**Section 1.5013 Conflicts of Interest** **Prohibited by the Code**

a) Any bid, proposal, offer of acceptance, or proposed contract must be reviewed for conflicts of interest pursuant to Section 50-13 of the Code. If a conflict is found, no contract will be executed unless the CPO requests and is granted an exemption by the Executive Ethics Commission under Section 50-20 of the Code.

1) Office or Employment

*It is unlawful for any person holding an elective office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois, or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person, to have or acquire any contract, or any direct pecuniary interest in the contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.* [30 ILCS 500/50-13(a)]

2) Financial Interests

*It is unlawful for any firm, partnership, association, or corporation, in which any person* as described *in subsection (a)*(1) *is entitled to receive more than 7½% of the total distributable income or an amount in excess of the salary of the Governor, to have or acquire any such contract or direct pecuniary interest therein.* [30 ILCS 500/50-13(b)]

3) Combined Financial Interests

*It is unlawful for any firm, partnership, association or corporation, in which any person listed in subsection (a)*(1) *together with his or her spouse or minor children is entitled to receive more than 15%, in the aggregate, of the total distributable income or an amount in excess of 2 times the salary of the Governor, to have or acquire any such contract or direct pecuniary interest therein.* [30 ILCS 500/50-13(c)]

b) For the purpose of this Part, an individual has a direct pecuniary interest in a contract when the individual is owed a payment or otherwise received a direct financial benefit in conjunction with performance of a contract, including finders fees and commission payments.

c) For the purpose of this Part, "distributable income" means the income of a company after payment of all expenses, including employee salary and bonus, and retained earnings, which is distributed to those entitled to receive a share of the income. In the case of a for-profit corporation, distributable income means "dividends". When calculating entitlement to distributable income the entitlement shall be determined at the end of the company's most recent fiscal year.

d) This Section applies to those elected to an office of Illinois State government. This Section does not apply to those elected to local government offices, including school districts, nor does it apply to those elected to Federal offices in this State. This Section does not apply to contracts with licensed professionals, provided those contracts are competitively bid.

e) Additional exemptions to the application of this Part are listed in Section 50-13(f) of the Code.

(Source: Amended at 46 Ill. Reg. 10208, effective June 2, 2022)