

HB5871



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB5871

by Rep. Sonya M. Harper

SYNOPSIS AS INTRODUCED:

See Index

Creates the Economic Equity Act. Provides for programs and amends various statutory provisions for the purpose of aiding economically disadvantaged persons and groups. Effective immediately.

LRB101 23250 RJF 74399 b

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 1. This Act may be referred to as the Economic
5 Equity Act.

6 Article 1.

7 Section 1-1. Short title. This Act may be cited as the
8 Employee Background Fairness Act.

9 Section 1-5. Definitions. As used in this Act:

10 "Adverse action" means to fail or refuse to hire an
11 applicant, to discharge or to not promote any employee, or to
12 classify employees in a way that would deprive or tend to
13 deprive any individual of employment opportunities.

14 "Applicant" means a person pursuing employment with an
15 employer.

16 "Conviction" means a judgment of conviction or sentence
17 entered upon a plea of guilty or upon a verdict or finding of
18 guilty of a criminal offense, rendered by a legally constituted
19 jury or by a court in a case without a jury. For purposes of
20 this Act, an order of supervision or qualified probation, as
21 defined by Section 5.2 of the Criminal Identification Act, that

1 has been discharged or dismissed shall not be deemed a
2 conviction.

3 "Criminal history record information" means records of
4 arrest, complaint, indictment, or any disposition arising
5 therefrom.

6 "Criminal history report" means any written, oral, or other
7 communication of information that includes criminal history
8 record information about a natural person, produced by law
9 enforcement or police agencies, courts, a consumer reporting
10 agency, or an employment screening agency or business.

11 "Direct relationship" means a consideration of whether the
12 employment position offers the opportunity for the same or a
13 similar offense to occur and whether circumstances leading to
14 the conduct for which the person was convicted will recur in
15 the employment position.

16 "Employee" means an individual who receives compensation
17 for performing services for an employer under an express or
18 implied contract of hire.

19 "Employer" means an individual or entity that permits one
20 or more individuals to work, accepts applications for
21 employment, or is an agent of an employer.

22 "Employment" means any occupation or vocation, including,
23 but not limited to, temporary or seasonal work, work through a
24 temporary or other employment agency, or any form of vocational
25 or educational training program for which an individual
26 receives compensation for performing services for an employer

1 under an express or implied contract for hire.

2 Section 1-10. Use of criminal history record information.

3 (a) An employer may not base an adverse action, in whole or
4 in part, against an employee or applicant, based on criminal
5 history record information without adhering to the
6 requirements of this Act. Unless authorized by law, no inquiry
7 or adverse action may be taken, based in whole or in part on:

8 (1) an arrest not leading to conviction;

9 (2) participation in or completion of a diversion or a
10 deferral of judgment program;

11 (3) a conviction that has been vacated or ordered
12 expunged, sealed, or impounded by a court;

13 (4) an adjudication or other information regarding a
14 matter processed through the juvenile court system; or

15 (5) information pertaining to an offense other than a
16 felony or misdemeanor.

17 (b) Before taking any adverse action based, in whole in
18 part, on criminal history record information, the employer or
19 the employer's agent shall provide the applicant or employee a
20 written notice that includes:

21 (1) a copy of any criminal history report about the
22 individual obtained by the employer;

23 (2) the specific conviction or convictions that have a
24 direct relationship to the employment sought or for which
25 there is a federal, State, or local law prohibiting the

1 employer from employing or placing the applicant or
2 employee;

3 (3) a clear statement informing the applicant or
4 employee that he or she may provide information to the
5 employer that:

6 (A) the criminal history record information is
7 inaccurate;

8 (B) the criminal history information is prohibited
9 from inquiry or consideration under Section (a); or

10 (C) there are mitigating circumstances that
11 demonstrate the individual's fitness for the position
12 including, but not limited to, activities since the
13 date of the offense and evidence of rehabilitation.

14 An employee or applicant has a period of not less than 7
15 days from the date of notice within which the applicant or
16 employee may provide to the employer information concerning
17 rehabilitation and mitigating circumstances.

18 (c) An employer shall conduct a good faith, individualized
19 assessment of any information provided by the applicant or
20 employee before taking a final adverse action. This assessment
21 shall include any evidence of mitigation or rehabilitation
22 since the conviction or evidence about the accuracy of criminal
23 history record information provided by the applicant or
24 employee.

25 (d) An employer must hold the position sought by the
26 applicant or employee open until the individual provides

1 additional information and the review of that information under
2 subsection (c) or until the period of time to provide
3 additional information under subsection (c) has passed if no
4 information is provided. At or before the time the employer
5 fills the position, the employer must provide the applicant or
6 employee with a final written determination that includes the
7 following:

8 (1) a statement of the employer's final determination;

9 (2) a description of an appeal process, if any; and

10 (3) the earliest date, if any, when the individual may
11 reapply for the position.

12 Section 1-15. Retaliatory or discriminatory acts. A person
13 shall not retaliate or discriminate against an applicant or
14 employee because the person has done or was about to do any of
15 the following:

16 (1) File a complaint under this Act.

17 (2) Testify, assist, or participate in an
18 investigation, proceeding, or action concerning a
19 violation of this Act.

20 (3) Oppose a violation of this Act.

21 Section 1-20. Waiver. An employer shall not require an
22 applicant or employee to waive any right under this Act. An
23 agreement by an applicant or employee to waive any right under
24 this Act is invalid and unenforceable.

1 (Section scheduled to be repealed on June 30, 2024)

2 Sec. 4. Award of State contracts.

3 (a) Except as provided in subsection (b), not less than 30%
4 ~~20%~~ of the total dollar amount of State contracts, as defined
5 by the Secretary of the Council and approved by the Council,
6 shall be established as an aspirational goal to be awarded to
7 businesses owned by minorities, women, and persons with
8 disabilities; provided, however, that of the total amount of
9 all State contracts awarded to businesses owned by minorities,
10 women, and persons with disabilities pursuant to this Section,
11 contracts representing at least 16% ~~11%~~ shall be awarded to
12 businesses owned by minorities, contracts representing at
13 least 10% ~~7%~~ shall be awarded to women-owned businesses, and
14 contracts representing at least 4% ~~2%~~ shall be awarded to
15 businesses owned by persons with disabilities.

16 (a-5) In addition to the aspirational goals in awarding
17 State contracts set under subsection (a), the Department of
18 Central Management Services shall by rule further establish
19 committed diversity aspirational goals for State contracts
20 awarded to businesses owned by minorities, women, and persons
21 with disabilities. Such efforts shall include, but not be
22 limited to, further concerted outreach efforts to businesses
23 owned by minorities, women, and persons with disabilities.

24 The above percentage relates to the total dollar amount of
25 State contracts during each State fiscal year, calculated by
26 examining independently each type of contract for each agency

1 or public institutions of higher education which lets such
2 contracts. Only that percentage of arrangements which
3 represents the participation of businesses owned by
4 minorities, women, and persons with disabilities on such
5 contracts shall be included. State contracts subject to the
6 requirements of this Act shall include the requirement that
7 only expenditures to businesses owned by minorities, women, and
8 persons with disabilities that perform a commercially useful
9 function may be counted toward the goals set forth by this Act.
10 Contracts shall include a definition of "commercially useful
11 function" that is consistent with 49 CFR 26.55(c).

12 (b) Not less than 20% of the total dollar amount of State
13 construction contracts is established as an aspirational goal
14 to be awarded to businesses owned by minorities, women, and
15 persons with disabilities; provided that, contracts
16 representing at least 11% of the total dollar amount of State
17 construction contracts shall be awarded to businesses owned by
18 minorities; contracts representing at least 7% of the total
19 dollar amount of State construction contracts shall be awarded
20 to women-owned businesses; and contracts representing at least
21 2% of the total dollar amount of State construction contracts
22 shall be awarded to businesses owned by persons with
23 disabilities.

24 (c) (Blank).

25 (d) Within one year after April 28, 2009 (the effective
26 date of Public Act 96-8), the Department of Central Management

1 Services shall conduct a social scientific study that measures
2 the impact of discrimination on minority and women business
3 development in Illinois. Within 18 months after April 28, 2009
4 (the effective date of Public Act 96-8), the Department shall
5 issue a report of its findings and any recommendations on
6 whether to adjust the goals for minority and women
7 participation established in this Act. Copies of this report
8 and the social scientific study shall be filed with the
9 Governor and the General Assembly.

10 By December 1, 2020, the Department of Central Management
11 Services shall conduct a new social scientific study that
12 measures the impact of discrimination on minority and women
13 business development in Illinois. By June 1, 2022, the
14 Department shall issue a report of its findings and any
15 recommendations on whether to adjust the goals for minority and
16 women participation established in this Act. Copies of this
17 report and the social scientific study shall be filed with the
18 Governor, ~~the Advisory Board,~~ and the General Assembly. By
19 December 1, 2022, the Department of Central Management Services
20 Business Enterprise Program shall develop a model for social
21 scientific disparity study sourcing for local governmental
22 units to adapt and implement to address regional disparities in
23 public procurement.

24 (e) Except as permitted under this Act or as otherwise
25 mandated by federal law or regulation, those who submit bids or
26 proposals for State contracts subject to the provisions of this

1 Act, whose bids or proposals are successful and include a
2 utilization plan but that fail to meet the goals set forth in
3 subsection (b) of this Section, shall be notified of that
4 deficiency and shall be afforded a period not to exceed 10
5 calendar days from the date of notification to cure that
6 deficiency in the bid or proposal. The deficiency in the bid or
7 proposal may only be cured by contracting with additional
8 subcontractors who are owned by minorities or women. Any
9 increase in cost to a contract for the addition of a
10 subcontractor to cure a bid's deficiency shall not affect the
11 bid price, shall not be used in the request for an exemption in
12 this Act, and in no case shall an identified subcontractor with
13 a certification made pursuant to this Act be terminated from
14 the contract without the written consent of the State agency or
15 public institution of higher education entering into the
16 contract.

17 (f) Non-construction solicitations that include Business
18 Enterprise Program participation goals shall require bidders
19 and offerors to include utilization plans. Utilization plans
20 are due at the time of bid or offer submission. Failure to
21 complete and include a utilization plan, including
22 documentation demonstrating good faith effort when requesting
23 a waiver, shall render the bid or offer non-responsive.

24 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20;
25 101-601, eff. 1-1-20; revised 10-26-20.)

1 Article 20.

2 Section 20-5. The Illinois Public Labor Relations Act is
3 amended by adding Section 9.5 as follows:

4 (5 ILCS 315/9.5 new)

5 Sec. 9.5. Labor organization diverse membership. Any labor
6 organization that is selected as the exclusive representative
7 of the employees of a bargaining unit and subject to the
8 provisions of this Act shall take actions to establish and
9 maintain membership that includes Descendants of American
10 Slavery that is proportionate to the percentage of such persons
11 who are residents of this State, and shall report those actions
12 to the Business Enterprise Council for Minorities, Women, and
13 Persons with Disabilities. For the purposes of this Section,
14 "Descendants of American Slavery" means a person as described
15 within the meaning of "minority person" under Section 2 of the
16 Business Enterprise for Minorities, Women, and Persons with
17 Disabilities Act.

18 Section 20-10. The Business Enterprise for Minorities,
19 Women, and Persons with Disabilities Act is amended by changing
20 Sections 2, 4, 4f, 6, 7, and 8f as follows:

21 (30 ILCS 575/2)

22 (Section scheduled to be repealed on June 30, 2024)

1 Sec. 2. Definitions.

2 (A) For the purpose of this Act, the following terms shall
3 have the following definitions:

4 (1) "Minority person" shall mean a person who is a
5 citizen or lawful permanent resident of the United States
6 and who is any of the following:

7 (a) American Indian or Alaska Native (a person
8 having origins in any of the original peoples of North
9 and South America, including Central America, and who
10 maintains tribal affiliation or community attachment).

11 (b) Asian (a person having origins in any of the
12 original peoples of the Far East, Southeast Asia, or
13 the Indian subcontinent, including, but not limited
14 to, Cambodia, China, India, Japan, Korea, Malaysia,
15 Pakistan, the Philippine Islands, Thailand, and
16 Vietnam).

17 (c) Black or African American (a person having
18 origins in any of the black racial groups of Africa).

19 (c-5) Descendant of American Slavery (a person
20 having direct ancestral lineage to victims of slavery
21 in the United States of America).

22 (d) Hispanic or Latino (a person of Cuban, Mexican,
23 Puerto Rican, South or Central American, or other
24 Spanish culture or origin, regardless of race).

25 (e) Native Hawaiian or Other Pacific Islander (a
26 person having origins in any of the original peoples of

1 Hawaii, Guam, Samoa, or other Pacific Islands).

2 (2) "Woman" shall mean a person who is a citizen or
3 lawful permanent resident of the United States and who is
4 of the female gender.

5 (2.05) "Person with a disability" means a person who is
6 a citizen or lawful resident of the United States and is a
7 person qualifying as a person with a disability under
8 subdivision (2.1) of this subsection (A).

9 (2.1) "Person with a disability" means a person with a
10 severe physical or mental disability that:

11 (a) results from:

12 amputation,

13 arthritis,

14 autism,

15 blindness,

16 burn injury,

17 cancer,

18 cerebral palsy,

19 Crohn's disease,

20 cystic fibrosis,

21 deafness,

22 head injury,

23 heart disease,

24 hemiplegia,

25 hemophilia,

26 respiratory or pulmonary dysfunction,

1 an intellectual disability,
2 mental illness,
3 multiple sclerosis,
4 muscular dystrophy,
5 musculoskeletal disorders,
6 neurological disorders, including stroke and
7 epilepsy,
8 paraplegia,
9 quadriplegia and other spinal cord conditions,
10 sickle cell anemia,
11 ulcerative colitis,
12 specific learning disabilities, or
13 end stage renal failure disease; and

14 (b) substantially limits one or more of the
15 person's major life activities.

16 Another disability or combination of disabilities may
17 also be considered as a severe disability for the purposes
18 of item (a) of this subdivision (2.1) if it is determined
19 by an evaluation of rehabilitation potential to cause a
20 comparable degree of substantial functional limitation
21 similar to the specific list of disabilities listed in item
22 (a) of this subdivision (2.1).

23 (3) "Minority-owned business" means a business which
24 is at least 51% owned by one or more minority persons, or
25 in the case of a corporation, at least 51% of the stock in
26 which is owned by one or more minority persons; and the

1 management and daily business operations of which are
2 controlled by one or more of the minority individuals who
3 own it.

4 (4) "Women-owned business" means a business which is at
5 least 51% owned by one or more women, or, in the case of a
6 corporation, at least 51% of the stock in which is owned by
7 one or more women; and the management and daily business
8 operations of which are controlled by one or more of the
9 women who own it.

10 (4.1) "Business owned by a person with a disability"
11 means a business that is at least 51% owned by one or more
12 persons with a disability and the management and daily
13 business operations of which are controlled by one or more
14 of the persons with disabilities who own it. A
15 not-for-profit agency for persons with disabilities that
16 is exempt from taxation under Section 501 of the Internal
17 Revenue Code of 1986 is also considered a "business owned
18 by a person with a disability".

19 (4.2) "Council" means the Business Enterprise Council
20 for Minorities, Women, and Persons with Disabilities
21 created under Section 5 of this Act.

22 (5) "State contracts" means all contracts entered into
23 by the State, any agency or department thereof, or any
24 public institution of higher education, including
25 community college districts, regardless of the source of
26 the funds with which the contracts are paid, which are not

1 subject to federal reimbursement. "State contracts" does
2 not include contracts awarded by a retirement system,
3 pension fund, or investment board subject to Section
4 1-109.1 of the Illinois Pension Code. This definition shall
5 control over any existing definition under this Act or
6 applicable administrative rule.

7 "State construction contracts" means all State
8 contracts entered into by a State agency or public
9 institution of higher education for the repair,
10 remodeling, renovation or construction of a building or
11 structure, or for the construction or maintenance of a
12 highway defined in Article 2 of the Illinois Highway Code.

13 (6) "State agencies" shall mean all departments,
14 officers, boards, commissions, institutions and bodies
15 politic and corporate of the State, but does not include
16 the Board of Trustees of the University of Illinois, the
17 Board of Trustees of Southern Illinois University, the
18 Board of Trustees of Chicago State University, the Board of
19 Trustees of Eastern Illinois University, the Board of
20 Trustees of Governors State University, the Board of
21 Trustees of Illinois State University, the Board of
22 Trustees of Northeastern Illinois University, the Board of
23 Trustees of Northern Illinois University, the Board of
24 Trustees of Western Illinois University, municipalities or
25 other local governmental units, or other State
26 constitutional officers.

1 (7) "Public institutions of higher education" means
2 the University of Illinois, Southern Illinois University,
3 Chicago State University, Eastern Illinois University,
4 Governors State University, Illinois State University,
5 Northeastern Illinois University, Northern Illinois
6 University, Western Illinois University, the public
7 community colleges of the State, and any other public
8 universities, colleges, and community colleges now or
9 hereafter established or authorized by the General
10 Assembly.

11 (8) "Certification" means a determination made by the
12 Council or by one delegated authority from the Council to
13 make certifications, or by a State agency with statutory
14 authority to make such a certification, that a business
15 entity is a business owned by a minority, woman, or person
16 with a disability for whatever purpose. A business owned
17 and controlled by women shall be certified as a
18 "woman-owned business". A business owned and controlled by
19 women who are also minorities shall be certified as both a
20 "women-owned business" and a "minority-owned business".

21 (9) "Control" means the exclusive or ultimate and sole
22 control of the business including, but not limited to,
23 capital investment and all other financial matters,
24 property, acquisitions, contract negotiations, legal
25 matters, officer-director-employee selection and
26 comprehensive hiring, operating responsibilities,

1 cost-control matters, income and dividend matters,
2 financial transactions and rights of other shareholders or
3 joint partners. Control shall be real, substantial and
4 continuing, not pro forma. Control shall include the power
5 to direct or cause the direction of the management and
6 policies of the business and to make the day-to-day as well
7 as major decisions in matters of policy, management and
8 operations. Control shall be exemplified by possessing the
9 requisite knowledge and expertise to run the particular
10 business and control shall not include simple majority or
11 absentee ownership.

12 (10) "Business" means a business that has annual gross
13 sales of less than \$75,000,000 as evidenced by the federal
14 income tax return of the business. A firm with gross sales
15 in excess of this cap may apply to the Council for
16 certification for a particular contract if the firm can
17 demonstrate that the contract would have significant
18 impact on businesses owned by minorities, women, or persons
19 with disabilities as suppliers or subcontractors or in
20 employment of minorities, women, or persons with
21 disabilities.

22 (11) "Utilization plan" means a form and additional
23 documentations included in all bids or proposals that
24 demonstrates a vendor's proposed utilization of vendors
25 certified by the Business Enterprise Program to meet the
26 targeted goal. The utilization plan shall demonstrate that

1 the Vendor has either: (1) met the entire contract goal or
2 (2) requested a full or partial waiver and made good faith
3 efforts towards meeting the goal.

4 (12) "Business Enterprise Program" means the Business
5 Enterprise Program of the Department of Central Management
6 Services.

7 (B) When a business is owned at least 51% by any
8 combination of minority persons, women, or persons with
9 disabilities, even though none of the 3 classes alone holds at
10 least a 51% interest, the ownership requirement for purposes of
11 this Act is considered to be met. The certification category
12 for the business is that of the class holding the largest
13 ownership interest in the business. If 2 or more classes have
14 equal ownership interests, the certification category shall be
15 determined by the business.

16 (Source: P.A. 100-391, eff. 8-25-17; 101-601, eff. 1-1-20.)

17 (30 ILCS 575/4) (from Ch. 127, par. 132.604)

18 (Section scheduled to be repealed on June 30, 2024)

19 Sec. 4. Award of State contracts.

20 (a) Except as provided in subsections ~~subsection~~ (b) and
21 (b-5), not less than 20% of the total dollar amount of State
22 contracts, as defined by the Secretary of the Council and
23 approved by the Council, shall be established as an
24 aspirational goal to be awarded to businesses owned by
25 minorities, women, and persons with disabilities; provided,

1 however, that of the total amount of all State contracts
2 awarded to businesses owned by minorities, women, and persons
3 with disabilities pursuant to this Section, contracts
4 representing at least 11% shall be awarded to businesses owned
5 by minorities, contracts representing at least 7% shall be
6 awarded to women-owned businesses, and contracts representing
7 at least 2% shall be awarded to businesses owned by persons
8 with disabilities.

9 The above percentage relates to the total dollar amount of
10 State contracts during each State fiscal year, calculated by
11 examining independently each type of contract for each agency
12 or public institutions of higher education which lets such
13 contracts. Only that percentage of arrangements which
14 represents the participation of businesses owned by
15 minorities, women, and persons with disabilities on such
16 contracts shall be included. State contracts subject to the
17 requirements of this Act shall include the requirement that
18 only expenditures to businesses owned by minorities, women, and
19 persons with disabilities that perform a commercially useful
20 function may be counted toward the goals set forth by this Act.
21 Contracts shall include a definition of "commercially useful
22 function" that is consistent with 49 CFR 26.55(c).

23 (b) Except as provided in subsection (b-5), not ~~Not~~ less
24 than 20% of the total dollar amount of State construction
25 contracts is established as an aspirational goal to be awarded
26 to businesses owned by minorities, women, and persons with

1 disabilities; provided that, contracts representing at least
2 11% of the total dollar amount of State construction contracts
3 shall be awarded to businesses owned by minorities; contracts
4 representing at least 7% of the total dollar amount of State
5 construction contracts shall be awarded to women-owned
6 businesses; and contracts representing at least 2% of the total
7 dollar amount of State construction contracts shall be awarded
8 to businesses owned by persons with disabilities.

9 (b-5) Notwithstanding the provisions of subsections (a)
10 and (b), it shall be established as an aspirational goal to
11 award State contracts to businesses owned by Descendants of
12 American Slavery in a total dollar amount that is proportionate
13 to the percentage of such persons who are residents of this
14 State.

15 Those who submit bids or proposals for State contracts
16 subject to the provisions of this Act, whose bids or proposals
17 are successful, but that fail to meet the goals set forth in
18 this subsection (b-5), shall be notified of that deficiency and
19 shall be afforded a period not to exceed 10 calendar days from
20 the date of notification to cure that deficiency in the bid or
21 proposal. The deficiency in the bid or proposal may only be
22 cured by contracting with additional subcontractors who are
23 owned by Descendants of American Slavery. Any increase in cost
24 to a contract for the addition of a subcontractor to cure a
25 bid's deficiency shall not affect the bid price, shall not be
26 used in the request for an exemption in this Act, and in no

1 case shall an identified subcontractor with a certification
2 made pursuant to this Act be terminated from the contract
3 without the written consent of the State agency or public
4 institution of higher education entering into the contract.

5 A contractor submitting bids or proposals for State
6 contracts subject to the provisions of this Act shall submit a
7 plan to the Council outlining its efforts to utilize
8 subcontractors owned by Descendants of American Slavery for the
9 purposes of fulfilling the goals and requirements established
10 under this Act.

11 (c) (Blank).

