
19 103-961, eff. 7-1-25; 104-417, eff. 8-15-25.)

20 Section 10. The Regional Transportation Authority Act is
21 amended by adding Section 2.39.5 as follows:

22 (70 ILCS 3615/2.39.5 new)

23 Sec. 2.39.5. Veterans set-aside program.

24 (a) As used in this Section:

1 "Armed forces of the United States" means the United
2 States Army, Navy, Air Force, Space Force, Marine Corps, Coast
3 Guard, or service in active duty as defined under 38 U.S.C.
4 Section 101. Service in the Merchant Marine that constitutes
5 active duty under Section 401 of federal Public Law 95-202
6 shall also be considered service in the armed forces for
7 purposes of this Section.

8 "Authority contract" means any contract or subcontract
9 with the Authority or one of the Service Boards.

10 "Certification" means a determination made by the Illinois
11 Department of Veterans Affairs and the Commission on Equity
12 and Inclusion that a business entity is a qualified
13 service-disabled veteran-owned small business or a qualified
14 veteran-owned small business for whatever purpose. A qualified
15 service-disabled veteran-owned small business or a qualified
16 veteran-owned small business owned and controlled by women,
17 minorities, or persons with disabilities, as those terms are
18 defined in Section 2 of the Business Enterprise for
19 Minorities, Women, and Persons with Disabilities Act, may also
20 select and designate whether that business is to be certified
21 as a "women-owned business", "minority-owned business", or
22 "business owned by a person with a disability", as defined in
23 Section 2 of the Business Enterprise for Minorities, Women,
24 and Persons with Disabilities Act.

25 "Control" means the exclusive, ultimate, majority, or sole
26 control of the business, including but not limited to capital

1 investment and all other financial matters, property,
2 acquisitions, contract negotiations, legal matters,
3 officer-director-employee selection and comprehensive hiring,
4 operation responsibilities, cost-control matters, income and
5 dividend matters, financial transactions, and rights of other
6 shareholders or joint partners. Control shall be real,
7 substantial, and continuing, not pro forma. Control shall
8 include the power to direct or cause the direction of the
9 management and policies of the business and to make the
10 day-to-day as well as major decisions in matters of policy,
11 management, and operations. Control shall be exemplified by
12 possessing the requisite knowledge and expertise to run the
13 particular business, and control shall not include simple
14 majority or absentee ownership.

15 "Qualified service-disabled veteran" means a veteran who
16 has been found to have 10% or more service-connected
17 disability by the United States Department of Veterans Affairs
18 or the United States Department of Defense.

19 "Qualified service-disabled veteran-owned small business"
20 means a small business (i) that is at least 51% owned by one or
21 more qualified service-disabled veterans living in Illinois
22 or, in the case of a corporation, at least 51% of the stock of
23 which is owned by one or more qualified service-disabled
24 veterans living in Illinois; (ii) that has its home office in
25 Illinois; and (iii) for which items (i) and (ii) are factually
26 verified annually by the Commission on Equity and Inclusion.

1 "Qualified veteran-owned small business" means a small
2 business (i) that is at least 51% owned by one or more
3 qualified veterans living in Illinois or, in the case of a
4 corporation, at least 51% of the stock of which is owned by one
5 or more qualified veterans living in Illinois; (ii) that has
6 its home office in Illinois; and (iii) for which items (i) and
7 (ii) are factually verified annually by the Commission on
8 Equity and Inclusion.

9 "Service-connected disability" means a disability incurred
10 in the line of duty in the active military, naval, or air
11 service as described in 38 U.S.C. 101(16).

12 "Small business" means a business that has annual gross
13 sales of less than \$150,000,000 as evidenced by the federal
14 income tax return of the business. A firm with gross sales in
15 excess of this cap may apply to the Commission on Equity and
16 Inclusion for certification for a particular contract if the
17 firm can demonstrate that the contract would have significant
18 impact on qualified service-disabled veteran-owned small
19 businesses or qualified veteran-owned small businesses as
20 suppliers or subcontractors or in employment of veterans or
21 service-disabled veterans.

22 "Time of hostilities with a foreign country" means any
23 period of time in the past, present, or future during which a
24 declaration of war by the United States Congress has been or is
25 in effect or during which an emergency condition has been or is
26 in effect that is recognized by the issuance of a Presidential

1 proclamation or a Presidential executive order and in which
2 the armed forces expeditionary medal or other campaign service
3 medals are awarded according to Presidential executive order.

4 "Veteran" means a person who (i) has been a member of the
5 armed forces of the United States or, while a citizen of the
6 United States, was a member of the armed forces of allies of
7 the United States in time of hostilities with a foreign
8 country and (ii) has served under one or more of the following
9 conditions: (a) the veteran served a total of at least 6
10 months; (b) the veteran served for the duration of hostilities
11 regardless of the length of the engagement; (c) the veteran
12 was discharged on the basis of hardship; or (d) the veteran was
13 released from active duty because of a service connected
14 disability and was discharged under honorable conditions.

15 (b) The Authority shall establish a goal to award not less
16 than 3% of the total dollar amount of all Authority contracts
17 to qualified service-disabled veteran-owned small businesses
18 and qualified veteran-owned small businesses. That portion of
19 a contract under which the contractor subcontracts with a
20 qualified service-disabled veteran-owned small business or a
21 qualified veteran-owned small business may be counted toward
22 the goal of this subsection. The Authority shall, by
23 ordinance, adopt requirements to implement compliance with
24 this subsection.