12 (d) Within one year after April 28, 2009 (the effective
13 date of Public Act 96-8), the Department of Central Management
14 Services shall conduct a social scientific study that measures
15 the impact of discrimination on minority and women business
16 development in Illinois. Within 18 months after April 28, 2009
17 (the effective date of Public Act 96-8), the Department shall
18 issue a report of its findings and any recommendations on
19 whether to adjust the goals for minority and women
20 participation established in this Act. Copies of this report
21 and the social scientific study shall be filed with the
22 Governor and the General Assembly.

23 By December 1, 2020, the Department of Central Management
24 Services shall conduct a new social scientific study that
25 measures the impact of discrimination on minority and women
26 business development in Illinois. By June 1, 2022, the

1 Department shall issue a report of its findings and any
2 recommendations on whether to adjust the goals for minority and
3 women participation established in this Act. Copies of this
4 report and the social scientific study shall be filed with the
5 Governor, ~~the Advisory Board,~~ and the General Assembly. By
6 December 1, 2022, the Department of Central Management Services
7 Business Enterprise Program shall develop a model for social
8 scientific disparity study sourcing for local governmental
9 units to adapt and implement to address regional disparities in
10 public procurement.

11 (e) Except as permitted under this Act or as otherwise
12 mandated by federal law or regulation, those who submit bids or
13 proposals for State contracts subject to the provisions of this
14 Act, whose bids or proposals are successful and include a
15 utilization plan but that fail to meet the goals set forth in
16 subsection (b) of this Section, shall be notified of that
17 deficiency and shall be afforded a period not to exceed 10
18 calendar days from the date of notification to cure that
19 deficiency in the bid or proposal. The deficiency in the bid or
20 proposal may only be cured by contracting with additional
21 subcontractors who are owned by minorities or women. Any
22 increase in cost to a contract for the addition of a
23 subcontractor to cure a bid's deficiency shall not affect the
24 bid price, shall not be used in the request for an exemption in
25 this Act, and in no case shall an identified subcontractor with
26 a certification made pursuant to this Act be terminated from

1 the contract without the written consent of the State agency or
2 public institution of higher education entering into the
3 contract.

4 (f) Non-construction solicitations that include Business
5 Enterprise Program participation goals shall require bidders
6 and offerors to include utilization plans. Utilization plans
7 are due at the time of bid or offer submission. Failure to
8 complete and include a utilization plan, including
9 documentation demonstrating good faith effort when requesting
10 a waiver, shall render the bid or offer non-responsive.

11 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20;
12 101-601, eff. 1-1-20; revised 10-26-20.)

13 (30 ILCS 575/4f)

14 (Section scheduled to be repealed on June 30, 2024)

15 Sec. 4f. Award of State contracts.

16 (1) It is hereby declared to be the public policy of the
17 State of Illinois to promote and encourage each State agency
18 and public institution of higher education to use businesses
19 owned by minorities, women, and persons with disabilities in
20 the area of goods and services, including, but not limited to,
21 insurance services, investment management services,
22 information technology services, accounting services,
23 architectural and engineering services, and legal services.
24 Furthermore, each State agency and public institution of higher
25 education shall utilize such firms to the greatest extent

1 feasible within the bounds of financial and fiduciary prudence,
2 and take affirmative steps to remove any barriers to the full
3 participation of such firms in the procurement and contracting
4 opportunities afforded.

5 (a) When a State agency or public institution of higher
6 education, other than a community college, awards a
7 contract for insurance services, for each State agency or
8 public institution of higher education, it shall be the
9 aspirational goal to use insurance brokers owned by
10 minorities, women, and persons with disabilities as
11 defined by this Act, for not less than 20% of the total
12 annual premiums or fees; provided that, contracts
13 representing at least 11% of the total annual premiums or
14 fees shall be awarded to businesses owned by minorities;
15 contracts representing at least 7% of the total annual
16 premiums or fees shall be awarded to women-owned
17 businesses; and contracts representing at least 2% of the
18 total annual premiums or fees shall be awarded to
19 businesses owned by persons with disabilities.

20 (a-5) Notwithstanding subsection (a), when a State
21 agency or public institution of higher education awards a
22 contract for insurance services, for each State agency or
23 public institution of higher education, it shall be the
24 aspirational goal to use insurance brokers owned by
25 Descendants of American Slavery in a percentage of the
26 total annual premiums or fees that is proportionate to the

1 percentage of such persons who are residents of this State.

2 (b) When a State agency or public institution of higher
3 education, other than a community college, awards a
4 contract for investment services, for each State agency or
5 public institution of higher education, it shall be the
6 aspirational goal to use emerging investment managers
7 owned by minorities, women, and persons with disabilities
8 as defined by this Act, for not less than 20% of the total
9 funds under management; provided that, contracts
10 representing at least 11% of the total funds under
11 management shall be awarded to businesses owned by
12 minorities; contracts representing at least 7% of the total
13 funds under management shall be awarded to women-owned
14 businesses; and contracts representing at least 2% of the
15 total funds under management shall be awarded to businesses
16 owned by persons with disabilities. Furthermore, it is the
17 aspirational goal that not less than 20% of the direct
18 asset managers of the State funds be minorities, women, and
19 persons with disabilities.

20 (b-5) Notwithstanding subsection (b), when a State
21 agency or public institution of higher education awards a
22 contract for investment services, for each State agency or
23 public institution of higher education, it shall be the
24 aspirational goal to use emerging investment managers
25 owned by Descendants of American Slavery in a percentage of
26 the total funds under management that is proportionate to

1 the percentage of such persons who are residents of this
2 State.

3 (c) When a State agency or public institution of higher
4 education, other than a community college, awards
5 contracts for information technology services, accounting
6 services, architectural and engineering services, and
7 legal services, for each State agency and public
8 institution of higher education, it shall be the
9 aspirational goal to use such firms owned by minorities,
10 women, and persons with disabilities as defined by this Act
11 and lawyers who are minorities, women, and persons with
12 disabilities as defined by this Act, for not less than 20%
13 of the total dollar amount of State contracts; provided
14 that, contracts representing at least 11% of the total
15 dollar amount of State contracts shall be awarded to
16 businesses owned by minorities or minority lawyers;
17 contracts representing at least 7% of the total dollar
18 amount of State contracts shall be awarded to women-owned
19 businesses or women who are lawyers; and contracts
20 representing at least 2% of the total dollar amount of
21 State contracts shall be awarded to businesses owned by
22 persons with disabilities or persons with disabilities who
23 are lawyers.

24 (c-5) Notwithstanding subsection (c), when a State
25 agency or public institution of higher education awards
26 contracts for information technology services, accounting

1 services, architectural and engineering services, and
2 legal services, for each State agency or public institution
3 of higher education, it shall be the aspirational goal to
4 use such firms owned by Descendants of American Slavery and
5 lawyers who are Descendants of American Slavery in a
6 percentage of the total dollar amount of State contracts
7 that is proportionate to the percentage of such persons who
8 are residents of this State.

9 (d) When a community college awards a contract for
10 insurance services, investment services, information
11 technology services, accounting services, architectural
12 and engineering services, and legal services, it shall be
13 the aspirational goal of each community college to use
14 businesses owned by minorities, women, and persons with
15 disabilities as defined in this Act for not less than 20%
16 of the total amount spent on contracts for these services
17 collectively; provided that, contracts representing at
18 least 11% of the total amount spent on contracts for these
19 services shall be awarded to businesses owned by
20 minorities; contracts representing at least 7% of the total
21 amount spent on contracts for these services shall be
22 awarded to women-owned businesses; and contracts
23 representing at least 2% of the total amount spent on
24 contracts for these services shall be awarded to businesses
25 owned by persons with disabilities. When a community
26 college awards contracts for investment services,

1 contracts awarded to investment managers who are not
2 emerging investment managers as defined in this Act shall
3 not be considered businesses owned by minorities, women, or
4 persons with disabilities for the purposes of this Section.

5 (2) As used in this Section:

6 "Accounting services" means the measurement,
7 processing and communication of financial information
8 about economic entities including, but is not limited to,
9 financial accounting, management accounting, auditing,
10 cost containment and auditing services, taxation and
11 accounting information systems.

12 "Architectural and engineering services" means
13 professional services of an architectural or engineering
14 nature, or incidental services, that members of the
15 architectural and engineering professions, and individuals
16 in their employ, may logically or justifiably perform,
17 including studies, investigations, surveying and mapping,
18 tests, evaluations, consultations, comprehensive planning,
19 program management, conceptual designs, plans and
20 specifications, value engineering, construction phase
21 services, soils engineering, drawing reviews, preparation
22 of operating and maintenance manuals, and other related
23 services.

24 "Emerging investment manager" means an investment
25 manager or claims consultant having assets under
26 management below \$10 billion or otherwise adjudicating

1 claims.

2 "Information technology services" means, but is not
3 limited to, specialized technology-oriented solutions by
4 combining the processes and functions of software,
5 hardware, networks, telecommunications, web designers,
6 cloud developing resellers, and electronics.

7 "Insurance broker" means an insurance brokerage firm,
8 claims administrator, or both, that procures, places all
9 lines of insurance, or administers claims with annual
10 premiums or fees of at least \$5,000,000 but not more than
11 \$10,000,000.

12 "Legal services" means work performed by a lawyer
13 including, but not limited to, contracts in anticipation of
14 litigation, enforcement actions, or investigations.

15 (3) Each State agency and public institution of higher
16 education shall adopt policies that identify its plan and
17 implementation procedures for increasing the use of service
18 firms owned by minorities, women, and persons with
19 disabilities.

20 (4) Except as provided in subsection (5), the Council shall
21 file no later than March 1 of each year an annual report to the
22 Governor, the Bureau on Apprenticeship Programs, and the
23 General Assembly. The report filed with the General Assembly
24 shall be filed as required in Section 3.1 of the General
25 Assembly Organization Act. This report shall: (i) identify the
26 service firms used by each State agency and public institution

1 of higher education, (ii) identify the actions it has
2 undertaken to increase the use of service firms owned by
3 minorities, women, and persons with disabilities, including
4 encouraging non-minority-owned firms to use other service
5 firms owned by minorities, women, and persons with disabilities
6 as subcontractors when the opportunities arise, (iii) state any
7 recommendations made by the Council to each State agency and
8 public institution of higher education to increase
9 participation by the use of service firms owned by minorities,
10 women, and persons with disabilities, and (iv) include the
11 following:

12 (A) For insurance services: the names of the insurance
13 brokers or claims consultants used, the total of risk
14 managed by each State agency and public institution of
15 higher education by insurance brokers, the total
16 commissions, fees paid, or both, the lines or insurance
17 policies placed, and the amount of premiums placed; and the
18 percentage of the risk managed by insurance brokers, the
19 percentage of total commission, fees paid, or both, the
20 lines or insurance policies placed, and the amount of
21 premiums placed with each by the insurance brokers owned by
22 minorities, women, and persons with disabilities by each
23 State agency and public institution of higher education.

24 (B) For investment management services: the names of
25 the investment managers used, the total funds under
26 management of investment managers; the total commissions,

1 fees paid, or both; the total and percentage of funds under
2 management of emerging investment managers owned by
3 minorities, women, and persons with disabilities,
4 including the total and percentage of total commissions,
5 fees paid, or both by each State agency and public
6 institution of higher education.

7 (C) The names of service firms, the percentage and
8 total dollar amount paid for professional services by
9 category by each State agency and public institution of
10 higher education.

11 (D) The names of service firms, the percentage and
12 total dollar amount paid for services by category to firms
13 owned by minorities, women, and persons with disabilities
14 by each State agency and public institution of higher
15 education.

16 (E) The total number of contracts awarded for services
17 by category and the total number of contracts awarded to
18 firms owned by minorities, women, and persons with
19 disabilities by each State agency and public institution of
20 higher education.

21 (5) For community college districts, the Business
22 Enterprise Council shall only report the following information
23 for each community college district: (i) the name of the
24 community colleges in the district, (ii) the name and contact
25 information of a person at each community college appointed to
26 be the single point of contact for vendors owned by minorities,

1 women, or persons with disabilities, (iii) the policy of the
2 community college district concerning certified vendors, (iv)
3 the certifications recognized by the community college
4 district for determining whether a business is owned or
5 controlled by a minority, woman, or person with a disability,
6 (v) outreach efforts conducted by the community college
7 district to increase the use of certified vendors, (vi) the
8 total expenditures by the community college district in the
9 prior fiscal year in the divisions of work specified in
10 paragraphs (a), (b), and (c) of subsection (1) of this Section
11 and the amount paid to certified vendors in those divisions of
12 work, and (vii) the total number of contracts entered into for
13 the divisions of work specified in paragraphs (a), (b), and (c)
14 of subsection (1) of this Section and the total number of
15 contracts awarded to certified vendors providing these
16 services to the community college district. The Business
17 Enterprise Council shall not make any utilization reports under
18 this Act for community college districts for Fiscal Year 2015
19 and Fiscal Year 2016, but shall make the report required by
20 this subsection for Fiscal Year 2017 and for each fiscal year
21 thereafter. The Business Enterprise Council shall report the
22 information in items (i), (ii), (iii), and (iv) of this
23 subsection beginning in September of 2016. The Business
24 Enterprise Council may collect the data needed to make its
25 report from the Illinois Community College Board.

26 (6) The status of the utilization of services shall be

1 discussed at each of the regularly scheduled Business
2 Enterprise Council meetings. Time shall be allotted for the
3 Council to receive, review, and discuss the progress of the use
4 of service firms owned by minorities, women, and persons with
5 disabilities by each State agency and public institution of
6 higher education; and any evidence regarding past or present
7 racial, ethnic, or gender-based discrimination which directly
8 impacts a State agency or public institution of higher
9 education contracting with such firms. If after reviewing such
10 evidence the Council finds that there is or has been such
11 discrimination against a specific group, race or sex, the
12 Council shall establish sheltered markets or adjust existing
13 sheltered markets tailored to address the Council's specific
14 findings for the divisions of work specified in paragraphs (a),
15 (b), and (c) of subsection (1) of this Section.

16 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20.)

17 (30 ILCS 575/6) (from Ch. 127, par. 132.606)

18 (Section scheduled to be repealed on June 30, 2024)

19 Sec. 6. Agency compliance plans. Each State agency and
20 public institutions of higher education under the jurisdiction
21 of this Act shall file with the Council an annual compliance
22 plan which shall outline the goals of the State agency or
23 public institutions of higher education for contracting with
24 businesses owned by minorities, women, and persons with
25 disabilities for the then current fiscal year, the manner in

1 which the agency intends to reach these goals and a timetable
2 for reaching these goals. The Council shall review and approve
3 the plan of each State agency and public institutions of higher
4 education and may reject any plan that does not comply with
5 this Act or any rules or regulations promulgated pursuant to
6 this Act.

7 (a) The compliance plan shall also include, but not be
8 limited to, (1) a policy statement, signed by the State agency
9 or public institution of higher education head, expressing a
10 commitment to encourage the use of businesses owned by
11 minorities, women, and persons with disabilities, (2) the
12 designation of the liaison officer provided for in Section 5 of
13 this Act, (3) procedures to distribute to potential contractors
14 and vendors the list of all businesses legitimately classified
15 as businesses owned by minorities, women, and persons with
16 disabilities and so certified under this Act, (4) procedures to
17 set separate contract goals on specific prime contracts and
18 purchase orders with subcontracting possibilities based upon
19 the type of work or services and subcontractor availability,
20 (5) procedures to assure that contractors and vendors make good
21 faith efforts to meet contract goals, (6) procedures for
22 contract goal exemption, modification and waiver, and (7) the
23 delineation of separate contract goals for businesses owned by
24 minorities, women, and persons with disabilities.

25 (b) Approval of the compliance plans shall include such
26 delegation of responsibilities to the requesting State agency

1 or public institution of higher education as the Council deems
2 necessary and appropriate to fulfill the purpose of this Act.
3 Such responsibilities may include, but need not be limited to
4 those outlined in subsections (1), (2) and (3) of Section 7,
5 paragraph (a) of Section 8, and Section 8a of this Act.

6 (c) Each State agency and public institution of higher
7 education under the jurisdiction of this Act shall file with
8 the Council an annual report of its utilization of businesses
9 owned by minorities, women, and persons with disabilities
10 during the preceding fiscal year including lapse period
11 spending and a mid-fiscal year report of its utilization to
12 date for the then current fiscal year. The reports shall
13 include a self-evaluation of the efforts of the State agency or
14 public institution of higher education to meet its goals under
15 the Act.

16 (d) Notwithstanding any provisions to the contrary in this
17 Act, any State agency or public institution of higher education
18 which administers a construction program, for which federal law
19 or regulations establish standards and procedures for the
20 utilization of minority-owned and women-owned businesses and
21 disadvantaged businesses, shall implement a disadvantaged
22 business enterprise program to include minority-owned and
23 women-owned businesses and disadvantaged businesses, using the
24 federal standards and procedures for the establishment of goals
25 and utilization procedures for the State-funded, as well as the
26 federally assisted, portions of the program. In such cases,

1 these goals shall not exceed those established pursuant to the
2 relevant federal statutes or regulations. Notwithstanding the
3 provisions of Section 8b, the Illinois Department of
4 Transportation is authorized to establish sheltered markets
5 for the State-funded portions of the program consistent with
6 federal law and regulations. Additionally, a compliance plan
7 which is filed by such State agency or public institution of
8 higher education pursuant to this Act, which incorporates
9 equivalent terms and conditions of its federally-approved
10 compliance plan, shall be deemed approved under this Act.

11 (e) Each State agency and public institution of higher
12 education under the jurisdiction of this Act shall include,
13 along with the compliance plan filed with the Council under
14 this Section, an annual plan of action to specifically rectify
15 the disparity between the representation of Descendants of
16 American Slavery in State contracts compared to the percentage
17 of such persons who are residents of this State. The plan of
18 action shall outline actions to be taken by the State agency to
19 increase representation of Descendants of American Slavery in
20 State contracting, and include the percentage of contracts
21 entered into between the State agency and businesses owned by
22 Descendants of American Slavery.

23 (Source: P.A. 99-462, eff. 8-25-15; 100-391, eff. 8-25-17.)

24 (30 ILCS 575/7) (from Ch. 127, par. 132.607)

25 (Section scheduled to be repealed on June 30, 2024)

1 Sec. 7. Exemptions; waivers; publication of data.

2 (1) Individual contract exemptions. The Council, at the
3 written request of the affected agency, public institution of
4 higher education, or recipient of a grant or loan of State
5 funds of \$250,000 or more complying with Section 45 of the
6 State Finance Act, may permit an individual contract or
7 contract package, (related contracts being bid or awarded
8 simultaneously for the same project or improvements) be made
9 wholly or partially exempt from State contracting goals for
10 businesses owned by minorities, women, and persons with
11 disabilities prior to the advertisement for bids or
12 solicitation of proposals whenever there has been a
13 determination, reduced to writing and based on the best
14 information available at the time of the determination, that
15 there is an insufficient number of businesses owned by
16 minorities, women, and persons with disabilities to ensure
17 adequate competition and an expectation of reasonable prices on
18 bids or proposals solicited for the individual contract or
19 contract package in question. Any such exemptions shall be
20 given by the Council to the Bureau on Apprenticeship Programs.

21 (a) Written request for contract exemption. A written
22 request for an individual contract exemption must include,
23 but is not limited to, the following:

24 (i) a list of eligible businesses owned by
25 minorities, women, and persons with disabilities;

26 (ii) a clear demonstration that the number of

1 eligible businesses identified in subparagraph (i)
2 above is insufficient to ensure adequate competition;

3 (iii) the difference in cost between the contract
4 proposals being offered by businesses owned by
5 minorities, women, and persons with disabilities and
6 the agency or public institution of higher education's
7 expectations of reasonable prices on bids or proposals
8 within that class; and

9 (iv) a list of eligible businesses owned by
10 minorities, women, and persons with disabilities that
11 the contractor has used in the current and prior fiscal
12 years.

13 (b) Determination. The Council's determination
14 concerning an individual contract exemption must consider,
15 at a minimum, the following:

16 (i) the justification for the requested exemption,
17 including whether diligent efforts were undertaken to
18 identify and solicit eligible businesses owned by
19 minorities, women, and persons with disabilities;

20 (ii) the total number of exemptions granted to the
21 affected agency, public institution of higher
22 education, or recipient of a grant or loan of State
23 funds of \$250,000 or more complying with Section 45 of
24 the State Finance Act that have been granted by the
25 Council in the current and prior fiscal years; and

26 (iii) the percentage of contracts awarded by the

1 agency or public institution of higher education to
2 eligible businesses owned by minorities, women, and
3 persons with disabilities in the current and prior
4 fiscal years.

5 (2) Class exemptions.

6 (a) Creation. The Council, at the written request of
7 the affected agency or public institution of higher
8 education, may permit an entire class of contracts be made
9 exempt from State contracting goals for businesses owned by
10 minorities, women, and persons with disabilities whenever
11 there has been a determination, reduced to writing and
12 based on the best information available at the time of the
13 determination, that there is an insufficient number of
14 qualified businesses owned by minorities, women, and
15 persons with disabilities to ensure adequate competition
16 and an expectation of reasonable prices on bids or
17 proposals within that class. Any such exemption shall be
18 given by the Council to the Bureau on Apprenticeship
19 Programs.

20 (a-1) Written request for class exemption. A written
21 request for a class exemption must include, but is not
22 limited to, the following:

23 (i) a list of eligible businesses owned by
24 minorities, women, and persons with disabilities;

25 (ii) a clear demonstration that the number of
26 eligible businesses identified in subparagraph (i)

1 above is insufficient to ensure adequate competition;

2 (iii) the difference in cost between the contract
3 proposals being offered by eligible businesses owned
4 by minorities, women, and persons with disabilities
5 and the agency or public institution of higher
6 education's expectations of reasonable prices on bids
7 or proposals within that class; and

8 (iv) the number of class exemptions the affected
9 agency or public institution of higher education
10 requested in the current and prior fiscal years.

11 (a-2) Determination. The Council's determination
12 concerning class exemptions must consider, at a minimum,
13 the following:

14 (i) the justification for the requested exemption,
15 including whether diligent efforts were undertaken to
16 identify and solicit eligible businesses owned by
17 minorities, women, and persons with disabilities;

18 (ii) the total number of class exemptions granted
19 to the requesting agency or public institution of
20 higher education that have been granted by the Council
21 in the current and prior fiscal years; and

22 (iii) the percentage of contracts awarded by the
23 agency or public institution of higher education to
24 eligible businesses owned by minorities, women, and
25 persons with disabilities the current and prior fiscal
26 years.

1 (b) Limitation. Any such class exemption shall not be
2 permitted for a period of more than one year at a time.

3 (3) Waivers. Where a particular contract requires a
4 contractor to meet a goal established pursuant to this Act, the
5 contractor shall have the right to request a waiver from such
6 requirements. Except as otherwise provided in this Section, the
7 ~~The~~ Council shall grant the waiver where the contractor
8 demonstrates that there has been made a good faith effort to
9 comply with the goals for participation by businesses owned by
10 minorities, women, and persons with disabilities. Any such
11 waiver shall also be transmitted in writing to the Bureau on
12 Apprenticeship Programs.

13 (a) Request for waiver. A contractor's request for a
14 waiver under this subsection (3) must include, but is not
15 limited to, the following, if available:

16 (i) a list of eligible businesses owned by
17 minorities, women, and persons with disabilities that
18 pertain to the class of contracts in the requested
19 waiver;

20 (ii) a clear demonstration that the number of
21 eligible businesses identified in subparagraph (i)
22 above is insufficient to ensure competition;

23 (iii) the difference in cost between the contract
24 proposals being offered by businesses owned by
25 minorities, women, and persons with disabilities and
26 the agency or the public institution of higher

1 education's expectations of reasonable prices on bids
2 or proposals within that class; and

3 (iv) a list of businesses owned by minorities,
4 women, and persons with disabilities that the
5 contractor has used in the current and prior fiscal
6 years.

7 (b) Determination. The Council's determination
8 concerning waivers must include following:

9 (i) the justification for the requested waiver,
10 including whether the requesting contractor made a
11 good faith effort to identify and solicit eligible
12 businesses owned by minorities, women, and persons
13 with disabilities;

14 (ii) the total number of waivers the contractor has
15 been granted by the Council in the current and prior
16 fiscal years;

17 (iii) the percentage of contracts awarded by the
18 agency or public institution of higher education to
19 eligible businesses owned by minorities, women, and
20 persons with disabilities in the current and prior
21 fiscal years; and

22 (iv) the contractor's use of businesses owned by
23 minorities, women, and persons with disabilities in
24 the current and prior fiscal years.

25 (c) Contract value. Any waiver request submitted under
26 this Section for which the contract has a total dollar

1 amount valued between \$100,000 and \$999,000 must be
2 approved by the Council. Any contract request submitted
3 under this Section for which the contract has a total
4 dollar amount valued at \$1,000,000 or more must be approved
5 by the General Assembly.

6 (3.5) (Blank).

7 (4) Conflict with other laws. In the event that any State
8 contract, which otherwise would be subject to the provisions of
9 this Act, is or becomes subject to federal laws or regulations
10 which conflict with the provisions of this Act or actions of
11 the State taken pursuant hereto, the provisions of the federal
12 laws or regulations shall apply and the contract shall be
13 interpreted and enforced accordingly.

14 (5) Each chief procurement officer, as defined in the
15 Illinois Procurement Code, shall maintain on his or her
16 official Internet website a database of the following: (i)
17 waivers granted under this Section with respect to contracts
18 under his or her jurisdiction; (ii) a State agency or public
19 institution of higher education's written request for an
20 exemption of an individual contract or an entire class of
21 contracts; and (iii) the Council's written determination
22 granting or denying a request for an exemption of an individual
23 contract or an entire class of contracts. The database, which
24 shall be updated periodically as necessary, shall be searchable
25 by contractor name and by contracting State agency.

26 (6) Each chief procurement officer, as defined by the

1 Illinois Procurement Code, shall maintain on its website a list
2 of all firms that have been prohibited from bidding, offering,
3 or entering into a contract with the State of Illinois as a
4 result of violations of this Act.

5 Each public notice required by law of the award of a State
6 contract shall include for each bid or offer submitted for that
7 contract the following: (i) the bidder's or offeror's name,
8 (ii) the bid amount, (iii) the name or names of the certified
9 firms identified in the bidder's or offeror's submitted
10 utilization plan, and (iv) the bid's amount and percentage of
11 the contract awarded to businesses owned by minorities, women,
12 and persons with disabilities identified in the utilization
13 plan.

14 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20;
15 101-601, eff. 1-1-20.)

16 (30 ILCS 575/8f)

17 (Section scheduled to be repealed on June 30, 2024)

18 Sec. 8f. Annual report. The Council shall file no later
19 than March 1 of each year, an annual report that shall detail
20 the level of achievement toward the goals specified in this Act
21 over the 3 most recent fiscal years. The annual report shall
22 include, but need not be limited to the following:

23 (1) a summary detailing expenditures subject to the
24 goals, the actual goals specified, and the goals attained
25 by each State agency and public institution of higher

1 education;

2 (2) a summary of the number of contracts awarded and
3 the average contract amount by each State agency and public
4 institution of higher education;

5 (3) an analysis of the level of overall goal
6 achievement concerning purchases from minority-owned
7 businesses, women-owned businesses, and businesses owned
8 by persons with disabilities;

9 (4) an analysis of the number of businesses owned by
10 minorities, women, and persons with disabilities that are
11 certified under the program as well as the number of those
12 businesses that received State procurement contracts; ~~and~~

13 (5) a summary of the number of contracts awarded to
14 businesses with annual gross sales of less than \$1,000,000;
15 of \$1,000,000 or more, but less than \$5,000,000; of
16 \$5,000,000 or more, but less than \$10,000,000; and of
17 \$10,000,000 or more; and.

18 (6) a summary detailing the disparity between the
19 representation of Descendants of American Slavery in State
20 contracts compared to the percentage of such persons who
21 are residents of this State, and a summary of the efforts
22 to eliminate that disparity based upon the requirements of
23 this Act.

24 (Source: P.A. 99-462, eff. 8-25-15; 100-391, eff. 8-25-17.)

25

Article 25.

1 Section 25-5. The Illinois Procurement Code is amended by
2 changing Sections 20-15, 20-60, and 35-30 and by adding Section
3 50-85 as follows:

4 (30 ILCS 500/20-15)

5 Sec. 20-15. Competitive sealed proposals.

6 (a) Conditions for use. When provided under this Code or
7 under rules, or when the purchasing agency determines in
8 writing that the use of competitive sealed bidding is either
9 not practicable or not advantageous to the State, a contract
10 may be entered into by competitive sealed proposals.

11 (b) Request for proposals. Proposals shall be solicited
12 through a request for proposals.

13 (c) Public notice. Public notice of the request for
14 proposals shall be published in the Illinois Procurement
15 Bulletin at least 14 calendar days before the date set in the
16 invitation for the opening of proposals.

17 (d) Receipt of proposals. Proposals shall be opened
18 publicly or via an electronic procurement system in the
19 presence of one or more witnesses at the time and place
20 designated in the request for proposals, but proposals shall be
21 opened in a manner to avoid disclosure of contents to competing
22 offerors during the process of negotiation. A record of
23 proposals shall be prepared and shall be open for public
24 inspection after contract award.

1 (e) Evaluation factors. The requests for proposals shall
2 state the relative importance of price and other evaluation
3 factors. Proposals shall be submitted in 2 parts: the first,
4 ~~covering items except~~ price; and the second, commitment to
5 diversity; and the third, all other items. Each part of all
6 proposals shall be evaluated and ranked independently of the
7 other parts of all proposals. The results of the evaluation of
8 all 3 parts shall be used in ranking of proposals covering
9 price. The first part of all proposals shall be evaluated and
10 ranked independently of the second part of all proposals.

11 (e-5) Method of scoring.

12 (1) The point scoring methodology for competitive
13 sealed proposals shall provide points for commitment to
14 diversity. Those points shall be equivalent to 20% of the
15 points assigned to the third part of the proposal, all
16 other items.

17 (2) Factors to be considered in the award of these
18 points shall be set by rule by the applicable chief
19 procurement officer and may include, but are not limited
20 to:

21 (A) whether or how well the respondent, on the
22 solicitation being evaluated, met the goal of
23 contracting or subcontracting with businesses owned by
24 women, minorities, or persons with disabilities;

25 (B) whether the respondent, on the solicitation
26 being evaluated, assisted businesses owned by women,

1 minorities, or persons with disabilities in obtaining
2 lines of credit, insurance, necessary equipment,
3 supplies, materials, or related assistance or
4 services;

5 (C) the percentage of prior year revenues of the
6 respondent that involve businesses owned by women,
7 minorities, or persons with disabilities;

8 (D) whether the respondent has a written supplier
9 diversity program, including, but not limited to, use
10 of diversity vendors in the supply chain and a training
11 or mentoring program with businesses owned by women,
12 minorities, or persons with disabilities; and

13 (E) the percentage of members of the respondent's
14 governing board, senior executives, and managers who
15 are women, minorities, or persons with disabilities.

16 (3) If any State agency or public institution of higher
17 education contract is eligible to be paid for or
18 reimbursed, in whole or in part, with federal-aid funds,
19 grants, or loans, and the provisions of this subsection
20 (e-5) would result in the loss of those federal-aid funds,
21 grants, or loans, then the contract is exempt from the
22 provisions of this Section in order to remain eligible for
23 those federal-aid funds, grants, or loans. For the purposes
24 of this subsection (e-5):

25 "Manager" means a person who controls or administers
26 all or part of a company or similar organization.

1 "Minorities" has the same meaning as "minority person"
2 under Section 2 of the Business Enterprise for Minorities,
3 Women, and Persons with Disabilities Act.

4 "Persons with disabilities" has the same meaning as
5 "person with a disability" under Section 2 of the Business
6 Enterprise for Minorities, Women, and Persons with
7 Disabilities Act.

8 "Senior executive" means the chief executive officer,
9 chief operating officer, chief financial officer, or
10 anyone else in charge of a principal business unit or
11 function.

12 "Women" has the same meaning as "woman" under Section 2
13 of the Business Enterprise for Minorities, Women, and
14 Persons with Disabilities Act.

15 (f) Discussion with responsible offerors and revisions of
16 offers or proposals. As provided in the request for proposals
17 and under rules, discussions may be conducted with responsible
18 offerors who submit offers or proposals determined to be
19 reasonably susceptible of being selected for award for the
20 purpose of clarifying and assuring full understanding of and
21 responsiveness to the solicitation requirements. Those
22 offerors shall be accorded fair and equal treatment with
23 respect to any opportunity for discussion and revision of
24 proposals. Revisions may be permitted after submission and
25 before award for the purpose of obtaining best and final
26 offers. In conducting discussions there shall be no disclosure

1 of any information derived from proposals submitted by
2 competing offerors. If information is disclosed to any offeror,
3 it shall be provided to all competing offerors.

4 (g) Award. Awards shall be made to the responsible offeror
5 whose proposal is determined in writing to be the most
6 advantageous to the State, taking into consideration price and
7 the evaluation factors set forth in the request for proposals.
8 The contract file shall contain the basis on which the award is
9 made.

10 (Source: P.A. 100-43, eff. 8-9-17.)

11 (30 ILCS 500/20-60)

12 Sec. 20-60. Duration of contracts.

13 (a) Maximum duration. A contract may be entered into for
14 any period of time deemed to be in the best interests of the
15 State but not exceeding 10 years inclusive, beginning January
16 1, 2010, of proposed contract renewals. Third parties may lease
17 State-owned dark fiber networks for any period of time deemed
18 to be in the best interest of the State, but not exceeding 20
19 years. The length of a lease for real property or capital
20 improvements shall be in accordance with the provisions of
21 Section 40-25. The length of energy conservation program
22 contracts or energy savings contracts or leases shall be in
23 accordance with the provisions of Section 25-45. A contract for
24 bond or mortgage insurance awarded by the Illinois Housing
25 Development Authority, however, may be entered into for any

1 period of time less than or equal to the maximum period of time
2 that the subject bond or mortgage may remain outstanding.

3 (b) Subject to appropriation. All contracts made or entered
4 into shall recite that they are subject to termination and
5 cancellation in any year for which the General Assembly fails
6 to make an appropriation to make payments under the terms of
7 the contract.

8 (c) The chief procurement officer shall file a proposed
9 extension or renewal of a contract with the Procurement Policy
10 Board prior to entering into any extension or renewal if the
11 cost associated with the extension or renewal exceeds \$249,999.
12 The Procurement Policy Board may object to the proposed
13 extension or renewal within 30 calendar days and require a
14 hearing before the Board prior to entering into the extension
15 or renewal. If the Procurement Policy Board does not object
16 within 30 calendar days or takes affirmative action to
17 recommend the extension or renewal, the chief procurement
18 officer may enter into the extension or renewal of a contract.
19 This subsection does not apply to any emergency procurement,
20 any procurement under Article 40, or any procurement exempted
21 by Section 1-10(b) of this Code. If any State agency contract
22 is paid for in whole or in part with federal-aid funds, grants,
23 or loans and the provisions of this subsection would result in
24 the loss of those federal-aid funds, grants, or loans, then the
25 contract is exempt from the provisions of this subsection in
26 order to remain eligible for those federal-aid funds, grants,

1 or loans, and the State agency shall file notice of this
2 exemption with the Procurement Policy Board prior to entering
3 into the proposed extension or renewal. Nothing in this
4 subsection permits a chief procurement officer to enter into an
5 extension or renewal in violation of subsection (a). By August
6 1 each year, the Procurement Policy Board shall file a report
7 with the General Assembly identifying for the previous fiscal
8 year (i) the proposed extensions or renewals that were filed
9 with the Board and whether the Board objected and (ii) the
10 contracts exempt from this subsection.

11 (d) Notwithstanding the provisions of subsection (a) of
12 this Section, the Department of Innovation and Technology may
13 enter into leases for dark fiber networks for any period of
14 time deemed to be in the best interests of the State but not
15 exceeding 20 years inclusive. The Department of Innovation and
16 Technology may lease dark fiber networks from third parties
17 only for the primary purpose of providing services (i) to the
18 offices of Governor, Lieutenant Governor, Attorney General,
19 Secretary of State, Comptroller, or Treasurer and State
20 agencies, as defined under Section 5-15 of the Civil
21 Administrative Code of Illinois or (ii) for anchor
22 institutions, as defined in Section 7 of the Illinois Century
23 Network Act. Dark fiber network lease contracts shall be
24 subject to all other provisions of this Code and any applicable
25 rules or requirements, including, but not limited to,
26 publication of lease solicitations, use of standard State

1 contracting terms and conditions, and approval of vendor
2 certifications and financial disclosures.

3 (e) As used in this Section, "dark fiber network" means a
4 network of fiber optic cables laid but currently unused by a
5 third party that the third party is leasing for use as network
6 infrastructure.

7 (f) No vendor shall be eligible for renewal of a contract
8 when that vendor has failed to meet the goals agreed to in the
9 vendor's utilization plan unless the State agency has
10 determined that the vendor made good faith efforts toward
11 meeting the contract goals and has issued a waiver or that
12 vendor is not otherwise excused from compliance by the chief
13 procurement officer in consultation with the purchasing State
14 Agency. The form and content of the waiver shall be prescribed
15 by each chief procurement officer who shall maintain on his or
16 her official website a database of waivers granted under this
17 Section with respect to contracts under his or her
18 jurisdiction. The database shall be updated periodically and
19 shall be searchable by contractor name and by contracting State
20 agency or public institution of higher education.

21 (Source: P.A. 100-23, eff. 7-6-17; 100-611, eff. 7-20-18;
22 101-81, eff. 7-12-19.)

23 (30 ILCS 500/35-30)

24 Sec. 35-30. Awards.

25 (a) All State contracts for professional and artistic

1 services, except as provided in this Section, shall be awarded
2 using the competitive request for proposal process outlined in
3 this Section.The scoring for requests for proposals shall
4 include the commitment to diversity factors and methodology
5 described in subsection (e-5) of Section 20-15.

6 (b) For each contract offered, the chief procurement
7 officer, State purchasing officer, or his or her designee shall
8 use the appropriate standard solicitation forms available from
9 the chief procurement officer for matters other than
10 construction or the higher education chief procurement
11 officer.

12 (c) Prepared forms shall be submitted to the chief
13 procurement officer for matters other than construction or the
14 higher education chief procurement officer, whichever is
15 appropriate, for publication in its Illinois Procurement
16 Bulletin and circulation to the chief procurement officer for
17 matters other than construction or the higher education chief
18 procurement officer's list of prequalified vendors. Notice of
19 the offer or request for proposal shall appear at least 14
20 calendar days before the response to the offer is due.

21 (d) All interested respondents shall return their
22 responses to the chief procurement officer for matters other
23 than construction or the higher education chief procurement
24 officer, whichever is appropriate, which shall open and record
25 them. The chief procurement officer for matters other than
26 construction or higher education chief procurement officer

1 then shall forward the responses, together with any information
2 it has available about the qualifications and other State work
3 of the respondents.

4 (e) After evaluation, ranking, and selection, the
5 responsible chief procurement officer, State purchasing
6 officer, or his or her designee shall notify the chief
7 procurement officer for matters other than construction or the
8 higher education chief procurement officer, whichever is
9 appropriate, of the successful respondent and shall forward a
10 copy of the signed contract for the chief procurement officer
11 for matters other than construction or higher education chief
12 procurement officer's file. The chief procurement officer for
13 matters other than construction or higher education chief
14 procurement officer shall publish the names of the responsible
15 procurement decision-maker, the agency letting the contract,
16 the successful respondent, a contract reference, and value of
17 the let contract in the next appropriate volume of the Illinois
18 Procurement Bulletin.

19 (f) For all professional and artistic contracts with
20 annualized value that exceeds \$100,000, evaluation and ranking
21 by price are required. Any chief procurement officer or State
22 purchasing officer, but not their designees, may select a
23 respondent other than the lowest respondent by price. In any
24 case, when the contract exceeds the \$100,000 threshold and the
25 lowest respondent is not selected, the chief procurement
26 officer or the State purchasing officer shall forward together

1 with the contract notice of who the low respondent by price was
2 and a written decision as to why another was selected to the
3 chief procurement officer for matters other than construction
4 or the higher education chief procurement officer, whichever is
5 appropriate. The chief procurement officer for matters other
6 than construction or higher education chief procurement
7 officer shall publish as provided in subsection (e) of Section
8 35-30, but shall include notice of the chief procurement
9 officer's or State purchasing officer's written decision.

10 (g) The chief procurement officer for matters other than
11 construction and higher education chief procurement officer
12 may each refine, but not contradict, this Section by
13 promulgating rules for submission to the Procurement Policy
14 Board and then to the Joint Committee on Administrative Rules.
15 Any refinement shall be based on the principles and procedures
16 of the federal Architect-Engineer Selection Law, Public Law
17 92-582 Brooks Act, and the Architectural, Engineering, and Land
18 Surveying Qualifications Based Selection Act; except that
19 pricing shall be an integral part of the selection process.

20 (Source: P.A. 100-43, eff. 8-9-17.)

21 (30 ILCS 500/50-85 new)

22 Sec. 50-85. Diversity training.(a) Each chief procurement
23 officer, State purchasing officer, procurement compliance
24 monitor, applicable support staff of each chief procurement
25 officer, State agency purchasing and contracting staff, those

1 identified under subsection (c) of Section 5-45 of the State
2 Officials and Employees Ethics Act who have the authority to
3 participate personally and substantially in the award of State
4 contracts, and any other State agency staff with substantial
5 procurement and contracting responsibilities as determined by
6 the chief procurement officer, in consultation with the State
7 agency, shall complete annual training for diversity and
8 inclusion. Each chief procurement officer shall prescribe the
9 program of diversity and inclusion training appropriate for
10 each chief procurement officer's jurisdiction.

11 Section 25-10. The Business Enterprise for Minorities,
12 Women, and Persons with Disabilities Act is amended by changing
13 Sections 4f and 6 as follows:

14 (30 ILCS 575/4f)

15 (Section scheduled to be repealed on June 30, 2024)

16 Sec. 4f. Award of State contracts.

17 (1) It is hereby declared to be the public policy of the
18 State of Illinois to promote and encourage each State agency
19 and public institution of higher education to use businesses
20 owned by minorities, women, and persons with disabilities in
21 the area of goods and services, including, but not limited to,
22 insurance services, investment management services,
23 information technology services, accounting services,
24 architectural and engineering services, and legal services.

1 Furthermore, each State agency and public institution of higher
2 education shall utilize such firms to the greatest extent
3 feasible within the bounds of financial and fiduciary prudence,
4 and take affirmative steps to remove any barriers to the full
5 participation of such firms in the procurement and contracting
6 opportunities afforded.

7 (a) When a State agency or public institution of higher
8 education, other than a community college, awards a
9 contract for insurance services, for each State agency or
10 public institution of higher education, it shall be the
11 aspirational goal to use insurance brokers owned by
12 minorities, women, and persons with disabilities as
13 defined by this Act, for not less than 20% of the total
14 annual premiums or fees; provided that, contracts
15 representing at least 11% of the total annual premiums or
16 fees shall be awarded to businesses owned by minorities;
17 contracts representing at least 7% of the total annual
18 premiums or fees shall be awarded to women-owned
19 businesses; and contracts representing at least 2% of the
20 total annual premiums or fees shall be awarded to
21 businesses owned by persons with disabilities.

22 (b) When a State agency or public institution of higher
23 education, other than a community college, awards a
24 contract for investment services, for each State agency or
25 public institution of higher education, it shall be the
26 aspirational goal to use emerging investment managers

1 owned by minorities, women, and persons with disabilities
2 as defined by this Act, for not less than 20% of the total
3 funds under management; provided that, contracts
4 representing at least 11% of the total funds under
5 management shall be awarded to businesses owned by
6 minorities; contracts representing at least 7% of the total
7 funds under management shall be awarded to women-owned
8 businesses; and contracts representing at least 2% of the
9 total funds under management shall be awarded to businesses
10 owned by persons with disabilities. Furthermore, it is the
11 aspirational goal that not less than 20% of the direct
12 asset managers of the State funds be minorities, women, and
13 persons with disabilities.

14 (c) When a State agency or public institution of higher
15 education, other than a community college, awards
16 contracts for information technology services, accounting
17 services, architectural and engineering services, and
18 legal services, for each State agency and public
19 institution of higher education, it shall be the
20 aspirational goal to use such firms owned by minorities,
21 women, and persons with disabilities as defined by this Act
22 and lawyers who are minorities, women, and persons with
23 disabilities as defined by this Act, for not less than 20%
24 of the total dollar amount of State contracts; provided
25 that, contracts representing at least 11% of the total
26 dollar amount of State contracts shall be awarded to

1 businesses owned by minorities or minority lawyers;
2 contracts representing at least 7% of the total dollar
3 amount of State contracts shall be awarded to women-owned
4 businesses or women who are lawyers; and contracts
5 representing at least 2% of the total dollar amount of
6 State contracts shall be awarded to businesses owned by
7 persons with disabilities or persons with disabilities who
8 are lawyers.

9 (d) When a community college awards a contract for
10 insurance services, investment services, information
11 technology services, accounting services, architectural
12 and engineering services, and legal services, it shall be
13 the aspirational goal of each community college to use
14 businesses owned by minorities, women, and persons with
15 disabilities as defined in this Act for not less than 20%
16 of the total amount spent on contracts for these services
17 collectively; provided that, contracts representing at
18 least 11% of the total amount spent on contracts for these
19 services shall be awarded to businesses owned by
20 minorities; contracts representing at least 7% of the total
21 amount spent on contracts for these services shall be
22 awarded to women-owned businesses; and contracts
23 representing at least 2% of the total amount spent on
24 contracts for these services shall be awarded to businesses
25 owned by persons with disabilities. When a community
26 college awards contracts for investment services,

1 contracts awarded to investment managers who are not
2 emerging investment managers as defined in this Act shall
3 not be considered businesses owned by minorities, women, or
4 persons with disabilities for the purposes of this Section.

5 (e) When a State agency or public institution of higher
6 education issues competitive solicitations and the award
7 history for a service or supply category shows awards to a
8 class of business owners that are underrepresented, the
9 Council shall determine the reason for the disparity and
10 shall identify potential and appropriate methods to
11 minimize or eliminate the cause for the disparity.

12 If any State agency or public institution of higher
13 education contract is eligible to be paid for or
14 reimbursed, in whole or in part, with federal-aid funds,
15 grants, or loans, and the provisions of this paragraph (e)
16 would result in the loss of those federal-aid funds,
17 grants, or loans, then the contract is exempt from the
18 provisions of this paragraph (e) in order to remain
19 eligible for those federal-aid funds, grants, or loans.