25 (c) By each March 1, the Board shall report to the Governor
26 and General Assembly:

1 (1) the total number of qualified veteran-owned small
2 businesses that submitted bids for contracts with the
3 Authority and the total number of qualified
4 service-disabled veteran-owned small businesses in the
5 immediately preceding fiscal year;

6 (2) the total number of qualified veteran-owned small
7 businesses, and qualified service-disabled veteran-owned
8 small businesses, that entered into contracts with the
9 Authority in the immediately preceding fiscal year;

10 (3) a year-by-year comparison of awarded contracts to
11 certified veteran-owned small businesses and
12 service-disabled veteran-owned small businesses; and

13 (4) any other information that the Board deems
14 necessary to assist veteran-owned small businesses and
15 service-disabled veteran-owned small businesses to become
16 certified with the State.

17 (d) Each year, the Board shall review the progress of the
18 Authority and the Service Boards in meeting the goal described
19 in subsection (b), with input from statewide veterans' service
20 organizations and from the business community, including
21 businesses owned by qualified veterans, and shall make
22 recommendations to the General Assembly regarding
23 continuation, increases, or decreases of the percentage goal.
24 The recommendations shall be based upon the number of
25 businesses that are owned by qualified veterans and on the
26 continued need to encourage and promote businesses owned by

1 qualified veterans.

2 (e) To assist the Authority in reaching the goal described
3 in subsection (b), the Governor shall recommend to the General
4 Assembly changes in programs to assist businesses owned by
5 qualified veterans.

6 (f) The Illinois Department of Veterans Affairs and the
7 Commission on Equity and Inclusion shall work together to
8 devise a certification procedure to assure that businesses
9 taking advantage of this Section are legitimately classified
10 as qualified service-disabled veteran-owned small businesses
11 or qualified veteran-owned small businesses.

12 The Commission on Equity and Inclusion shall:

13 (1) compile and maintain a comprehensive list of
14 certified veteran-owned small businesses and
15 service-disabled veteran-owned small businesses;

16 (2) assist veteran-owned small businesses and
17 service-disabled veteran-owned small businesses in
18 complying with the procedures for bidding on Authority
19 contracts;

20 (3) provide training for the Authority and the Service
21 Boards regarding the goal setting process and compliance
22 with veteran-owned small business and service-disabled
23 veteran-owned small business goals; and

24 (4) implement and maintain an electronic portal on the
25 Commission on Equity and Inclusion's website for the
26 purpose of completing and submitting veteran-owned small

1 business and service-disabled veteran-owned small business
2 certificates.

3 (g) A business shall be certified by the Commission on
4 Equity and Inclusion as a service-disabled veteran-owned small
5 business or a veteran-owned small business for purposes of
6 this Section if the Commission on Equity and Inclusion
7 determines that the business has been certified as a
8 service-disabled veteran-owned small business or a
9 veteran-owned small business by the Vets First Verification
10 Program of the United States Department of Veterans Affairs,
11 and the business has provided to the Commission on Equity and
12 Inclusion the following:

13 (1) documentation showing certification as a
14 service-disabled veteran-owned small business or a
15 veteran-owned small business by the Vets First
16 Verification Program of the United States Department of
17 Veterans Affairs;

18 (2) proof that the business has its home office in
19 Illinois; and

20 (3) proof that the qualified veterans or qualified
21 service-disabled veterans live in the State.

22 The policies of the Commission on Equity and Inclusion
23 regarding recognition of the Vets First Verification Program
24 of the United States Department of Veterans Affairs shall be
25 reviewed annually by the Commission on Equity and Inclusion,
26 and recognition of service-disabled veteran-owned small

1 businesses and veteran-owned small businesses certified by the
2 Vets First Verification Program of the United States
3 Department of Veterans Affairs may be discontinued by the
4 Commission on Equity and Inclusion by rule upon a finding that
5 the certification standards of the Vets First Verification
6 Program of the United States Department of Veterans Affairs do
7 not meet the certification requirements established by the
8 Commission on Equity and Inclusion.

9 (h) The Board shall suspend any person who commits a
10 violation of Section 17-10.3 or subsection (d) of Section
11 33E-6 of the Criminal Code of 2012 relating to this Section
12 from bidding on, or participating as a contractor,
13 subcontractor, or supplier in, any Authority contract or
14 project for a period of not less than 3 years, and, if the
15 person is certified as a service-disabled veteran-owned small
16 business or a veteran-owned small business, then the
17 Commission on Equity and Inclusion shall revoke the business's
18 certification for a period of not less than 3 years. An
19 additional or subsequent violation shall extend the periods of
20 suspension and revocation for a period of not less than 5
21 years. The suspension and revocation shall apply to the
22 principals of the business and any subsequent business formed
23 or financed by, or affiliated with, those principals.

24 (i) The Board shall report all alleged violations of
25 Section 17-10.3 or subsection (d) of Section 33E-6 of the
26 Criminal Code of 2012 relating to this Section to the Attorney

1 General, who shall determine whether to bring a civil action
2 against any person for the violation.

3 (j) The Board shall monitor the status of all reported
4 violations of Section 17-10.3 or subsection (d) of Section
5 33E-6 of the Criminal Code of 1961 or the Criminal Code of 2012
6 relating to this Section.

7 (k) During the period of a person's suspension under
8 subsection (i), the Board shall not enter into any contract
9 with that person or with any contractor using the services of
10 that person as a subcontractor.