20 (2) As used in this Section:

21 "Accounting services" means the measurement,
22 processing and communication of financial information
23 about economic entities including, but is not limited to,
24 financial accounting, management accounting, auditing,
25 cost containment and auditing services, taxation and
26 accounting information systems.

1 "Architectural and engineering services" means
2 professional services of an architectural or engineering
3 nature, or incidental services, that members of the
4 architectural and engineering professions, and individuals
5 in their employ, may logically or justifiably perform,
6 including studies, investigations, surveying and mapping,
7 tests, evaluations, consultations, comprehensive planning,
8 program management, conceptual designs, plans and
9 specifications, value engineering, construction phase
10 services, soils engineering, drawing reviews, preparation
11 of operating and maintenance manuals, and other related
12 services.

13 "Emerging investment manager" means an investment
14 manager or claims consultant having assets under
15 management below \$10 billion or otherwise adjudicating
16 claims.

17 "Information technology services" means, but is not
18 limited to, specialized technology-oriented solutions by
19 combining the processes and functions of software,
20 hardware, networks, telecommunications, web designers,
21 cloud developing resellers, and electronics.

22 "Insurance broker" means an insurance brokerage firm,
23 claims administrator, or both, that procures, places all
24 lines of insurance, or administers claims with annual
25 premiums or fees of at least \$5,000,000 but not more than
26 \$10,000,000.

1 "Legal services" means work performed by a lawyer
2 including, but not limited to, contracts in anticipation of
3 litigation, enforcement actions, or investigations.

4 (3) Each State agency and public institution of higher
5 education shall adopt policies that identify its plan and
6 implementation procedures for increasing the use of service
7 firms owned by minorities, women, and persons with
8 disabilities.

9 (4) Except as provided in subsection (5), the Council shall
10 file no later than March 1 of each year an annual report to the
11 Governor, the Bureau on Apprenticeship Programs, and the
12 General Assembly. The report filed with the General Assembly
13 shall be filed as required in Section 3.1 of the General
14 Assembly Organization Act. This report shall: (i) identify the
15 service firms used by each State agency and public institution
16 of higher education, (ii) identify the actions it has
17 undertaken to increase the use of service firms owned by
18 minorities, women, and persons with disabilities, including
19 encouraging non-minority-owned firms to use other service
20 firms owned by minorities, women, and persons with disabilities
21 as subcontractors when the opportunities arise, (iii) state any
22 recommendations made by the Council to each State agency and
23 public institution of higher education to increase
24 participation by the use of service firms owned by minorities,
25 women, and persons with disabilities, and (iv) include the
26 following:

1 (A) For insurance services: the names of the insurance
2 brokers or claims consultants used, the total of risk
3 managed by each State agency and public institution of
4 higher education by insurance brokers, the total
5 commissions, fees paid, or both, the lines or insurance
6 policies placed, and the amount of premiums placed; and the
7 percentage of the risk managed by insurance brokers, the
8 percentage of total commission, fees paid, or both, the
9 lines or insurance policies placed, and the amount of
10 premiums placed with each by the insurance brokers owned by
11 minorities, women, and persons with disabilities by each
12 State agency and public institution of higher education.

13 (B) For investment management services: the names of
14 the investment managers used, the total funds under
15 management of investment managers; the total commissions,
16 fees paid, or both; the total and percentage of funds under
17 management of emerging investment managers owned by
18 minorities, women, and persons with disabilities,
19 including the total and percentage of total commissions,
20 fees paid, or both by each State agency and public
21 institution of higher education.

22 (C) The names of service firms, the percentage and
23 total dollar amount paid for professional services by
24 category by each State agency and public institution of
25 higher education.

26 (D) The names of service firms, the percentage and

1 total dollar amount paid for services by category to firms
2 owned by minorities, women, and persons with disabilities
3 by each State agency and public institution of higher
4 education.

5 (E) The total number of contracts awarded for services
6 by category and the total number of contracts awarded to
7 firms owned by minorities, women, and persons with
8 disabilities by each State agency and public institution of
9 higher education.

10 (5) For community college districts, the Business
11 Enterprise Council shall only report the following information
12 for each community college district: (i) the name of the
13 community colleges in the district, (ii) the name and contact
14 information of a person at each community college appointed to
15 be the single point of contact for vendors owned by minorities,
16 women, or persons with disabilities, (iii) the policy of the
17 community college district concerning certified vendors, (iv)
18 the certifications recognized by the community college
19 district for determining whether a business is owned or
20 controlled by a minority, woman, or person with a disability,
21 (v) outreach efforts conducted by the community college
22 district to increase the use of certified vendors, (vi) the
23 total expenditures by the community college district in the
24 prior fiscal year in the divisions of work specified in
25 paragraphs (a), (b), and (c) of subsection (1) of this Section
26 and the amount paid to certified vendors in those divisions of

1 work, and (vii) the total number of contracts entered into for
2 the divisions of work specified in paragraphs (a), (b), and (c)
3 of subsection (1) of this Section and the total number of
4 contracts awarded to certified vendors providing these
5 services to the community college district. The Business
6 Enterprise Council shall not make any utilization reports under
7 this Act for community college districts for Fiscal Year 2015
8 and Fiscal Year 2016, but shall make the report required by
9 this subsection for Fiscal Year 2017 and for each fiscal year
10 thereafter. The Business Enterprise Council shall report the
11 information in items (i), (ii), (iii), and (iv) of this
12 subsection beginning in September of 2016. The Business
13 Enterprise Council may collect the data needed to make its
14 report from the Illinois Community College Board.

15 (6) The status of the utilization of services shall be
16 discussed at each of the regularly scheduled Business
17 Enterprise Council meetings. Time shall be allotted for the
18 Council to receive, review, and discuss the progress of the use
19 of service firms owned by minorities, women, and persons with
20 disabilities by each State agency and public institution of
21 higher education; and any evidence regarding past or present
22 racial, ethnic, or gender-based discrimination which directly
23 impacts a State agency or public institution of higher
24 education contracting with such firms. If after reviewing such
25 evidence the Council finds that there is or has been such
26 discrimination against a specific group, race or sex, the

1 Council shall establish sheltered markets or adjust existing
2 sheltered markets tailored to address the Council's specific
3 findings for the divisions of work specified in paragraphs (a),
4 (b), and (c) of subsection (1) of this Section.

5 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20.)

6 (30 ILCS 575/6) (from Ch. 127, par. 132.606)

7 (Section scheduled to be repealed on June 30, 2024)

8 Sec. 6. Agency compliance plans. Each State agency and
9 public institutions of higher education under the jurisdiction
10 of this Act shall file with the Council an annual compliance
11 plan which shall outline the goals of the State agency or
12 public institutions of higher education for contracting with
13 businesses owned by minorities, women, and persons with
14 disabilities for the then current fiscal year, the manner in
15 which the agency intends to reach these goals and a timetable
16 for reaching these goals. The Council shall review and approve
17 the plan of each State agency and public institutions of higher
18 education and may reject any plan that does not comply with
19 this Act or any rules or regulations promulgated pursuant to
20 this Act.

21 (a) The compliance plan shall also include, but not be
22 limited to, (1) a policy statement, signed by the State agency
23 or public institution of higher education head, expressing a
24 commitment to encourage the use of businesses owned by
25 minorities, women, and persons with disabilities, (2) the

1 designation of the liaison officer provided for in Section 5 of
2 this Act, (3) procedures to distribute to potential contractors
3 and vendors the list of all businesses legitimately classified
4 as businesses owned by minorities, women, and persons with
5 disabilities and so certified under this Act, (4) procedures to
6 set separate contract goals on specific prime contracts and
7 purchase orders with subcontracting possibilities based upon
8 the type of work or services and subcontractor availability,
9 (5) procedures to assure that contractors and vendors make good
10 faith efforts to meet contract goals, (6) procedures for
11 contract goal exemption, modification and waiver, and (7) the
12 delineation of separate contract goals for businesses owned by
13 minorities, women, and persons with disabilities.

14 (b) Approval of the compliance plans shall include such
15 delegation of responsibilities to the requesting State agency
16 or public institution of higher education as the Council deems
17 necessary and appropriate to fulfill the purpose of this Act.
18 Such responsibilities may include, but need not be limited to
19 those outlined in subsections (1), (2) and (3) of Section 7,
20 paragraph (a) of Section 8, and Section 8a of this Act.

21 (c) Each State agency and public institution of higher
22 education under the jurisdiction of this Act shall file with
23 the Council an annual report of its utilization of businesses
24 owned by minorities, women, and persons with disabilities
25 during the preceding fiscal year including lapse period
26 spending and a mid-fiscal year report of its utilization to

1 date for the then current fiscal year. The reports shall
2 include a self-evaluation of the efforts of the State agency or
3 public institution of higher education to meet its goals under
4 the Act, as well as a plan to increase the diversity of the
5 vendors engaged in contracts with the State agency or public
6 institution of higher education, with a particular focus on the
7 most underrepresented in contract awards.

8 (d) Notwithstanding any provisions to the contrary in this
9 Act, any State agency or public institution of higher education
10 which administers a construction program, for which federal law
11 or regulations establish standards and procedures for the
12 utilization of minority-owned and women-owned businesses and
13 disadvantaged businesses, shall implement a disadvantaged
14 business enterprise program to include minority-owned and
15 women-owned businesses and disadvantaged businesses, using the
16 federal standards and procedures for the establishment of goals
17 and utilization procedures for the State-funded, as well as the
18 federally assisted, portions of the program. In such cases,
19 these goals shall not exceed those established pursuant to the
20 relevant federal statutes or regulations. Notwithstanding the
21 provisions of Section 8b, the Illinois Department of
22 Transportation is authorized to establish sheltered markets
23 for the State-funded portions of the program consistent with
24 federal law and regulations. Additionally, a compliance plan
25 which is filed by such State agency or public institution of
26 higher education pursuant to this Act, which incorporates

1 equivalent terms and conditions of its federally-approved
2 compliance plan, shall be deemed approved under this Act.

3 (Source: P.A. 99-462, eff. 8-25-15; 100-391, eff. 8-25-17.)

4 Article 30.

5 Section 30-5. The Farmer Equity Act is amended by adding
6 Section 25 as follows:

7 (505 ILCS 72/25 new)

8 Sec. 25. Disparity study; report.

9 (a) The Department shall conduct a study and use the data
10 collected to determine economic and other disparities
11 associated with farm ownership and farm operations in this
12 State. The study shall focus primarily on identifying and
13 comparing economic, land ownership, education, and other
14 related differences between African American farmers and white
15 farmers, but may include data collected in regards to farmers
16 from other socially disadvantaged groups. The study shall
17 collect, compare, and analyze data relating to disparities or
18 differences in farm operations for the following areas:

19 (1) Farm ownership and the size or acreage of the
20 farmland owned compared to the number of farmers who are
21 farm tenants.

22 (2) The distribution of farm-related generated income
23 and wealth.

1 (2) Overseeing implementation, from a social equity
2 point of view, of the original intentions of the General
3 Assembly in passing this Act.

4 (3) Tracking and analyzing minorities in the
5 marketplace.

6 (4) Ensuring that revenue is being invested properly
7 into R3 areas under Section 10-40.

8 (5) Recommending changes to make the law more equitable
9 to communities harmed the most by the war on drugs.

10 (6) Maintaining oversight of social equity programs
11 and application processes under this Act, including a
12 review of persons who approve applications.

13 (7) Create standards to protect true social equity
14 applicants from predatory businesses.

15 (b) The Cannabis Equity Commission's ex officio members
16 shall, within 4 months after the effective date of this
17 amendatory Act of the 101st General Assembly, convene the
18 Commission to appoint a full Cannabis Equity Commission and
19 oversee, provide guidance to, and develop an administrative
20 structure for the Cannabis Equity Commission. The ex officio
21 members are:

22 (1) The Lieutenant Governor, or his or her designee,
23 who shall serve as chair.

24 (2) The Attorney General, or his or her designee.

25 (3) The Director of Commerce and Economic Opportunity,
26 or his or her designee.

1 (4) The Director of Public Health, or his or her
2 designee.

3 (5) The Director of Corrections, or his or her
4 designee.

5 (6) The Director of Juvenile Justice, or his or her
6 designee.

7 (7) The Director of Children and Family Services, or
8 his or her designee.

9 (8) The Executive Director of the Illinois Criminal
10 Justice Information Authority, or his or her designee.

11 (9) The Director of Employment Security, or his or her
12 designee.

13 (10) The Secretary of Human Services, or his or her
14 designee.

15 (11) A member of the Senate, designated by the
16 President of the Senate.

17 (12) A member of the House of Representatives,
18 designated by the Speaker of the House of Representatives.

19 (13) A member of the Senate, designated by the Minority
20 Leader of the Senate.

21 (14) A member of the House of Representatives,
22 designated by the Minority Leader of the House of
23 Representatives.

24 (c) Within 90 days after the ex officio members convene,
25 the following members shall be appointed to the Commission by
26 the chair:

1 Section 40-5. The Department of Commerce and Economic
2 Opportunity Law of the Civil Administrative Code of Illinois is
3 amended by adding Section 605-1055 as follows:

4 (20 ILCS 605/605-1055 new)

5 Sec. 605-1055. Illinois SBIR/STTR Matching Funds Program.

6 (a) There is established the Illinois Small Business
7 Innovation Research (SBIR) and Small Business Technology
8 Transfer (STTR) Matching Funds Program to be administered by
9 the Department. In order to foster job creation and economic
10 development in the State, the Department may make grants to
11 eligible businesses to match funds received by the business as
12 an SBIR or STTR Phase I award and to encourage businesses to
13 apply for Phase II awards.

14 (b) In order to be eligible for a grant under this Section,
15 a business must satisfy all of the following conditions:

16 (1) The business must be a for-profit, Illinois-based
17 business. For the purposes of this Section, an
18 Illinois-based business is one that has its principal place
19 of business in this State;

20 (2) The business must have received an SBIR/STTR Phase
21 I award from a participating federal agency in response to
22 a specific federal solicitation. To receive the full match,
23 the business must also have submitted a final Phase I
24 report, demonstrated that the sponsoring agency has

1 interest in the Phase II proposal, and submitted a Phase II
2 proposal to the agency.

3 (3) The business must satisfy all federal SBIR/STTR
4 requirements.

5 (4) The business shall not receive concurrent funding
6 support from other sources that duplicates the purpose of
7 this Section.

8 (5) The business must certify that at least 51% of the
9 research described in the federal SBIR/STTR Phase II
10 proposal will be conducted in this State and that the
11 business will remain an Illinois-based business for the
12 duration of the SBIR/STTR Phase II project.

13 (6) The business must demonstrate its ability to
14 conduct research in its SBIR/STTR Phase II proposal.

15 (c) The Department may award grants to match the funds
16 received by a business through an SBIR/STTR Phase I proposal up
17 to a maximum of \$50,000. Seventy-five percent of the total
18 grant shall be remitted to the business upon receipt of the
19 SBIR/STTR Phase I award and application for funds under this
20 Section. Twenty-five percent of the total grant shall be
21 remitted to the business upon submission by the business of the
22 Phase II application to the funding agency and acceptance of
23 the Phase I report by the funding agency. A business may
24 receive only one grant under this Section per year. A business
25 may receive only one grant under this Section with respect to
26 each federal proposal submission. Over its lifetime, a business

1 may receive a maximum of 5 awards under this Section.

2 (d) A business shall apply, under oath, to the Department
3 for a grant under this Section on a form prescribed by the
4 Department that includes at least all of the following:

5 (1) the name of the business, the form of business
6 organization under which it is operated, and the names and
7 addresses of the principals or management of the business;

8 (2) an acknowledgment of receipt of the Phase I report
9 and Phase II proposal by the relevant federal agency; and

10 (3) any other information necessary for the Department
11 to evaluate the application.

12 Article 45.

13 Section 45-5. The Department of Central Management
14 Services Law of the Civil Administrative Code of Illinois is
15 amended by adding Section 405-535 as follows:

16 (20 ILCS 405/405-535 new)

17 Sec. 405-535. African Descent-Citizens Reparations
18 Commission.

19 (a) The African Descent-Citizens Reparations Commission is
20 hereby established within the Department of Central Management
21 Services.

22 (b) The Commission shall include the following members:

23 (1) the Governor or his or her designee;

1 (2) one member of the House of Representatives
2 appointed by the Speaker of the House of Representatives;

3 (3) one member of the Senate appointed by the President
4 of the Senate;

5 (4) one member of the House of Representatives
6 appointed by the Minority leader of the House of
7 Representatives;

8 (5) one member of the Senate appointed by the Minority
9 leader of the Senate;

10 (6) three representatives of a national coalition that
11 supports reparations for African Americans appointed by
12 the Governor; and

13 (7) ten members of the public appointed by the
14 Governor, at least 8 of whom are African American
15 descendants of slavery.

16 (c) Appointment of members to the Commission shall be made
17 within 60 days after the effective date of this amendatory Act
18 of the 101st General Assembly, with the first meeting of the
19 Commission to be held at a reasonable period of time
20 thereafter. The Chairperson of the Commission shall be elected
21 from among the members during the first meeting. Members of the
22 Commission shall serve without compensation, but may be
23 reimbursed for travel expenses. The 10 members of the public
24 appointed by the Governor shall be from diverse backgrounds,
25 including businesspersons and persons without high school
26 diplomas.

1 (d) Administrative support and staffing for the Commission
2 shall be provided by the Department of Central Management
3 Services. Any State agency under the jurisdiction of the
4 Governor shall provide testimony and documents as directed by
5 the Department.

6 (e) The Commission shall perform the following duties:

7 (1) work to ensure equity, equality, and parity for
8 African American descendants of slavery mired in poverty;

9 (2) develop and implement measures to ensure equity,
10 equality, and parity for African American descendants of
11 slavery;

12 (3) hold hearings to discuss the implementation of
13 measures to ensure equity, equality, and parity for African
14 American descendants of slavery;

15 (4) educate the public on reparations for African
16 American descendants of slavery;

17 (5) report to the General Assembly information and
18 findings regarding the work of the Commission under this
19 Section and the feasibility of reparations for Illinois
20 African American descendants of slavery, including any
21 recommendations on the subject; and

22 (6) discuss and perform actions regarding the
23 following issues:

24 (i) Preservation of African American neighborhoods
25 and communities through investment in business
26 development, home ownership, and affordable housing at

1 the median income of each neighborhood, with a full
2 range of housing services and strengthening of
3 institutions, which shall include, without limitation,
4 schools, parks, and community centers.

5 (ii) Building and development of a Vocational
6 Training Center for People of African
7 Descent-Citizens, with satellite centers throughout
8 the State, to address the racial disparity in the
9 building trades and the de-skilling of African
10 American labor through the historic discrimination in
11 the building trade unions. The Center shall also have
12 departments for legitimate activities in the informal
13 economy and apprenticeship.

14 (iii) Ensuring proportional economic
15 representation in all State contracts, including
16 reviews and updates of the State procurement and
17 contracting requirements and procedures with the
18 express goal of increasing the number of African
19 American vendors and contracts for services to an
20 equitable level reflecting their population in the
21 State.

22 (iv) Creation and enforcement of an Illinois
23 Slavery Era Disclosure Bill mandating that in addition
24 to disclosure, an affidavit must be submitted entitled
25 "Statement of Financial Reparations" that has been
26 negotiated between the Commission established under

1 participation certificates representing undivided interests in
2 specified, first-lien conventional residential Illinois
3 mortgages that are underwritten, insured, guaranteed, or
4 purchased by the Federal Home Loan Mortgage Corporation or in
5 Affordable Housing Program Trust Fund Bonds or Notes as defined
6 in and issued pursuant to the Illinois Housing Development Act.
7 All such obligations shall be considered as cash and may be
8 delivered over as cash by a State Treasurer to his successor.

9 The State Treasurer may, with the approval of the Governor,
10 purchase any state bonds with any money in the State Treasury
11 that has been set aside and held for the payment of the
12 principal of and interest on the bonds. The bonds shall be
13 considered as cash and may be delivered over as cash by the
14 State Treasurer to his successor.

15 The State Treasurer may, with the approval of the Governor,
16 invest or reinvest any State money in the treasury that is not
17 needed for current expenditure due or about to become due, or
18 any money in the State Treasury that has been set aside and
19 held for the payment of the principal of and the interest on
20 any State bonds, in shares, withdrawable accounts, and
21 investment certificates of savings and building and loan
22 associations, incorporated under the laws of this State or any
23 other state or under the laws of the United States; provided,
24 however, that investments may be made only in those savings and
25 loan or building and loan associations the shares and
26 withdrawable accounts or other forms of investment securities

1 of which are insured by the Federal Deposit Insurance
2 Corporation.

3 The State Treasurer may not invest State money in any
4 savings and loan or building and loan association unless a
5 commitment by the savings and loan (or building and loan)
6 association, executed by the president or chief executive
7 officer of that association, is submitted in the following
8 form:

9 The Savings and Loan (or Building
10 and Loan) Association pledges not to reject arbitrarily
11 mortgage loans for residential properties within any
12 specific part of the community served by the savings and
13 loan (or building and loan) association because of the
14 location of the property. The savings and loan (or building
15 and loan) association also pledges to make loans available
16 on low and moderate income residential property throughout
17 the community within the limits of its legal restrictions
18 and prudent financial practices.

19 The State Treasurer may, with the approval of the Governor,
20 invest or reinvest any State money in the treasury that is not
21 needed for current expenditures due or about to become due, or
22 any money in the State Treasury that has been set aside and
23 held for the payment of the principal of and interest on any
24 State bonds, in bonds issued by counties or municipal
25 corporations of the State of Illinois.

26 The State Treasurer may invest or reinvest up to 5% of the

1 College Savings Pool Administrative Trust Fund, the Illinois
2 Public Treasurer Investment Pool (IPTIP) Administrative Trust
3 Fund, and the State Treasurer's Administrative Fund that is not
4 needed for current expenditures due or about to become due, in
5 common or preferred stocks of publicly traded corporations,
6 partnerships, or limited liability companies, organized in the
7 United States, with assets exceeding \$500,000,000 if: (i) the
8 purchases do not exceed 1% of the corporation's or the limited
9 liability company's outstanding common and preferred stock;
10 (ii) no more than 10% of the total funds are invested in any
11 one publicly traded corporation, partnership, or limited
12 liability company; and (iii) the corporation or the limited
13 liability company has not been placed on the list of restricted
14 companies by the Illinois Investment Policy Board under Section
15 1-110.16 of the Illinois Pension Code.

16 The State Treasurer may, with the approval of the Governor,
17 invest or reinvest any State money in the Treasury which is not
18 needed for current expenditure, due or about to become due, or
19 any money in the State Treasury which has been set aside and
20 held for the payment of the principal of and the interest on
21 any State bonds, in participations in loans, the principal of
22 which participation is fully guaranteed by an agency or
23 instrumentality of the United States government; provided,
24 however, that such loan participations are represented by
25 certificates issued only by banks which are incorporated under
26 the laws of this State or any other state or under the laws of

1 the United States, and such banks, but not the loan
2 participation certificates, are insured by the Federal Deposit
3 Insurance Corporation.

4 Whenever the total amount of vouchers presented to the
5 Comptroller under Section 9 of the State Comptroller Act
6 exceeds the funds available in the General Revenue Fund by
7 \$1,000,000,000 or more, then the State Treasurer may invest any
8 State money in the Treasury, other than money in the General
9 Revenue Fund, Health Insurance Reserve Fund, Attorney General
10 Court Ordered and Voluntary Compliance Payment Projects Fund,
11 Attorney General Whistleblower Reward and Protection Fund, and
12 Attorney General's State Projects and Court Ordered
13 Distribution Fund, which is not needed for current
14 expenditures, due or about to become due, or any money in the
15 State Treasury which has been set aside and held for the
16 payment of the principal of and the interest on any State bonds
17 with the Office of the Comptroller in order to enable the
18 Comptroller to pay outstanding vouchers. At any time, and from
19 time to time outstanding, such investment shall not be greater
20 than \$2,000,000,000. Such investment shall be deposited into
21 the General Revenue Fund or Health Insurance Reserve Fund as
22 determined by the Comptroller. Such investment shall be repaid
23 by the Comptroller with an interest rate tied to the London
24 Interbank Offered Rate (LIBOR) or the Federal Funds Rate or an
25 equivalent market established variable rate, but in no case
26 shall such interest rate exceed the lesser of the penalty rate

1 established under the State Prompt Payment Act or the timely
2 pay interest rate under Section 368a of the Illinois Insurance
3 Code. The State Treasurer and the Comptroller shall enter into
4 an intergovernmental agreement to establish procedures for
5 such investments, which market established variable rate to
6 which the interest rate for the investments should be tied, and
7 other terms which the State Treasurer and Comptroller
8 reasonably believe to be mutually beneficial concerning these
9 investments by the State Treasurer. The State Treasurer and
10 Comptroller shall also enter into a written agreement for each
11 such investment that specifies the period of the investment,
12 the payment interval, the interest rate to be paid, the funds
13 in the Treasury from which the Treasurer will draw the
14 investment, and other terms upon which the State Treasurer and
15 Comptroller mutually agree. Such investment agreements shall
16 be public records and the State Treasurer shall post the terms
17 of all such investment agreements on the State Treasurer's
18 official website. In compliance with the intergovernmental
19 agreement, the Comptroller shall order and the State Treasurer
20 shall transfer amounts sufficient for the payment of principal
21 and interest invested by the State Treasurer with the Office of
22 the Comptroller under this paragraph from the General Revenue
23 Fund or the Health Insurance Reserve Fund to the respective
24 funds in the Treasury from which the State Treasurer drew the
25 investment. Public Act 100-1107 shall constitute an
26 irrevocable and continuing authority for all amounts necessary

1 for the payment of principal and interest on the investments
2 made with the Office of the Comptroller by the State Treasurer
3 under this paragraph, and the irrevocable and continuing
4 authority for and direction to the Comptroller and Treasurer to
5 make the necessary transfers.

6 The State Treasurer may, with the approval of the Governor,
7 invest or reinvest any State money in the Treasury that is not
8 needed for current expenditure, due or about to become due, or
9 any money in the State Treasury that has been set aside and
10 held for the payment of the principal of and the interest on
11 any State bonds, in any of the following:

12 (1) Bonds, notes, certificates of indebtedness,
13 Treasury bills, or other securities now or hereafter issued
14 that are guaranteed by the full faith and credit of the
15 United States of America as to principal and interest.

16 (2) Bonds, notes, debentures, or other similar
17 obligations of the United States of America, its agencies,
18 and instrumentalities.

19 (2.5) Bonds, notes, debentures, or other similar
20 obligations of a foreign government, other than the
21 Republic of the Sudan, that are guaranteed by the full
22 faith and credit of that government as to principal and
23 interest, but only if the foreign government has not
24 defaulted and has met its payment obligations in a timely
25 manner on all similar obligations for a period of at least
26 25 years immediately before the time of acquiring those

1 obligations.

2 (3) Interest-bearing savings accounts,
3 interest-bearing certificates of deposit, interest-bearing
4 time deposits, or any other investments constituting
5 direct obligations of any bank as defined by the Illinois
6 Banking Act.

7 (4) Interest-bearing accounts, certificates of
8 deposit, or any other investments constituting direct
9 obligations of any savings and loan associations
10 incorporated under the laws of this State or any other
11 state or under the laws of the United States.

12 (5) Dividend-bearing share accounts, share certificate
13 accounts, or class of share accounts of a credit union
14 chartered under the laws of this State or the laws of the
15 United States; provided, however, the principal office of
16 the credit union must be located within the State of
17 Illinois.

18 (6) Bankers' acceptances of banks whose senior
19 obligations are rated in the top 2 rating categories by 2
20 national rating agencies and maintain that rating during
21 the term of the investment.

22 (7) Short-term obligations of either corporations or
23 limited liability companies organized in the United States
24 with assets exceeding \$500,000,000 if (i) the obligations
25 are rated at the time of purchase at one of the 3 highest
26 classifications established by at least 2 standard rating

1 services and mature not later than 270 days from the date
2 of purchase, (ii) the purchases do not exceed 10% of the
3 corporation's or the limited liability company's
4 outstanding obligations, (iii) no more than one-third of
5 the public agency's funds are invested in short-term
6 obligations of either corporations or limited liability
7 companies, and (iv) the corporation or the limited
8 liability company has not been placed on the list of
9 restricted companies by the Illinois Investment Policy
10 Board under Section 1-110.16 of the Illinois Pension Code.

11 (7.5) Obligations of either corporations or limited
12 liability companies organized in the United States, that
13 have a significant presence in this State, with assets
14 exceeding \$500,000,000 if: (i) the obligations are rated at
15 the time of purchase at one of the 3 highest
16 classifications established by at least 2 standard rating
17 services and mature more than 270 days, but less than 10
18 years, from the date of purchase; (ii) the purchases do not
19 exceed 10% of the corporation's or the limited liability
20 company's outstanding obligations; (iii) no more than
21 one-third of the public agency's funds are invested in such
22 obligations of corporations or limited liability
23 companies; and (iv) the corporation or the limited
24 liability company has not been placed on the list of
25 restricted companies by the Illinois Investment Policy
26 Board under Section 1-110.16 of the Illinois Pension Code.

1 (8) Money market mutual funds registered under the
2 Investment Company Act of 1940.

3 (9) The Public Treasurers' Investment Pool created
4 under Section 17 of the State Treasurer Act or in a fund
5 managed, operated, and administered by a bank.

6 (10) Repurchase agreements of government securities
7 having the meaning set out in the Government Securities Act
8 of 1986, as now or hereafter amended or succeeded, subject
9 to the provisions of that Act and the regulations issued
10 thereunder.

11 (11) Investments made in accordance with the
12 Technology Development Act.

13 (12) Investments made in accordance with the Student
14 Investment Account Act.

15 (13) Investments constituting direct obligations of a
16 community development financial institution, which is
17 certified by the United States Treasury Community
18 Development Financial Institutions Fund and is operating
19 in the State of Illinois.

20 (14) Investments constituting direct obligations of a
21 minority depository institution, as designated by the
22 Federal Deposit Insurance Corporation, that is operating
23 in the State of Illinois.

24 For purposes of this Section, "agencies" of the United
25 States Government includes:

26 (i) the federal land banks, federal intermediate

1 credit banks, banks for cooperatives, federal farm credit
2 banks, or any other entity authorized to issue debt
3 obligations under the Farm Credit Act of 1971 (12 U.S.C.
4 2001 et seq.) and Acts amendatory thereto;

5 (ii) the federal home loan banks and the federal home
6 loan mortgage corporation;

7 (iii) the Commodity Credit Corporation; and

8 (iv) any other agency created by Act of Congress.

9 The Treasurer may, with the approval of the Governor, lend
10 any securities acquired under this Act. However, securities may
11 be lent under this Section only in accordance with Federal
12 Financial Institution Examination Council guidelines and only
13 if the securities are collateralized at a level sufficient to
14 assure the safety of the securities, taking into account market
15 value fluctuation. The securities may be collateralized by cash
16 or collateral acceptable under Sections 11 and 11.1.

17 (Source: P.A. 100-1107, eff. 8-27-18; 101-81, eff. 7-12-19;
18 101-206, eff. 8-2-19; 101-586, eff. 8-26-19; revised 9-25-19.)

19 Article 60.

20 Section 60-5. The Environmental Protection Act is amended
21 by adding Section 40.4 as follows:

22 (415 ILCS 5/40.4 new)

23 Sec. 40.4. Environmental justice communities; community

1 and environmental impact assessment; notification of
2 applicants; community benefits agreements.

3 (a) The Agency shall ensure that possible adverse economic,
4 social, and environmental effects on environmental justice
5 communities relating to any permit or permit renewal have been
6 fully considered prior to publishing a draft permit or permit
7 renewal for public comment, and that the final decision on the
8 permit or permit renewal is made in the best overall public
9 interest.

10 Any person seeking a permit or permit renewal shall first
11 submit to the Agency information necessary for the Agency to
12 determine if the permitted activity will adversely impact an
13 environmental justice community.

14 (b) Any person or entity seeking a permit or permit renewal
15 in an environmental justice community shall give public notice
16 to the residents of the community of the following:

17 (1) The person or entity's permit or permit renewal
18 application.

19 (2) The procedures allowing residents to file comments
20 on the application with the Agency.

21 (3) The date, time, and place of a community meeting
22 for the purpose of informing the surrounding community of
23 the permit application and for taking comments and
24 questions. The meeting shall not be held less than 30 days
25 following publication of the notice.

26 Community residents shall have 90 days following the

1 community meeting to submit comments to the Agency.

2 (c) A permit applicant for permitted activity sited in an
3 environmental justice community shall enter into a community
4 benefits agreement with the unit of local government in whose
5 jurisdiction the permit applicant has applied. The community
6 benefits agreement must, at a minimum, contain provisions
7 requiring the permit applicant to mitigate the environmental
8 and public health impact of the permitted activity in the
9 environmental justice community.

10 (d) For purposes of this Section, "permit" means a permit
11 issued by the Illinois Environmental Protection Agency through
12 the Clean Air Act Permit Program or the National Pollutant
13 Discharge Elimination System.

14 Article 70.

15 Section 5. The Barber, Cosmetology, Esthetics, Hair
16 Braiding, and Nail Technology Act of 1985 is amended by adding
17 Section 4-30 as follows:

18 (225 ILCS 410/4-30 new)

19 Sec. 4-30. Beauty supply industry disparity study.

20 (a) The Department shall compile and publish a disparity
21 study by December 31, 2022 that: (1) evaluates whether there
22 exists discrimination in the State's beauty supply industry;
23 and (2) if so, evaluates the impact of such discrimination on

1 the State and includes recommendations for reducing or
2 eliminating any identified barriers to entry in the beauty
3 supply industry and discriminatory behavior. The Department
4 shall forward a copy of its findings and recommendations to the
5 General Assembly and the Governor.

6 (b) The Department may compile, collect, or otherwise
7 gather data necessary for the administration of this Section
8 and to carry out the Department's duty relating to the
9 recommendation of policy changes. The Department shall compile
10 all of the data into a single report, submit the report to the
11 Governor and the General Assembly, and publish the report on
12 its website.

13 (c) This Section is repealed on January 1, 2024.

14 Article 75.

15 Section 75-1. Short title. This Act may be cited as the
16 Reduction of Lead Service Lines Act.

17 Section 75-5. Purpose. The purpose of this Act is to
18 require the owners and operators of community water supplies
19 to: (1) create a comprehensive lead service line inventory; (2)
20 provide notice to occupants of potentially affected residences
21 and buildings of construction or repair work on water mains,
22 lead service lines, or water meters; (3) prohibit partial lead
23 service line replacements; and (4) create a lead service line

1 replacement program.

2 Section 75-10. Definitions. In this Act:

3 "Agency" means the Environmental Protection Agency.

4 "Community water supply" means a public water supply that
5 serves at least 15 service connections used by year-round
6 residents or regularly serves at least 25 year-round residents

7 "Department" means the Department of Public Health.

8 "Emergency repair" means water distribution work that
9 includes unscheduled water main, water service, water valve, or
10 fire hydrant repair or replacement that results from premature
11 failure or accident.

12 "Lead service line" means a service line that is made of
13 lead, or any lead pigtail, lead gooseneck, or other lead
14 fitting that is connected to a service line, or both.

15 "Non-community water supply" means a public water supply
16 that is not a community water supply.

17 "Potentially affected residence" means a residence where
18 water service is supplied through a pipe containing lead or
19 suspected to be made of lead.

20 "Service line" means the pipe from the discharge of the
21 utility fitting to customer site piping or to the building
22 plumbing at the first shut-off valve inside the building or 18
23 inches inside the building, whichever is shorter.

24 "Small system" means a water system that regularly serves
25 water to 3,300 or fewer persons.

1 Section 75-15. Water service line material inventory.

2 (a) The owner or operator of each community water supply
3 shall develop an initial water service line material inventory
4 that shall be submitted to the Agency for approval, in an
5 electronic form selected by the Agency, by April 15, 2020. The
6 owner or operator shall annually update and submit its
7 inventory to the Agency by April 15 of each year thereafter.
8 Each water service line material inventory shall identify:

9 (1) The total number of service lines within or
10 connected to the distribution system.

11 (2) The materials of construction, including, but not
12 limited to, lead, of each water service line connected to
13 the distribution system. The owner or operator of the
14 community water supply shall develop the inventory by
15 identifying on both the customer's and the community water
16 supply's side of the curb box the type of construction
17 material used.

18 (3) The number of the lead service lines that were
19 added and removed from the inventory after the previous
20 year's submission.

21 (b) The owner or operator of each community water supply
22 shall maintain records of owners or residents that refuse to
23 grant access to the interior of the building for purposes of
24 identifying the service line material. If the owner or resident
25 refuses to allow access to his or her residence or property for

1 the purposes of cooperating with the inventory, the community
2 water supply shall request that the owner or resident sign a
3 waiver. The waiver shall be developed by the Department. If the
4 owner or resident refuses to sign the waiver, the record shall
5 include the dates and manner of each request and the name of
6 the person who made the request.

7 (c) The owner or operator of each community water supply
8 shall, upon finding the presence of a lead service line, notify
9 the owner and resident of the building within 24 hours, or as
10 soon as is reasonably possible.

11 (d) No later than January 1, 2021, the Agency shall by rule
12 determine a reasonable deadline for submitting each community
13 water supply's complete water service line material inventory
14 required under subsection (a), not to exceed 5 years from
15 January 1, 2020, unless the Agency determines that additional
16 time is needed for one or more community water supply's
17 inventory due to the technical feasibility of identifying lines
18 within a system.

19 (e) Nothing in this Section shall be construed to require
20 that service lines be unearthed.

21 (f) Beginning on January 1, 2020, when conducting routine
22 inspections of community water supplies, the Agency may conduct
23 a separate audit to identify progress that the community water
24 supply has made toward completing the water service line
25 material inventory required under subsection (a).

1 Section 75-20. Construction notifications.

2 (a) Within 13 days before beginning planned work to repair
3 or replace any water mains with lead or partial lead service
4 lines attached to them or lead service lines themselves, the
5 owner or operator of a community water supply shall notify each
6 potentially affected residence of the planned work through an
7 individual written notice. In cases where a community water
8 supply must perform construction or repair work on an emergency
9 basis or where the work is scheduled within 14 days of the work
10 taking place, the community water supply shall notify each
11 potentially affected residence as soon as is reasonably
12 possible. When work is to repair or replace a water meter, the
13 notification shall be provided at the time the work is
14 initiated.

15 (b) A notification under subsection (a) shall include, at a
16 minimum, the following:

17 (1) a warning that the work may result in sediment,
18 possibly containing lead from the service line, in the
19 residence's water;

20 (2) information concerning the best practices for
21 preventing exposure to or risk of consumption of any lead
22 in drinking water, including a recommendation to flush
23 water lines during and after the completion of the repair
24 or replacement work and to clean faucet aerator screens;
25 and

26 (3) information regarding the dangers of lead in young

1 children and pregnant women.

2 (c) To the extent that the owner or operator of a community
3 water supply serves a significant proportion of non-English
4 speaking consumers, a notification under subsection (a) must
5 contain information in the appropriate languages regarding the
6 importance of the notice, and it must contain a telephone
7 number or address where a person who is served may contact the
8 owner or operator of the community water supply to obtain a
9 translated copy of the notification or to request assistance in
10 the appropriate language.

11 (d) Notwithstanding anything to the contrary set forth in
12 this Section, publication notification through local media,
13 social media, or other similar means may be used in lieu of an
14 individual written notification to the extent that: (1)
15 notification is required for the entire community served by a
16 community water supply; (2) notification is required for
17 construction or repairs occurring on an emergency basis; or (3)
18 the community water supply is a small system.

19 (e) If an owner or operator of a community water supply is
20 required to provide an individual written notification to a
21 residence that is a multidwelling building, then posting a
22 written notification on the primary entrance way to the
23 building shall be sufficient.

24 (f) The notification requirements in this Section do not
25 apply to work performed on water mains that are used to
26 transmit treated water between community water supplies and

1 that have no service connections.

2 (g) A community water supply is not required to comply with
3 this Section to the extent that the corresponding water service
4 line material inventory has been completed and demonstrates
5 that the community water supply's distribution system does not
6 include lead service lines.

7 Section 75-25. Lead service line replacement program.

8 (a) Every community water supply in Illinois that has known
9 lead service lines shall create a plan to replace all lead
10 service lines and galvanized service lines if the service line
11 is or was connected to lead piping. Each community water supply
12 shall submit its lead service line replacement plan to the
13 Agency for approval, in an electronic form selected by the
14 Agency, by April 15, 2021. Each community water supply shall
15 annually update and submit its plan to the Agency by April 15
16 of each year thereafter in conjunction with the water service
17 line material inventory required under Section 15. The Agency
18 shall make each plan available to the public by maintaining
19 them on the Agency website.

20 (b) Each lead service line replacement program plan shall
21 include the following:

22 (1) The water service line material inventory
23 conducted under Section 15.

24 (2) An analysis of whether the community water supply
25 has control over lead service lines in its system.

1 (3) An analysis of costs and financing options for
2 replacing the system's lead service line that minimizes the
3 overall cost of system replacement. The analysis shall
4 include, but is not limited to:

5 (A) a detailed accounting of costs;

6 (B) measures to address affordability for
7 customers or rate payers;

8 (C) consideration of different scenarios for
9 structuring payments between the utility and its
10 customers over time;

11 (D) an explanation of the rationale for any permit
12 fees or other charges to a property owner associated
13 with lead service lines, and plans for utilization of
14 revenues derived from those fees or other charges; and

15 (E) any other relevant factors regarding the
16 rulemaking required by this Act.

17 (4) A feasibility and affordability plan that
18 includes, but is not limited to, information on whether:

19 (A) the community water supply pays for the portion
20 of the service lines owned by the community water
21 supply and the property owner pays for the portion he
22 or she owns;

23 (B) the community water supply pays for the entire
24 replacement and has a low interest loan for property
25 owners to pay for the replacement over time on their
26 water bills; or

1 (C) the community water supply pays for the entire
2 replacement.

3 (5) A plan for prioritizing high risk areas.

4 (6) A proposed schedule for replacements that includes
5 annual benchmarks, not to fall below 4 percent replacement
6 of inventoried lines per year.

7 (7) A proposed deadline for replacing all lead service
8 lines consistent with the water service line material
9 inventory required under Section 15.

10 (c) The Agency shall begin the rulemaking process to
11 implement the requirements of this Section within 6 months of
12 the effective date of this Act and shall adopt rules within one
13 year after the rulemaking process begins. During the rulemaking
14 process, the Agency shall consider:

15 (1) the form for submitting, and process for the
16 Agency's review of, lead service line replacement plans;

17 (2) whether a deadline for replacing all lead service
18 lines for community water supplies subject to this Act is
19 appropriate considering the utility scale, technical
20 feasibility of identifying and replacing lines, and impact
21 to public health of maintaining any lead service lines in
22 place;

23 (3) the means by which a community water supply must
24 make its lead service line replacement plan, and its
25 progress towards implementing the plan, available to the
26 public;

1 (4) the materials deemed acceptable for lead service
2 line replacement; and

3 (5) any factors that a community water supply shall
4 consider in developing the components of a plan required
5 under subsection (a).

6 (d) When a community water supply replaces a water main,
7 the community water supply must identify and replace all lead
8 service lines that connect to that water main during
9 replacement of the water main, unless a customer refuses to
10 have his or her lead service line replaced. If a customer
11 refuses to have his or her lead service line replaced, the
12 community water supply shall keep a record of that refusal
13 consistent with subsection (b) of Section 15.

14 The Agency shall by rule set reasonable fees for community
15 water systems to submit replacement plans.

16 (e) In order to provide water that does not become
17 contaminated with lead from a lead service line or galvanized
18 service line that is or was connected to lead piping, in
19 accordance with constitutional limitations, and to the extent
20 not already provided for by law, a community water supply shall
21 have the authority to access private property and private
22 residences for the sole purpose of identifying or replacing
23 lead service lines or galvanized service lines.

24 Before a community water supply may access private property
25 or a private residence for the purpose of replacing a lead
26 service line or galvanized service line that is or was

1 connected to lead piping, the community water supply shall
2 notify the owner of the property and the resident at least one
3 month before the planned work on the private property or in his
4 or her private residence. The community water supply must meet
5 the following requirements for notice under this subsection:

6 (1) The notice shall be made by the community water
7 supply at least every 2 weeks prior to the planned work
8 until the owner and resident have been contacted.

9 (2) At least one of the notices must be by certified
10 mail.

11 (3) The community water supply shall make personal
12 contact with the owner or resident about the notice by
13 visits to the property or residence.

14 (4) The community water supply shall attempt to tape
15 flyers with the notice to entrance doors for the property
16 or residence.

17 (5) To the extent that the owner or operator of a
18 community water supply serves a significant proportion of
19 non-English speaking consumers, a notification under this
20 Section must contain information in the appropriate
21 language regarding the importance of the notice and a
22 telephone number or address where a person who is served
23 may contact the owner or operator of the community water
24 supply to obtain a translated copy of the notification or
25 to request assistance in the appropriate language.

26 If the owner or resident refuses to allow access to his or

1 her residence or property for the purposes of cooperating with
2 the lead service line replacement, the community water supply
3 shall request that the owner or resident sign a waiver. The
4 waiver shall be developed by the Department and should be made
5 available in the owner or resident's language. Should the owner
6 or resident refuse to sign the waiver, or fail to respond to
7 the community water supply subsequent to the community water
8 supply's compliance with the notification requirements set
9 forth in this subsection, the community water supply shall
10 notify the Department in writing within 15 working days and
11 shall notify the Agency as part of the annual report to the
12 Agency under subsection (a).

13 To the extent allowed by law, community water supplies
14 shall be held harmless for damage to property when installing
15 water service lines. If dangers are encountered that prevent
16 the replacement of the lead service line, the community water
17 supply shall notify the Department within 15 working days of
18 why the replacement of the lead service could not be
19 accomplished.

20 (f) Service lines that are physically disconnected from the
21 distribution system are exempt from this Section.

22 Section 75-30. Prohibitions.

23 (a) Except as otherwise provided in this Section, no person
24 shall replace a portion of a lead service line without
25 replacing the entirety of the line at the same time.

1 (b) If the owner or operator of a community water supply
2 does not own the entire service line, then the owner or
3 operator of the community water supply shall notify the owner
4 of the service line, or the service line owner's authorized
5 agent, that the community water supply will replace the portion
6 of the service line that it owns and the owner's portion of the
7 service line at the community water supply's expense. The
8 notification shall follow the procedures required under
9 subsection (e) of Section 25. If the service line's owner or
10 authorized agent does not consent, consistent with the
11 notification and waiver provisions under subsection (e) of
12 Section 25, the community water supply shall not replace any
13 portion of the service line, unless in conjunction with an
14 emergency repair.

15 (c) A person may replace a portion of a lead service line
16 but not the entirety of the line when an emergency repair is
17 necessary and the community water supply notifies the owner and
18 resident within 36 hours, informing the owner and resident of
19 mitigating strategies, such as flushing pipes before use or
20 supplying filters for drinking and cooking purposes.

21 In the event of a partial service line replacement due to
22 an emergency situation, the community water supply must provide
23 filters and replace the remainder of the lead service line
24 within 30 days of the emergency repair.

25 In the event of a partial lead service line replacement
26 resulting from an emergency repair, the community water supply

1 shall inform the residents served by the service line that the
2 community water supply shall, at the community water supply's
3 expense, arrange to collect a sample from each partially
4 replaced lead service line that is representative of the water
5 in the service line for analysis of lead content within 72
6 hours after the completion of the partial replacement of the
7 service line. The community water supply shall collect the
8 sample and report the results of the analysis to the owner and
9 the resident or residents served by the line within 3 business
10 days of receiving the results. A mailed notice of the results
11 postmarked within 3 business days after the community water
12 supply receives the results shall satisfy the reporting
13 requirement.

14 (d) If an owner of a residence intends to replace the
15 portion of the lead service line that he or she owns, then the
16 owner of the residence shall provide the owner or operator of
17 the community water supply of the replacement plan with notice
18 at least 45 days before commencing the work. In the case of an
19 emergency repair, if the notice is not feasible, and if the
20 owner of the residence notifies the owner or operator of the
21 community water supply of the replacement of a portion of the
22 lead service line after the work is done, then the owner or
23 operator of the community water supply must replace the
24 remainder of the lead service line within 90 days.

25 Section 75-35. Non-community water supplies. The

1 requirements of this Act do not apply to non-community water
2 supplies.

3 Section 75-100. The Department of Commerce and Economic
4 Opportunity Law of the Civil Administrative Code of Illinois is
5 amended by adding Section 605-870 as follows:

6 (20 ILCS 605/605-870 new)

7 Sec. 605-870. Low-income water assistance policy and
8 program.

9 (a) The Department shall by rule establish a comprehensive
10 low-income water assistance policy and program that
11 incorporates financial assistance and includes, but is not
12 limited to, water efficiency or water quality projects, such as
13 lead service line replacement, or other measures to ensure that
14 residents have access to affordable and clean water. The policy
15 and program shall not jeopardize the ability of public
16 utilities, community water supplies, or other entities to
17 receive just compensation for providing services. The
18 resources applied in achieving the policy and program shall be
19 coordinated and efficiently used through the integration of
20 public programs and through the targeting of assistance. The
21 Department shall use all appropriate and available means to
22 fund this program and, to the extent possible, identify and use
23 sources of funding that complement State tax revenues. The rule
24 shall be finalized within 180 days of the effective date of

1 this Act, or within 60 days of receiving an appropriation for
2 the program.

3 (b) Any person who is a resident of the State and whose
4 household income is not greater than an amount determined
5 annually by the Department may apply for assistance under this
6 Section in accordance with rules adopted by the Department. In
7 setting the annual eligibility level, the Department shall
8 consider the amount of available funding and may not set a
9 limit higher than 150 percent of the poverty guidelines updated
10 periodically in the Federal Register by the U.S. Department of
11 Health and Human Services under the authority of 42 U.S.C.
12 9902(2).

13 (c) Applicants who qualify for assistance under subsection
14 (b) shall, subject to appropriation from the General Assembly
15 and subject to availability of funds to the Department, receive
16 assistance as provided in this Section. The Department, upon
17 receipt of moneys authorized under this Section for assistance,
18 shall commit funds for each qualified applicant in an amount
19 determined by the Department. In determining the amounts of
20 assistance to be provided to or on behalf of a qualified
21 applicant, the Department shall ensure that the highest amounts
22 of assistance go to households with the greatest water costs in
23 relation to household income. The Department may consider
24 factors such as water costs, household size, household income,
25 and region of the State when determining individual household
26 benefits. In adopting rules for the administration of this

1 Section, the Department shall ensure that a minimum of
2 one-third of the funds for the program are available for
3 benefits to eligible households with the lowest incomes and
4 that elderly households, households with persons with
5 disabilities, and households with children under 6 years of age
6 are offered a priority application period.

7 (d) Application materials for the program shall be made
8 available in multiple languages.

9 (e) The Department may adopt any rules necessary to
10 implement this Section.

11 Section 75-105. The Public Utilities Act is amended by
12 changing Section 8-306 as follows:

13 (220 ILCS 5/8-306)

14 Sec. 8-306. Special provisions relating to water and sewer
15 utilities.

16 (a) No later than 120 days after the effective date of this
17 amendatory Act of the 94th General Assembly, the Commission
18 shall prepare, make available to customers upon request, and
19 post on its Internet web site information concerning the
20 service obligations of water and sewer utilities and remedies
21 that a customer may pursue for a violation of the customer's
22 rights. The information shall specifically address the rights
23 of a customer of a water or sewer utility in the following
24 situations:

- 1 (1) The customer's water meter is replaced.
- 2 (2) The customer's bill increases by more than 50%
- 3 within one billing period.
- 4 (3) The customer's water service is terminated.
- 5 (4) The customer wishes to complain after receiving a
- 6 termination of service notice.
- 7 (5) The customer is unable to make payment on a billing
- 8 statement.
- 9 (6) A rate is filed, including without limitation a
- 10 surcharge or annual reconciliation filing, that will
- 11 increase the amount billed to the customer.
- 12 (7) The customer is billed for services provided prior
- 13 to the date covered by the billing statement.
- 14 (8) The customer is due to receive a credit.

15 Each billing statement issued by a water or sewer utility
16 shall include an Internet web site address where the customer
17 can view the information required under this subsection (a) and
18 a telephone number that the customer may call to request a copy
19 of the information.

20 (b) A water or sewer utility may discontinue service only
21 after it has mailed or delivered by other means a written
22 notice of discontinuance substantially in the form of Appendix
23 A of 83 Ill. Adm. Code 280. The notice must include the
24 Internet web site address where the customer can view the
25 information required under subsection (a) and a telephone
26 number that the customer may call to request a copy of the

1 information. Any notice required to be delivered or mailed to a
2 customer prior to discontinuance of service shall be delivered
3 or mailed separately from any bill. Service shall not be
4 discontinued until at least 5 days after delivery or 8 days
5 after the mailing of this notice. Service shall not be
6 discontinued and shall be restored if discontinued for the
7 reason which is the subject of a dispute or complaint during
8 the pendency of informal or formal complaint procedures of the
9 Illinois Commerce Commission under 83 Ill. Adm. Code 280.160 or
10 280.170, where the customer has complied with those rules.
11 Service shall not be discontinued and shall be restored if
12 discontinued where a customer has established a deferred
13 payment agreement pursuant to 83 Ill. Adm. Code 280.110 and has
14 not defaulted on such agreement. Residential customers who are
15 indebted to a utility for past due utility service shall have
16 the opportunity to make arrangements with the utility to retire
17 the debt by periodic payments, referred to as a deferred
18 payment agreement, unless this customer has failed to make
19 payment under such a plan during the past 12 months. The terms
20 and conditions of a reasonable deferred payment agreement shall
21 be determined by the utility after consideration of the
22 following factors, based upon information available from
23 current utility records or provided by the customer or
24 applicant:

25 (1) size of the past due account;

26 (2) customer or applicant's ability to pay;

- 1 (3) customer or applicant's payment history;
- 2 (4) reason for the outstanding indebtedness; and
- 3 (5) any other relevant factors relating to the
- 4 circumstances of the customer or applicant's service.

5 A residential customer shall pay a maximum of one-fourth of the
6 amount past due and owing at the time of entering into the
7 deferred payment agreement, and the water or sewer utility
8 shall allow a minimum of 2 months from the date of the
9 agreement and a maximum of 12 months for payment to be made
10 under a deferred payment agreement. Late payment charges may be
11 assessed against the amount owing that is the subject of a
12 deferred payment agreement.

13 (c) A water or sewer utility shall provide notice as
14 required by subsection (a) of Section 9-201 after the filing of
15 each information sheet under a purchased water surcharge,
16 purchased sewage treatment surcharge, or qualifying
17 infrastructure plant surcharge. The utility also shall post
18 notice of the filing in accordance with the requirements of 83
19 Ill. Adm. Code 255. Unless filed as part of a general rate
20 increase, notice of the filing of a purchased water surcharge
21 rider, purchased sewage treatment surcharge rider, or
22 qualifying infrastructure plant surcharge rider also shall be
23 given in the manner required by this subsection (c) for the
24 filing of information sheets.

25 (d) Commission rules pertaining to formal and informal
26 complaints against public utilities shall apply with full and

1 equal force to water and sewer utilities and their customers,
2 including provisions of 83 Ill. Adm. Code 280.170, and the
3 Commission shall respond to each complaint by providing the
4 consumer with a copy of the utility's response to the complaint
5 and a copy of the Commission's review of the complaint and its
6 findings. The Commission shall also provide the consumer with
7 all available options for recourse.

8 (e) Any refund shown on the billing statement of a customer
9 of a water or sewer utility must be itemized and must state if
10 the refund is an adjustment or credit.

11 (f) Water service for building construction purposes. At
12 the request of any municipality or township within the service
13 area of a public utility that provides water service to
14 customers within the municipality or township, a public utility
15 must (1) require all water service used for building
16 construction purposes to be measured by meter and subject to
17 approved rates and charges for metered water service and (2)
18 prohibit the unauthorized use of water taken from hydrants or
19 service lines installed at construction sites.

20 (g) Water meters.

21 (1) Periodic testing. Unless otherwise approved by the
22 Commission, each service water meter shall be periodically
23 inspected and tested in accordance with the schedule
24 specified in 83 Ill. Adm. Code 600.340, or more frequently
25 as the results may warrant, to insure that the meter
26 accuracy is maintained within the limits set out in 83 Ill.

1 Adm. Code 600.310.

2 (2) Meter tests requested by customer.

3 (A) Each utility furnishing metered water service
4 shall, without charge, test the accuracy of any meter
5 upon request by the customer served by such meter,
6 provided that the meter in question has not been tested
7 by the utility or by the Commission within 2 years
8 previous to such request. The customer or his or her
9 representatives shall have the privilege of witnessing
10 the test at the option of the customer. A written
11 report, giving the results of the test, shall be made
12 to the customer.

13 (B) When a meter that has been in service less than
14 2 years since its last test is found to be accurate
15 within the limits specified in 83 Ill. Adm. Code
16 600.310, the customer shall pay a fee to the utility
17 not to exceed the amounts specified in 83 Ill. Adm.
18 Code 600.350(b). Fees for testing meters not included
19 in this Section or so located that the cost will be out
20 of proportion to the fee specified will be determined
21 by the Commission upon receipt of a complete
22 description of the case.

23 (3) Commission referee tests. Upon written application
24 to the Commission by any customer, a test will be made of
25 the customer's meter by a representative of the Commission.
26 For such a test, a fee as provided for in subsection (g) (2)

1 shall accompany the application. If the meter is found to
2 be registering more than 1.5% fast on the average when
3 tested as prescribed in 83 Ill. Adm. Code 600.310, the
4 utility shall refund to the customer the amount of the fee.
5 The utility shall in no way disturb the meter after a
6 customer has made an application for a referee test until
7 authority to do so is given by the Commission or the
8 customer in writing.

9 (h) Water and sewer utilities; low usage. Each public
10 utility that provides water and sewer service must establish a
11 unit sewer rate, subject to review by the Commission, that
12 applies only to those customers who use less than 1,000 gallons
13 of water in any billing period.

14 (i) Water and sewer utilities; separate meters. Each public
15 utility that provides water and sewer service must offer
16 separate rates for water and sewer service to any commercial or
17 residential customer who uses separate meters to measure each
18 of those services. In order for the separate rate to apply, a
19 combination of meters must be used to measure the amount of
20 water that reaches the sewer system and the amount of water
21 that does not reach the sewer system.

22 (j) Each water or sewer public utility must disclose on
23 each billing statement any amount billed that is for service
24 provided prior to the date covered by the billing statement.
25 The disclosure must include the dates for which the prior
26 service is being billed. Each billing statement that includes

1 an amount billed for service provided prior to the date covered
2 by the billing statement must disclose the dates for which that
3 amount is billed and must include a copy of the document
4 created under subsection (a) and a statement of current
5 Commission rules concerning unbilled or misbilled service.

6 (k) When the customer is due a refund resulting from
7 payment of an overcharge, the utility shall credit the customer
8 in the amount of overpayment with interest from the date of
9 overpayment by the customer. The rate for interest shall be at
10 the appropriate rate determined by the Commission under 83 Ill.
11 Adm. Code 280.70.

12 (l) Water and sewer public utilities; subcontractors. The
13 Commission shall adopt rules for water and sewer public
14 utilities to provide notice to the customers of the proper kind
15 of identification that a subcontractor must present to the
16 customer, to prohibit a subcontractor from soliciting or
17 receiving payment of any kind for any service provided by the
18 water or sewer public utility or the subcontractor, and to
19 establish sanctions for violations.

20 (m) Water and sewer public utilities; nonrevenue
21 ~~unaccounted-for~~ water. Each ~~By December 31, 2006,~~ each water
22 public utility shall file tariffs with the Commission to
23 establish the maximum percentage of nonrevenue ~~unaccounted-for~~
24 water that would be considered in the determination of any
25 rates or surcharges. The rates or surcharges approved for a
26 water public utility shall not include charges for nonrevenue

1 ~~unaccounted-for~~ water in excess of this maximum percentage
2 without well-documented support and justification for the
3 Commission to consider in any request to recover charges in
4 excess of the tariffed maximum percentage.

5 (n) Rate increases; public forums. When any public utility
6 providing water or sewer service proposes a general rate
7 increase, in addition to other notice requirements, the water
8 or sewer public utility must notify its customers of their
9 right to request a public forum. A customer or group of
10 customers must make written request to the Commission for a
11 public forum and must also provide written notification of the
12 request to the customer's municipal or, for unincorporated
13 areas, township government. The Commission, at its discretion,
14 may schedule the public forum. If it is determined that public
15 forums are required for multiple municipalities or townships,
16 the Commission shall schedule these public forums, in locations
17 within approximately 45 minutes drive time of the
18 municipalities or townships for which the public forums have
19 been scheduled. The public utility must provide advance notice
20 of 30 days for each public forum to the governing bodies of
21 those units of local government affected by the increase. The
22 day of each public forum shall be selected so as to encourage
23 the greatest public participation. Each public forum will begin
24 at 7:00 p.m. Reports and comments made during or as a result of
25 each public forum must be made available to the hearing
26 officials and reviewed when drafting a recommended or tentative

1 decision, finding or order pursuant to Section 10-111 of this
2 Act.

3 (o) The Commission may allow or direct a water utility to
4 establish a customer assistance program that provides
5 financial relief to residential customers who qualify for
6 income-related assistance.

7 A customer assistance program established under this
8 subsection that affects rates and charges for service is not
9 discriminatory for purposes of this Act or any other law
10 regulating rates and charges for service. In considering
11 whether to approve a water utility's proposed customer
12 assistance program, the Commission must determine that a
13 customer assistance program established under this subsection
14 is in the public interest.

15 The Commission shall adopt rules to implement this
16 subsection. These rules shall require customer assistance
17 programs under this subsection to coordinate with utility
18 energy efficiency programs and the Illinois Home
19 Weatherization Assistance Program for the purpose of informing
20 eligible customers of additional resources that may help the
21 customer conserve water.

22 (p) In this subsection, "cost of service" means the total
23 annual operation and maintenance expenses and capital-related
24 costs incurred in meeting the various aspects of providing
25 water or sanitary sewer service.

26 Within one year after the effective date of this amendatory

1 Act of the 101st General Assembly, an entity subject to the
2 federal Safe Drinking Water Act and the federal Clean Water Act
3 that serves or provides water or sewer services to a population
4 of more than 3,300 shall prepare a summary of its cost of
5 service for calendar year 2016.

6 A summary prepared under this subsection shall be submitted
7 to the Environmental Protection Agency electronically and
8 shall include any standardized forms, tables, or text specified
9 by the Director of the Agency. The Agency shall post all such
10 summaries on the Agency's website for public viewing and in a
11 timely manner after the Agency receives them. If an entity is
12 required to submit a cost of service summary or similar
13 document to another State agency, the entity may submit its
14 report to the Agency in the form required by that State agency.

15 (Source: P.A. 94-950, eff. 6-27-06.)

16 (415 ILCS 5/17.11 rep.)

17 Section 75-110. The Environmental Protection Act is
18 amended by repealing Section 17.11.

19 Article 85.

20 Section 85-5. The Property Tax Code is amended by changing
21 Sections 21-295, 21-310, 21-355 as follows:

22 (35 ILCS 200/21-295)

1 Sec. 21-295. Creation of indemnity fund.

2 (a) In counties of less than 3,000,000 inhabitants, each
3 person purchasing any property at a sale under this Code shall
4 pay to the County Collector, prior to the issuance of any
5 certificate of purchase, an indemnity fee set by the county
6 collector of not more than \$20 for each item purchased. A like
7 sum shall be paid for each year that all or a portion of
8 subsequent taxes are paid by the tax purchaser and posted to
9 the tax judgment, sale, redemption and forfeiture record where
10 the underlying certificate of purchase is recorded.

11 (a-5) In counties of 3,000,000 or more inhabitants, each
12 person purchasing property at a sale under this Code shall pay
13 to the County Collector a non-refundable fee of \$80 for each
14 item purchased plus an additional sum equal to 5% of ~~taxes,~~
15 ~~interest, and penalties paid by the purchaser, including~~ the
16 taxes, interest, and penalties paid under Section 21-240. In
17 these counties, the certificate holder shall also pay to the
18 County Collector a fee of \$80 for each year that all or a
19 portion of subsequent taxes are paid by the tax purchaser and
20 posted to the tax judgment, sale, redemption, and forfeiture
21 record, ~~plus an additional sum equal to 5% of all subsequent~~
22 ~~taxes, interest, and penalties. The additional 5% fees are not~~
23 ~~required after December 31, 2006.~~ The changes to this
24 subsection made by this amendatory Act of the 91st General
25 Assembly are not a new enactment, but declaratory of existing
26 law.

1 (b) The amount paid prior to issuance of the certificate of
2 purchase pursuant to subsection (a) or (a-5) shall be included
3 in the purchase price of the property in the certificate of
4 purchase and all amounts paid under this Section shall be
5 included in the amount required to redeem under Section 21-355,
6 except for the non-refundable \$80 fee for each item purchased
7 at the tax sale as provided in this Section. Except as
8 otherwise provided in subsection (b) of Section 21-300, all
9 money received under subsection (a) or (a-5) shall be paid by
10 the Collector to the County Treasurer of the County in which
11 the land is situated, for the purpose of an indemnity fund. The
12 County Treasurer, as trustee of that fund, shall invest all of
13 that fund, principal and income, in his or her hands from time
14 to time, if not immediately required for payments of
15 indemnities under subsection (a) of Section 21-305, in
16 investments permitted by the Illinois State Board of Investment
17 under Article 22A of the Illinois Pension Code. The county
18 collector shall report annually to the county clerk on the
19 condition and income of the fund. The indemnity fund shall be
20 held to satisfy judgments obtained against the County
21 Treasurer, as trustee of the fund. No payment shall be made
22 from the fund, except upon a judgment of the court which
23 ordered the issuance of a tax deed.

24 (Source: P.A. 100-1070, eff. 1-1-19.)

1 Sec. 21-310. Sales in error.

2 (a) When, upon application of the county collector, the
3 owner of the certificate of purchase, or a municipality which
4 owns or has owned the property ordered sold, it appears to the
5 satisfaction of the court which ordered the property sold that
6 any of the following subsections are applicable, the court
7 shall declare the sale to be a sale in error:

8 (1) the property was not subject to taxation, or all or
9 any part of the lien of taxes sold has become null and void
10 pursuant to Section 21-95 or unenforceable pursuant to
11 subsection (c) of Section 18-250 or subsection (b) of
12 Section 22-40,

13 (2) the taxes or special assessments had been paid
14 prior to the sale of the property,

15 (3) there is a double assessment,

16 (4) the description is void for uncertainty,

17 (5) the assessor, chief county assessment officer,
18 board of review, board of appeals, or other county official
19 has made an error (other than an error of judgment as to
20 the value of any property),

21 (5.5) the owner of the homestead property had tendered
22 timely and full payment to the county collector that the
23 owner reasonably believed was due and owing on the
24 homestead property, and the county collector did not apply
25 the payment to the homestead property; provided that this
26 provision applies only to homeowners, not their agents or

1 third-party payors,

2 (6) prior to the tax sale a voluntary or involuntary
3 petition has been filed by or against the legal or
4 beneficial owner of the property requesting relief under
5 the provisions of 11 U.S.C. Chapter 7, 11, 12, or 13,

6 (7) the property is owned by the United States, the
7 State of Illinois, a municipality, or a taxing district, or

8 (8) the owner of the property is a reservist or
9 guardsperson who is granted an extension of his or her due
10 date under Sections 21-15, 21-20, and 21-25 of this Act.

11 (b) When, upon application of the owner of the certificate
12 of purchase only, it appears to the satisfaction of the court
13 which ordered the property sold that any of the following
14 subsections are applicable, the court shall declare the sale to
15 be a sale in error:

16 (1) A voluntary or involuntary petition under the
17 provisions of 11 U.S.C. Chapter 7, 11, 12, or 13 has been
18 filed subsequent to the tax sale and prior to the issuance
19 of the tax deed.

20 (2) The improvements upon the property sold have been
21 substantially destroyed or rendered uninhabitable or
22 otherwise unfit for occupancy subsequent to the tax sale
23 and prior to the issuance of the tax deed; however, if the
24 court declares a sale in error under this paragraph (2),
25 the court may order the holder of the certificate of
26 purchase to assign the certificate to the county collector

1 if requested by the county collector. The county collector
2 may, upon request of the county, as trustee, or upon
3 request of a taxing district having an interest in the
4 taxes sold, further assign any certificate of purchase
5 received pursuant to this paragraph (2) to the county
6 acting as trustee for taxing districts pursuant to Section
7 21-90 of this Code or to the taxing district having an
8 interest in the taxes sold.

9 (3) There is an interest held by the United States in
10 the property sold which could not be extinguished by the
11 tax deed.

12 (4) The real property contains a hazardous substance,
13 hazardous waste, or underground storage tank that would
14 require cleanup or other removal under any federal, State,
15 or local law, ordinance, or regulation, only if the tax
16 purchaser purchased the property without actual knowledge
17 of the hazardous substance, hazardous waste, or
18 underground storage tank. This paragraph (4) applies only
19 if the owner of the certificate of purchase has made
20 application for a sale in error at any time before the
21 issuance of a tax deed. If the court declares a sale in
22 error under this paragraph (4), the court may order the
23 holder of the certificate of purchase to assign the
24 certificate to the county collector if requested by the
25 county collector. The county collector may, upon request of
26 the county, as trustee, or upon request of a taxing

1 district having an interest in the taxes sold, further
2 assign any certificate of purchase received pursuant to
3 this paragraph (4) to the county acting as trustee for
4 taxing districts pursuant to Section 21-90 of this Code or
5 to the taxing district having an interest in the taxes
6 sold.

7 Whenever a court declares a sale in error under this
8 subsection (b), the court shall promptly notify the county
9 collector in writing. Every such declaration pursuant to any
10 provision of this subsection (b) shall be made within the
11 proceeding in which the tax sale was authorized.

12 (c) When the county collector discovers, prior to the
13 expiration of the period of redemption, that a tax sale should
14 not have occurred for one or more of the reasons set forth in
15 subdivision (a)(1), (a)(2), (a)(6), or (a)(7) of this Section,
16 the county collector shall notify the last known owner of the
17 certificate of purchase by certified and regular mail, or other
18 means reasonably calculated to provide actual notice, that the
19 county collector intends to declare an administrative sale in
20 error and of the reasons therefor, including documentation
21 sufficient to establish the reason why the sale should not have
22 occurred. The owner of the certificate of purchase may object
23 in writing within 28 days after the date of the mailing by the
24 county collector. If an objection is filed, the county
25 collector shall not administratively declare a sale in error,
26 but may apply to the circuit court for a sale in error as

1 provided in subsection (a) of this Section. Thirty days
2 following the receipt of notice by the last known owner of the
3 certificate of purchase, or within a reasonable time
4 thereafter, the county collector shall make a written
5 declaration, based upon clear and convincing evidence, that the
6 taxes were sold in error and shall deliver a copy thereof to
7 the county clerk within 30 days after the date the declaration
8 is made for entry in the tax judgment, sale, redemption, and
9 forfeiture record pursuant to subsection (d) of this Section.
10 The county collector shall promptly notify the last known owner
11 of the certificate of purchase of the declaration by regular
12 mail and shall promptly pay the amount of the tax sale,
13 together with interest and costs as provided in Section 21-315,
14 upon surrender of the original certificate of purchase.

15 (d) If a sale is declared to be a sale in error, the county
16 clerk shall make entry in the tax judgment, sale, redemption
17 and forfeiture record, that the property was erroneously sold,
18 and the county collector shall, on demand of the owner of the
19 certificate of purchase, refund the amount paid, except for the
20 non-refundable \$80 fee paid, pursuant to Section 21-295, for
21 each item purchased at the tax sale, pay any interest and costs
22 as may be ordered under Sections 21-315 through 21-335, and
23 cancel the certificate so far as it relates to the property.
24 The county collector shall deduct from the accounts of the
25 appropriate taxing bodies their pro rata amounts paid.
26 Alternatively, for sales in error declared under subsection

1 (b) (2) or (b) (4), the county collector may request the circuit
2 court to direct the county clerk to record any assignment of
3 the tax certificate to or from the county collector without
4 charging a fee for the assignment. The owner of the certificate
5 of purchase shall receive all statutory refunds and payments.
6 The county collector shall deduct costs and payments in the
7 same manner as if a sale in error had occurred.

8 (Source: P.A. 100-890, eff. 1-1-19; 101-379, eff. 1-1-20.)

9 (35 ILCS 200/21-355)

10 Sec. 21-355. Amount of redemption. Any person desiring to
11 redeem shall deposit an amount specified in this Section with
12 the county clerk of the county in which the property is
13 situated, in legal money of the United States, or by cashier's
14 check, certified check, post office money order or money order
15 issued by a financial institution insured by an agency or
16 instrumentality of the United States, payable to the county
17 clerk of the proper county. The deposit shall be deemed timely
18 only if actually received in person at the county clerk's
19 office prior to the close of business as defined in Section
20 3-2007 of the Counties Code on or before the expiration of the
21 period of redemption or by United States mail with a post
22 office cancellation mark dated not less than one day prior to
23 the expiration of the period of redemption. The deposit shall
24 be in an amount equal to the total of the following:

25 (a) the certificate amount, which shall include all tax

1 principal, special assessments, interest and penalties
2 paid by the tax purchaser together with costs and fees of
3 sale and fees paid under Sections 21-295 and 21-315 through
4 21-335, except for the non-refundable \$80 fee paid,
5 pursuant to Section 21-295, for each item purchased at the
6 tax sale;

7 (b) the accrued penalty, computed through the date of
8 redemption as a percentage of the certificate amount, as
9 follows:

10 (1) if the redemption occurs on or before the
11 expiration of 6 months from the date of sale, the
12 certificate amount times the penalty bid at sale;

13 (2) if the redemption occurs after 6 months from
14 the date of sale, and on or before the expiration of 12
15 months from the date of sale, the certificate amount
16 times 2 times the penalty bid at sale;

17 (3) if the redemption occurs after 12 months from
18 the date of sale and on or before the expiration of 18
19 months from the date of sale, the certificate amount
20 times 3 times the penalty bid at sale;

21 (4) if the redemption occurs after 18 months from
22 the date of sale and on or before the expiration of 24
23 months from the date of sale, the certificate amount
24 times 4 times the penalty bid at sale;

25 (5) if the redemption occurs after 24 months from
26 the date of sale and on or before the expiration of 30

1 months from the date of sale, the certificate amount
2 times 5 times the penalty bid at sale;

3 (6) if the redemption occurs after 30 months from
4 the date of sale and on or before the expiration of 36
5 months from the date of sale, the certificate amount
6 times 6 times the penalty bid at sale.

7 In the event that the property to be redeemed has
8 been purchased under Section 21-405, the penalty bid
9 shall be 12% per penalty period as set forth in
10 subparagraphs (1) through (6) of this subsection (b).
11 The changes to this subdivision (b)(6) made by this
12 amendatory Act of the 91st General Assembly are not a
13 new enactment, but declaratory of existing law.

14 (c) The total of all taxes, special assessments,
15 accrued interest on those taxes and special assessments and
16 costs charged in connection with the payment of those taxes
17 or special assessments, except for the non-refundable \$80
18 fee paid, pursuant to Section 21-295, for each item
19 purchased at the tax sale, which have been paid by the tax
20 certificate holder on or after the date those taxes or
21 special assessments became delinquent together with 12%
22 penalty on each amount so paid for each year or portion
23 thereof intervening between the date of that payment and
24 the date of redemption. In counties with less than
25 3,000,000 inhabitants, however, a tax certificate holder
26 may not pay all or part of an installment of a subsequent

1 tax or special assessment for any year, nor shall any
2 tender of such a payment be accepted, until after the
3 second or final installment of the subsequent tax or
4 special assessment has become delinquent or until after the
5 holder of the certificate of purchase has filed a petition
6 for a tax deed under Section 22.30. The person redeeming
7 shall also pay the amount of interest charged on the
8 subsequent tax or special assessment and paid as a penalty
9 by the tax certificate holder. This amendatory Act of 1995
10 applies to tax years beginning with the 1995 taxes, payable
11 in 1996, and thereafter.

12 (d) Any amount paid to redeem a forfeiture occurring
13 subsequent to the tax sale together with 12% penalty
14 thereon for each year or portion thereof intervening
15 between the date of the forfeiture redemption and the date
16 of redemption from the sale.

17 (e) Any amount paid by the certificate holder for
18 redemption of a subsequently occurring tax sale.

19 (f) All fees paid to the county clerk under Section
20 22-5.

21 (g) All fees paid to the registrar of titles incident
22 to registering the tax certificate in compliance with the
23 Registered Titles (Torrens) Act.

24 (h) All fees paid to the circuit clerk and the sheriff,
25 a licensed or registered private detective, or the coroner
26 in connection with the filing of the petition for tax deed

1 and service of notices under Sections 22-15 through 22-30
2 and 22-40 in addition to (1) a fee of \$35 if a petition for
3 tax deed has been filed, which fee shall be posted to the
4 tax judgement, sale, redemption, and forfeiture record, to
5 be paid to the purchaser or his or her assignee; (2) a fee
6 of \$4 if a notice under Section 22-5 has been filed, which
7 fee shall be posted to the tax judgment, sale, redemption,
8 and forfeiture record, to be paid to the purchaser or his
9 or her assignee; (3) all costs paid to record a lis pendens
10 notice in connection with filing a petition under this
11 Code; and (4) if a petition for tax deed has been filed,
12 all fees up to \$150 per redemption paid to a registered or
13 licensed title insurance company or title insurance agent
14 for a title search to identify all owners, parties
15 interested, and occupants of the property, to be paid to
16 the purchaser or his or her assignee. The fees in (1) and
17 (2) of this paragraph (h) shall be exempt from the posting
18 requirements of Section 21-360. The costs incurred in
19 causing notices to be served by a licensed or registered
20 private detective under Section 22-15, may not exceed the
21 amount that the sheriff would be authorized by law to
22 charge if those notices had been served by the sheriff.

23 (i) All fees paid for publication of notice of the tax
24 sale in accordance with Section 22-20.

25 (j) All sums paid to any county, city, village or
26 incorporated town for reimbursement under Section 22-35.

1 (k) All costs and expenses of receivership under
2 Section 21-410, to the extent that these costs and expenses
3 exceed any income from the property in question, if the
4 costs and expenditures have been approved by the court
5 appointing the receiver and a certified copy of the order
6 or approval is filed and posted by the certificate holder
7 with the county clerk. Only actual costs expended may be
8 posted on the tax judgment, sale, redemption and forfeiture
9 record.

10 (Source: P.A. 98-1162, eff. 6-1-15.)

11 Article 90.

12 Section 90-5. The Housing Authorities Act is amended by
13 changing Sections 8.23, 17, and 25 and by adding Sections
14 8.10a, 25.01, and 25.02 as follows:

15 (310 ILCS 10/8.10a new)

16 Sec. 8.10a. Criminal history record data.

17 (a) Every Authority organized under the provisions of this
18 Act shall collect the following:

19 (1) the number of applications submitted for admission
20 to federally assisted housing;

21 (2) the number of applications submitted for admission
22 to federally assisted housing by individuals with a
23 criminal history record, if the Authority is conducting

1 criminal history records checks of applicants or other
2 household members;

3 (3) the number of applications for admission to
4 federally assisted housing that were denied on the basis of
5 a criminal history record, if the Authority is conducting
6 criminal history records checks of applicants or other
7 household members;

8 (4) the number of criminal records assessment hearings
9 requested by applicants for housing who were denied
10 federally assisted housing on the basis of a criminal
11 history records check; and

12 (5) the number of denials for federally assisted
13 housing that were overturned after a criminal records
14 assessment hearing.

15 (b) The information required in this Section shall be
16 disaggregated by the race, ethnicity, and sex of applicants for
17 housing. This information shall be reported to the Illinois
18 Criminal Justice Information Authority and shall be compiled
19 and reported to the General Assembly annually by the Illinois
20 Criminal Justice Information Authority. The Illinois Criminal
21 Justice Information Authority shall also make this report
22 publicly available, including on its website, without fee.

23 (310 ILCS 10/8.23)

24 Sec. 8.23. Notification to leaseholders of the prospective
25 presence of individuals with a felony conviction ~~felons~~ in

1 housing authority facilities; eviction.

2 (a) Immediately upon the receipt of the written
3 notification, from the Department of Corrections under
4 subsection (c) of Section 3-14-1 of the Unified Code of
5 Corrections, that an individual with a felony conviction ~~a~~
6 ~~felon~~ intends to reside, upon release from custody, at an
7 address that is a housing facility owned, managed, operated, or
8 leased by the Authority, the Authority must provide written
9 notification to the leaseholder residing at that address.

10 (b) The Authority may not evict the leaseholder described
11 in subsection (a) of this Section unless (i) federal law
12 prohibits the individual with a felony conviction from residing
13 at a housing facility owned, managed, operated, or leased by
14 the Authority and (ii) the Authority proves by a preponderance
15 of the evidence that the leaseholder had knowledge of and
16 consents to the individual's ~~felon's~~ intent to reside at the
17 leaseholder's address.

18 (Source: P.A. 91-506, eff. 8-13-99.)

19 (310 ILCS 10/17) (from Ch. 67 1/2, par. 17)

20 Sec. 17. Definitions. The following terms, wherever used or
21 referred to in this Act shall have the following respective
22 meanings, unless in any case a different meaning clearly
23 appears from the context:

24 (a) "Authority" or "housing authority" shall mean a
25 municipal corporation organized in accordance with the

1 provisions of this Act for the purposes, with the powers and
2 subject to the restrictions herein set forth.

3 (b) "Area" or "area of operation" shall mean: (1) in the
4 case of an authority which is created hereunder for a city,
5 village, or incorporated town, the area within the territorial
6 boundaries of said city, village, or incorporated town, and so
7 long as no county housing authority has jurisdiction therein,
8 the area within three miles from such territorial boundaries,
9 except any part of such area located within the territorial
10 boundaries of any other city, village, or incorporated town;
11 and (2) in the case of a county shall include all of the county
12 except the area of any city, village or incorporated town
13 located therein in which there is an Authority. When an
14 authority is created for a county subsequent to the creation of
15 an authority for a city, village or incorporated town within
16 the same county, the area of operation of the authority for
17 such city, village or incorporated town shall thereafter be
18 limited to the territory of such city, village or incorporated
19 town, but the authority for such city, village or incorporated
20 town may continue to operate any project developed in whole or
21 in part in an area previously a part of its area of operation,
22 or may contract with the county housing authority with respect
23 to the sale, lease, development or administration of such
24 project. When an authority is created for a city, village or
25 incorporated town subsequent to the creation of a county
26 housing authority which previously included such city, village

1 or incorporated town within its area of operation, such county
2 housing authority shall have no power to create any additional
3 project within the city, village or incorporated town, but any
4 existing project in the city, village or incorporated town
5 currently owned and operated by the county housing authority
6 shall remain in the ownership, operation, custody and control
7 of the county housing authority.

8 (b-5) "Criminal history record" means a record of arrest,
9 complaint, indictment, or any disposition arising therefrom.

10 (b-6) "Criminal history report" means any written, oral, or
11 other communication of information that includes criminal
12 history record information about a natural person that is
13 produced by a law enforcement agency, a court, a consumer
14 reporting agency, or a housing screening agency or business.

15 (c) "Presiding officer" shall mean the presiding officer of
16 the board of a county, or the mayor or president of a city,
17 village or incorporated town, as the case may be, for which an
18 Authority is created hereunder.

19 (d) "Commissioner" shall mean one of the members of an
20 Authority appointed in accordance with the provisions of this
21 Act.

22 (e) "Government" shall include the State and Federal
23 governments and the governments of any subdivisions, agency or
24 instrumentality, corporate or otherwise, of either of them.

25 (f) "Department" shall mean the Department of Commerce and
26 Economic Opportunity.

1 (g) "Project" shall include all lands, buildings, and
2 improvements, acquired, owned, leased, managed or operated by a
3 housing authority, and all buildings and improvements
4 constructed, reconstructed or repaired by a housing authority,
5 designed to provide housing accommodations and facilities
6 appurtenant thereto (including community facilities and
7 stores) which are planned as a unit, whether or not acquired or
8 constructed at one time even though all or a portion of the
9 buildings are not contiguous or adjacent to one another; and
10 the planning of buildings and improvements, the acquisition of
11 property, the demolition of existing structures, the clearing
12 of land, the construction, reconstruction, and repair of
13 buildings or improvements and all other work in connection
14 therewith. As provided in Sections 8.14 to 8.18, inclusive,
15 "project" also means, for Housing Authorities for
16 municipalities of less than 500,000 population and for
17 counties, the conservation of urban areas in accordance with an
18 approved conservation plan. "Project" shall also include (1)
19 acquisition of (i) a slum or blighted area or a deteriorated or
20 deteriorating area which is predominantly residential in
21 character, or (ii) any other deteriorated or deteriorating area
22 which is to be developed or redeveloped for predominantly
23 residential uses, or (iii) platted urban or suburban land which
24 is predominantly open and which because of obsolete platting,
25 diversity of ownership, deterioration of structures or of site
26 improvements, or otherwise substantially impairs or arrests

1 the sound growth of the community and which is to be developed
2 for predominantly residential uses, or (iv) open unplatted
3 urban or suburban land necessary for sound community growth
4 which is to be developed for predominantly residential uses, or
5 (v) any other area where parcels of land remain undeveloped
6 because of improper platting, delinquent taxes or special
7 assessments, scattered or uncertain ownerships, clouds on
8 title, artificial values due to excessive utility costs, or any
9 other impediments to the use of such area for predominantly
10 residential uses; (2) installation, construction, or
11 reconstruction of streets, utilities, and other site
12 improvements essential to the preparation of sites for uses in
13 accordance with the development or redevelopment plan; and (3)
14 making the land available for development or redevelopment by
15 private enterprise or public agencies (including sale, initial
16 leasing, or retention by the local public agency itself). If in
17 any city, village or incorporated town there exists a land
18 clearance commission created under the "Blighted Areas
19 Redevelopment Act of 1947" having the same area of operation as
20 a housing authority created in and for any such municipality
21 such housing authority shall have no power to acquire land of
22 the character described in subparagraph (iii), (iv) or (v) of
23 paragraph 1 of the definition of "project" for the purpose of
24 development or redevelopment by private enterprise.

25 (h) "Community facilities" shall include lands, buildings,
26 and equipment for recreation or social assembly, for education,

1 health or welfare activities and other necessary utilities
2 primarily for use and benefit of the occupants of housing
3 accommodations to be constructed, reconstructed, repaired or
4 operated hereunder.

5 (i) "Real property" shall include lands, lands under water,
6 structures, and any and all easements, franchises and
7 incorporeal hereditaments and estates, and rights, legal and
8 equitable, including terms for years and liens by way of
9 judgment, mortgage or otherwise.

10 (j) The term "governing body" shall include the city
11 council of any city, the president and board of trustees of any
12 village or incorporated town, the council of any city or
13 village, and the county board of any county.

14 (k) The phrase "individual, association, corporation or
15 organization" shall include any individual, private
16 corporation, limited or general partnership, limited liability
17 company, insurance company, housing corporation, neighborhood
18 redevelopment corporation, non-profit corporation,
19 incorporated or unincorporated group or association,
20 educational institution, hospital, or charitable organization,
21 and any mutual ownership or cooperative organization.

22 (l) "Conservation area", for the purpose of the exercise of
23 the powers granted in Sections 8.14 to 8.18, inclusive, for
24 housing authorities for municipalities of less than 500,000
25 population and for counties, means an area of not less than 2
26 acres in which the structures in 50% or more of the area are

1 residential having an average age of 35 years or more. Such an
2 area is not yet a slum or blighted area as defined in the
3 Blighted Areas Redevelopment Act of 1947, but such an area by
4 reason of dilapidation, obsolescence, deterioration or illegal
5 use of individual structures, overcrowding of structures and
6 community facilities, conversion of residential units into
7 non-residential use, deleterious land use or layout, decline of
8 physical maintenance, lack of community planning, or any
9 combination of these factors may become a slum and blighted
10 area.

11 (m) "Conservation plan" means the comprehensive program
12 for the physical development and replanning of a "Conservation
13 Area" as defined in paragraph (l) embodying the steps required
14 to prevent such Conservation Area from becoming a slum and
15 blighted area.

16 (n) "Fair use value" means the fair cash market value of
17 real property when employed for the use contemplated by a
18 "Conservation Plan" in municipalities of less than 500,000
19 population and in counties.

20 (o) "Community facilities" means, in relation to a
21 "Conservation Plan", those physical plants which implement,
22 support and facilitate the activities, services and interests
23 of education, recreation, shopping, health, welfare, religion
24 and general culture.

25 (p) "Loan agreement" means any agreement pursuant to which
26 an Authority agrees to loan the proceeds of its revenue bonds

1 issued with respect to a multifamily rental housing project or
2 other funds of the Authority to any person upon terms providing
3 for loan repayment installments at least sufficient to pay when
4 due all principal of, premium, if any, and interest on the
5 revenue bonds of the Authority issued with respect to the
6 multifamily rental housing project, and providing for
7 maintenance, insurance, and other matters as may be deemed
8 desirable by the Authority.

9 (q) "Multifamily rental housing" means any rental project
10 designed for mixed-income or low-income occupancy.

11 (Source: P.A. 94-793, eff. 5-19-06; 95-887, eff. 8-22-08.)

12 (310 ILCS 10/25) (from Ch. 67 1/2, par. 25)

13 Sec. 25. Rentals and tenant selection. In the operation or
14 management of housing projects an Authority shall at all times
15 observe the following duties with respect to rentals and tenant
16 selection:

17 (a) It shall not accept any person as a tenant in any
18 dwelling in a housing project if the persons who would occupy
19 the dwelling have an aggregate annual income which equals or
20 exceeds the amount which the Authority determines (which
21 determination shall be conclusive) to be necessary in order to
22 enable such persons to secure safe, sanitary and uncongested
23 dwelling accommodations within the area of operation of the
24 Authority and to provide an adequate standard of living for
25 themselves.

1 (b) It may rent or lease the dwelling accommodations
2 therein only at rentals within the financial reach of persons
3 who lack the amount of income which it determines (pursuant to
4 (a) of this Section) to be necessary in order to obtain safe,
5 sanitary and uncongested dwelling accommodations within the
6 area of operation of the Authority and to provide an adequate
7 standard of living.

8 (c) It may rent or lease to a tenant a dwelling consisting
9 of the number of rooms (but no greater number) which it deems
10 necessary to provide safe and sanitary accommodations to the
11 proposed occupants thereof, without overcrowding.

12 (d) It shall not change the residency preference of any
13 prospective tenant once the application has been accepted by
14 the authority.

15 ~~(e) It may refuse to certify or recertify applicants,~~
16 ~~current tenants, or other household members if, after due~~
17 ~~notice and an impartial hearing, that person or any of the~~
18 ~~proposed occupants of the dwelling has, prior to or during a~~
19 ~~term of tenancy or occupancy in any housing project operated by~~
20 ~~an Authority, been convicted of a criminal offense relating to~~
21 ~~the sale or distribution of controlled substances under the~~
22 ~~laws of this State, the United States or any other state.~~ If an
23 Authority desires a criminal history records check of all 50
24 states or a 50-state confirmation of a conviction record, the
25 Authority shall submit the fingerprints of the relevant
26 applicant, tenant, or other household member to the Department

1 of State Police in a manner prescribed by the Department of
2 State Police. These fingerprints shall be checked against the
3 fingerprint records now and hereafter filed in the Department
4 of State Police and Federal Bureau of Investigation criminal
5 history records databases. The Department of State Police shall
6 charge a fee for conducting the criminal history records check,
7 which shall be deposited in the State Police Services Fund and
8 shall not exceed the actual cost of the records check. The
9 Department of State Police shall furnish pursuant to positive
10 identification, records of conviction to the Authority. An
11 Authority that requests a criminal history report of an
12 applicant or other household member shall inform the applicant
13 at the time of the request that the applicant or other
14 household member may provide additional mitigating information
15 for consideration with the application for housing.

16 (e-5) Criminal history record assessment. The Authority
17 shall use the following process when evaluating the criminal
18 history report of an applicant or other household member to
19 determine whether to rent or lease to the applicant:

20 (1) Unless required by federal law, the Authority shall
21 not consider the following information when determining
22 whether to rent or lease to an applicant for housing:

23 (A) an arrest or detention;

24 (B) criminal charges or indictments, and the
25 nature of any disposition arising therefrom, that do
26 not result in a conviction;

1 (C) a conviction that has been vacated, ordered,
2 expunged, sealed, or impounded by a court;

3 (D) matters under the jurisdiction of the Illinois
4 Juvenile Court;

5 (E) the amount of time since the applicant or other
6 household member completed his or her sentence in
7 prison or jail or was released from prison or jail; or

8 (F) convictions occurring more than 180 days prior
9 to the date the applicant submitted his or her
10 application for housing.

11 (2) The Authority shall create a system for the
12 independent review of criminal history reports:

13 (A) the reviewer shall examine the applicant's or
14 other household member's criminal history report and
15 report only those records not prohibited under
16 paragraph (1) to the person or persons making the
17 decision about whether to offer housing to the
18 applicant; and

19 (B) the reviewer shall not participate in any final
20 decisions on an applicant's application for housing.

21 (3) The Authority may deny an applicant's application
22 for housing because of the applicant's or another household
23 member's criminal history record, only if the Authority:

24 (A) determines that the denial is required under
25 federal law; or

26 (B) determines that there is a direct relationship

1 between the applicant or the other household member's
2 criminal history record and a risk to the health,
3 safety, and peaceful enjoyment of fellow tenants. The
4 mere existence of a criminal history record does not
5 demonstrate such a risk.

6 (f) It may, if a tenant has created or maintained a threat
7 constituting a serious and clear danger to the health or safety
8 of other tenants or Authority employees, after 3 days' written
9 notice of termination and without a hearing, file suit against
10 any such tenant for recovery of possession of the premises. The
11 tenant shall be given the opportunity to contest the
12 termination in the court proceedings. A serious and clear
13 danger to the health or safety of other tenants or Authority
14 employees shall include, but not be limited to, any of the
15 following activities of the tenant or of any other person on
16 the premises with the consent of the tenant:

17 (1) Physical assault or the threat of physical assault.

18 (2) Illegal use of a firearm or other weapon or the
19 threat to use in an illegal manner a firearm or other
20 weapon.

21 (3) Possession of a controlled substance by the tenant
22 or any other person on the premises with the consent of the
23 tenant if the tenant knew or should have known of the
24 possession by the other person of a controlled substance,
25 unless the controlled substance was obtained directly from
26 or pursuant to a valid prescription.

1 (4) Streetgang membership as defined in the Illinois
2 Streetgang Terrorism Omnibus Prevention Act.

3 The management of low-rent public housing projects
4 financed and developed under the U.S. Housing Act of 1937 shall
5 be in accordance with that Act.

6 Nothing contained in this Section or any other Section of
7 this Act shall be construed as limiting the power of an
8 Authority to vest in a bondholder or trustee the right, in the
9 event of a default by the Authority, to take possession and
10 operate a housing project or cause the appointment of a
11 receiver thereof, free from all restrictions imposed by this
12 Section or any other Section of this Act.

13 (Source: P.A. 93-418, eff. 1-1-04; 93-749, eff. 7-15-04.)

14 (310 ILCS 10/25.01 new)

15 Sec. 25.01. Notification. Before denying an applicant's
16 housing application based, in whole or in part, on a criminal
17 history record permitted under this Act, the Authority shall
18 provide the opportunity for an individual assessment. The
19 applicant for housing shall be provided with a clear, written
20 notice that:

21 (1) explains why the Authority has determined that the
22 criminal history report it obtained requires further
23 review, including detailed information on whether the need
24 for further review is based on federal law or on the
25 Authority's determination that the criminal history record

1 of the applicant or other household member indicates a risk
2 to the health, safety, or peaceful enjoyment of housing for
3 other residents;

4 (2) identifies the specific conviction or convictions
5 upon which the Authority relied upon when making its
6 decision to deny the applicant's housing application;

7 (3) explains that the applicant has a right to an
8 individualized criminal records assessment hearing
9 regarding the Authority's decision to deny the applicant's
10 housing application, as set forth in Section 25.02;

11 (4) provides clear instructions on what to expect
12 during an individualized criminal records assessment
13 hearing, as set forth in Section 25.02;

14 (5) explains that if the applicant chooses not to
15 participate in an individualized criminal records
16 assessment hearing, the applicant's application will be
17 denied; and

18 (6) provides a copy of the criminal history report the
19 Authority used to make its determination.

20 (310 ILCS 10/25.02 new)

21 Sec. 25.02. Criminal records assessment hearing.

22 (a) An applicant has the right to an individualized
23 criminal records assessment hearing if the applicant's
24 application for housing requires further review because of the
25 applicant's or another household member's criminal history

1 record. The individualized criminal records assessment hearing
2 shall allow the applicant or other household member to:

3 (1) contest the accuracy of the criminal history
4 record;

5 (2) contest the relevance of the criminal history
6 record to the Authority's decision to deny the applicant's
7 application for housing; and

8 (3) provide mitigating evidence concerning the
9 applicant's or other household member's criminal
10 conviction or evidence of rehabilitation.

11 (b) The Authority shall not rent or lease to any other
12 person the available housing unit that is the subject of the
13 applicant's individualized criminal records assessment hearing
14 until after the Authority has issued a final ruling.

15 (c) The Authority shall adopt rules for criminal records
16 assessment hearings in accordance with Article 10 of the
17 Illinois Administrative Procedure Act.

18 Article 95.

19 Section 95-5. The Department of Central Management
20 Services Law of the Civil Administrative Code of Illinois is
21 amended by adding Section 405-535 as follows:

22 (20 ILCS 405/405-535 new)

23 Sec. 405-535. Race and gender wage reports.

1 (a) Each State agency and public institution of higher
2 education shall annually submit to the Department a report,
3 categorized by both race and gender, specifying the respective
4 wage earnings of employees of that State agency or public
5 institution of higher education.

6 (b) The Department shall compile the information submitted
7 under this Section, and make that information available to the
8 public on the Internet website of the Department.

9 (c) The Department shall annually submit a report of the
10 information compiled under this Section to the Governor, the
11 General Assembly, and the Business Enterprise Council for
12 Minorities, Women, and Persons with Disabilities.

13 (d) As used in this Section:

14 "Public institution of higher education" has the meaning
15 provided in Section 1 of the Board of Higher Education Act.

16 "State agency" has the meaning provided in subsection (b)
17 of Section 405-5.

18 Section 95-10. The Business Enterprise for Minorities,
19 Women, and Persons with Disabilities Act is amended by adding
20 Section 8k as follows:

21 (30 ILCS 575/8k new)

22 Sec. 8k. Race and gender wage report. The Department of
23 Central Management Services shall annually submit a report to
24 the Council, categorized by both race and gender, specifying

1 the respective wage earnings of State employees as compiled
2 under Section 405-535 of the Department of Central Management
3 Law of the Civil Administrative Code of Illinois.

4 Article 100.

5 Section 100-1. Short title. This Act may be cited as the
6 Community Development Loan Guarantee Act.

7 Section 100-5. Policy. The General Assembly finds that it
8 is vital for the State to invest in community economic
9 development, particularly in communities which have been
10 historically excluded from investment opportunities due to
11 redlining, discriminatory banking practices, and racism. The
12 purpose of this Act is to establish a Program for guaranteeing
13 small business loans and consumer loans to borrowers who would
14 otherwise not qualify in communities of color and low-income
15 communities.

16 Section 100-10. Definitions. As used in this Act:

17 "Financial institution" means a bank, a savings and loan
18 association, a savings bank, a credit union, a minority
19 depository institution as designated by the Federal Deposit
20 Insurance Corporation, or a community development financial
21 institution certified by the United States Treasury Community
22 Development Financial Institutions Fund, which is operating in

1 the State of Illinois.

2 "Loan Guarantee Account" means an account at a financial
3 institution outside the State Treasury of which the State
4 Treasurer is custodian with the purpose of guaranteeing loans
5 made by a financial institution in accordance with this Act.

6 Section 100-15. Establishment of the Loan Guarantee
7 Program. The State Treasurer may establish at any eligible
8 financial institution a Loan Guarantee Account as a special
9 account outside the State treasury and with the State Treasurer
10 as custodian. This Account may be used to cover the losses on
11 guaranteed loans at the participating financial institution.

12 Section 100-20. Eligible institutions. The State Treasurer
13 shall determine the eligibility of financial institutions to
14 participate in the Program. In addition to any other
15 requirements of this Act and in accordance with any applicable
16 federal law or program, the State Treasurer in determining
17 eligibility of financial institutions shall consider (i) the
18 financial institution's commitment to low-income communities
19 as defined in Section 45D(e) of the Internal Revenue Code of
20 1986 codified at 26 U.S.C. § 45D(e), and (ii) the financial
21 institution's commitment to communities considered
22 disproportionately impacted areas, depressed areas, or
23 enterprise zones as determined, designated, or certified by the
24 Department of Commerce and Economic Opportunity in accordance

1 with any applicable federal law or program.

2 Section 100-25. Fees. The State Treasurer may establish, as
3 a component of the Program, fees of no more than 5% of the
4 total guaranteed loan amount. The fees shall be deposited into
5 the Loan Guarantee Account.

6 Section 100-30. Use of the Loan Guarantee Account.

7 (a) Moneys in the Account may be used by the participating
8 financial institution to cover losses on guaranteed loans up to
9 the full amount in the Account or the amount of loss, whichever
10 is lesser. The State of Illinois and the State Treasurer shall
11 not be responsible for any losses in excess of the full amount
12 in the Loan Guarantee Account at the financial institution.

13 (b) The State Treasurer may set a cap on the total funds
14 held in any Loan Guarantee Account at any participating
15 financial institution. Funds in excess of the cap may be
16 withdrawn by the Treasurer.

17 (c) The State Treasurer shall withdraw the full amount in
18 the Account in the event the Loan Guarantee Program is
19 discontinued, or the financial institution leaves the Program.

20 Section 100-35. Limitations on Funding. The State
21 Treasurer may use up to \$10,000,000 of investment earnings each
22 year for the Loan Guarantee Program, provided that no more than
23 \$50,000,000 may be used for guaranteeing loans at any given

1 time.

2 Section 100-40. Rules. The State Treasurer shall adopt
3 rules that are necessary and proper to implement and administer
4 this Act including, but not limited to, fees and eligibility.

5 Article 110.

6 Section 110-5. The Deposit of State Moneys Act is amended
7 by changing Section 16.3 as follows:

8 (15 ILCS 520/16.3)

9 Sec. 16.3. Consideration of financial institution's
10 commitment to its community.

11 (a) In addition to any other requirements of this Act, the
12 State Treasurer shall ~~is authorized to~~ consider the financial
13 institution's record and current level of financial commitment
14 to its local community when deciding whether to deposit State
15 funds in that financial institution. The State Treasurer may
16 consider factors including, but not necessarily limited to:

17 (1) for financial institutions subject to the federal
18 Community Reinvestment Act of 1977, the current and
19 historical ratings that the financial institution has
20 received, to the extent that those ratings are publicly
21 available, under the federal Community Reinvestment Act of
22 1977;

1 (2) any changes in ownership, management, policies, or
2 practices of the financial institution that may affect the
3 level of the financial institution's commitment to its
4 community;

5 (3) the financial impact that the withdrawal or denial
6 of deposits of State funds might have on the financial
7 institution; ~~and~~

8 (4) the financial impact to the State as a result of
9 withdrawing State funds or refusing to deposit additional
10 State funds in the financial institution; ~~-~~

11 (5) the financial institution's commitment to
12 low-income communities, as defined in Section 45D(e) of the
13 Internal Revenue Code of 1986 codified at 26 U.S.C. §
14 45D(e); and

15 (6) the financial institution's commitment to
16 communities considered disproportionately impacted areas,
17 depressed areas, or enterprise zones as determined,
18 designated, or certified by the Department of Commerce and
19 Economic Opportunity in accordance with any applicable
20 federal law or program.

21 (a-5) Effective January 1, 2022, no State funds may be
22 deposited in a financial institution subject to the federal
23 Community Reinvestment Act of 1977, unless the institution has
24 a current rating of satisfactory or outstanding under the
25 federal Community Reinvestment Act of 1977.

26 (b) Nothing in this Section shall be construed as

1 authorizing the State Treasurer to conduct an examination or
2 investigation of a financial institution or to receive
3 information that is not publicly available and the disclosure
4 of which is otherwise prohibited by law.

5 (Source: P.A. 93-251, eff. 7-1-04.)

6 Section 110-10. The Public Funds Investment Act is amended
7 by changing Section 8 as follows:

8 (30 ILCS 235/8)

9 Sec. 8. Consideration of financial institution's
10 commitment to its community.

11 (a) In addition to any other requirements of this Act, a
12 public agency shall ~~is authorized to~~ consider the financial
13 institution's record and current level of financial commitment
14 to its local community when deciding whether to deposit public
15 funds in that financial institution. The public agency may
16 consider factors including, but not necessarily limited to:

17 (1) for financial institutions subject to the federal
18 Community Reinvestment Act of 1977, the current and
19 historical ratings that the financial institution has
20 received, to the extent that those ratings are publicly
21 available, under the federal Community Reinvestment Act of
22 1977;

23 (2) any changes in ownership, management, policies, or
24 practices of the financial institution that may affect the

1 level of the financial institution's commitment to its
2 community;

3 (3) the financial impact that the withdrawal or denial
4 of deposits of public funds might have on the financial
5 institution;

6 (4) the financial impact to the public agency as a
7 result of withdrawing public funds or refusing to deposit
8 additional public funds in the financial institution; and

9 (5) any additional burden on the resources of the
10 public agency that might result from ceasing to maintain
11 deposits of public funds at the financial institution under
12 consideration.

13 (a-5) Effective January 1, 2022, no public funds may be
14 deposited in a financial institution subject to the federal
15 Community Reinvestment Act of 1977, unless the institution has
16 a current rating of satisfactory or outstanding under the
17 federal Community Reinvestment Act of 1977.

18 (b) Nothing in this Section shall be construed as
19 authorizing the public agency to conduct an examination or
20 investigation of a financial institution or to receive
21 information that is not publicly available and the disclosure
22 of which is otherwise prohibited by law.

23 (Source: P.A. 93-251, eff. 7-1-04.)

24 Article 115.

1 Section 115-1. Short title. This Act may be cited as the
2 Commission on Equity and Inclusion Act.

3 Section 115-5. Commission on Equity and Inclusion.

4 (a) There is hereby created the Commission on Equity and
5 Inclusion, which shall consist of 7 members appointed by the
6 Governor with the advice and consent of the Senate. No more
7 than 4 members shall be of the same political party. The
8 Governor shall designate one member as chairperson, who shall
9 be the chief administrative and executive officer of the
10 Commission, and shall have general supervisory authority over
11 all personnel of the Commission.

12 (b) Of the members first appointed, 4 shall be appointed
13 for a term to expire on the third Monday of January, 2023, and
14 3 (including the Chairperson) shall be appointed for a term to
15 expire on the third Monday of January, 2025.

16 Thereafter, each member shall serve for a term of 4 years
17 and until his or her successor is appointed and qualified;
18 except that any member chosen to fill a vacancy occurring
19 otherwise than by expiration of a term shall be appointed only
20 for the unexpired term of the member whom he or she shall
21 succeed and until his or her successor is appointed and
22 qualified.

23 (c) In case of a vacancy on the Commission during the
24 recess of the Senate, the Governor shall make a temporary
25 appointment until the next meeting of the Senate, when he or

1 she shall appoint a person to fill the vacancy. Any person so
2 nominated who is confirmed by the Senate shall hold office
3 during the remainder of the term and until his or her successor
4 is appointed and qualified. Vacancies in the Commission shall
5 not impair the right of the remaining members to exercise all
6 the powers of the Commission.

7 (d) The Chairperson of the Commission shall be compensated
8 at the rate of \$128,000 per year, or as otherwise set by this
9 Section, during his or her service as Chairperson, and each
10 other member shall be compensated at the rate of \$121,856 per
11 year, or as otherwise set by this Section. In addition, all
12 members of the Commission shall be reimbursed for expenses
13 actually and necessarily incurred by them in the performance of
14 their duties. Members of the Commission are eligible to receive
15 pension under the State Employees' Retirement System of
16 Illinois as provided under Article 14 of the Illinois Pension
17 Code.

18 (e) The budget established for the Commission for any given
19 fiscal year shall be no less than that established for the
20 Human Rights Commission for that same fiscal year.

21 Section 115-10. Powers and duties. In addition to the other
22 powers and duties which may be prescribed in this Act or
23 elsewhere, the Commission shall have the following powers and
24 duties:

25 (1) The Commission shall have a role in all State and

1 university procurement by facilitating and streamlining
2 communications between the Business Enterprise Council for
3 Minorities, Women, and Persons with Disabilities, the
4 purchasing entities, the Chief Procurement Officers, and
5 others.

6 (2) The Commission may create a scoring evaluation for
7 State agency directors, public university presidents and
8 chancellors, and public community college presidents. The
9 scoring shall be based on the following 3 principles: (i)
10 increasing capacity; (ii) growing revenue; and (iii)
11 enhancing credentials. These principles should be the
12 foundation of the agency compliance plan required under
13 Section 6 of the Business Enterprise for Minorities, Women,
14 and Persons with Disabilities Act.

15 (3) The Commission shall jointly appoint, with the
16 Executive Ethics Commission, all Chief Procurement
17 Officers as provided under Section 1-15.15 of the Illinois
18 Procurement Code.

19 (4) The Commission shall exercise the oversight powers
20 and duties provided to it under Section 5-7 of the Illinois
21 Procurement Code.

22 (5) The Commission, working with State agencies, shall
23 provide support for diversity in State hiring.

24 (6) The Commission shall oversee the implementation of
25 diversity training of the State workforce.

26 (7) Each January, and as otherwise frequently as may be

1 deemed necessary and appropriate by the Commission, the
2 Commission shall propose and submit to the Governor and the
3 General Assembly legislative changes to increase inclusion
4 and diversity in State government.

5 (8) The Commission shall have oversight over the
6 following entities:

7 (A) the Illinois African-American Family
8 Commission;

9 (B) the Illinois Latino Family Commission;

10 (C) the Asian American Family Commission;

11 (D) the Illinois Muslim American Advisory Council;

12 (E) the Illinois African-American Fair Contracting
13 Commission created under Executive Order 2018-07; and

14 (F) the Business Enterprise Council for
15 Minorities, Women, and Persons with Disabilities.

16 (9) The Commission shall adopt any rules necessary for
17 the implementation and administration of the requirements
18 of this Act.

19 Section 115-100. The Department of Transportation Law of
20 the Civil Administrative Code of Illinois is amended by adding
21 Section 2705-597 as follows:

22 (20 ILCS 2705/2705-597 new)

23 Sec. 2705-597. Equal Employment Opportunity Contract
24 Compliance Officers. Notwithstanding any Department policy or

1 rule to the contrary, the Secretary shall have jurisdiction
2 over all Equal Employment Opportunity Contract Compliance
3 Officers within the Department, or within districts controlled
4 by the Department, and shall be responsible for the evaluation
5 of such officers.

6 Section 115-105. The Illinois African-American Family
7 Commission Act is amended by changing Section 30 and by adding
8 Section 35 as follows:

9 (20 ILCS 3903/30)

10 Sec. 30. Reporting. The Illinois African-American Family
11 Commission shall annually report to the Governor, ~~and~~ the
12 General Assembly, and the Commission on Equity and Inclusion on
13 the Commission's progress toward its goals and objectives.

14 (Source: P.A. 93-867, eff. 8-5-04.)

15 (20 ILCS 3903/35 new)

16 Sec. 35. Oversight. Notwithstanding any provision of law
17 to the contrary, the Commission on Equity and Inclusion
18 established under the Commission on Equity and Inclusion Act
19 shall have general oversight of the operations of the Illinois
20 African-American Family Commission.

21 Section 115-110. The Asian American Family Commission Act
22 is amended by changing Section 20 and by adding Section 25 as

1 follows:

2 (20 ILCS 3916/20)

3 Sec. 20. Report. The Asian American Family Commission shall
4 annually report to the Governor, ~~and~~ the General Assembly, ~~and~~
5 the Commission on Equity and Inclusion on the Commission's
6 progress toward its goals and objectives.

7 (Source: P.A. 101-392, eff. 1-1-20.)

8 (20 ILCS 3916/25 new)

9 Sec. 25. Oversight. Notwithstanding any provision of law to
10 the contrary, the Commission on Equity and Inclusion
11 established under the Commission on Equity and Inclusion Act
12 shall have general oversight of the operations of the Asian
13 American Family Commission.

14 Section 115-115. The Illinois Latino Family Commission Act
15 is amended by changing Section 30 and by adding Section 35 as
16 follows:

17 (20 ILCS 3983/30)

18 Sec. 30. Reporting. The Illinois Latino Family Commission
19 shall annually report to the Governor, ~~and~~ the General
20 Assembly, ~~and~~ the Commission on Equity and Inclusion on the
21 Commission's progress towards its goals and objectives.

22 (Source: P.A. 95-619, eff. 9-14-07.)

1 (20 ILCS 3983/35 new)

2 Sec. 35. Oversight. Notwithstanding any provision of law to
3 the contrary, the Commission on Equity and Inclusion
4 established under the Commission on Equity and Inclusion Act
5 shall have general oversight of the operations of the Illinois
6 Latino Family Commission.

7 Section 115-120. The Illinois Muslim American Advisory
8 Council Act is amended by changing Section 30 and by adding
9 Section 35 as follows:

10 (20 ILCS 5110/30)

11 Sec. 30. Reports. The Council shall issue semi-annual
12 reports on its policy recommendations by June 30th and December
13 31st of each year to the Governor, ~~and~~ the General Assembly,
14 and the Commission on Equity and Inclusion.

15 (Source: P.A. 100-459, eff. 8-25-17.)

16 (20 ILCS 5110/35 new)

17 Sec. 35. Oversight. Notwithstanding any provision of law to
18 the contrary, the Commission on Equity and Inclusion
19 established under the Commission on Equity and Inclusion Act
20 shall have general oversight of the operations of the Council.

21 Section 115-125. The Illinois Procurement Code is amended

1 by changing Sections 1-15.15, 1-15.16, 5-7, 5-30, 10-20, 20-10,
2 20-25, 20-30, 20-60, 35-15, 35-30, 40-20, 50-20, and 50-35 as
3 follows:

4 (30 ILCS 500/1-15.15)

5 Sec. 1-15.15. Chief Procurement Officer. "Chief
6 Procurement Officer" means any of the 4 persons appointed or
7 approved by a majority of the members of the Executive Ethics
8 Commission and approved by a majority vote of the Commission on
9 Equity and Inclusion:

10 (1) for procurements for construction and
11 construction-related services committed by law to the
12 jurisdiction or responsibility of the Capital Development
13 Board, the independent chief procurement officer appointed
14 by a majority of the members of the Executive Ethics
15 Commission and approved by a majority vote of the
16 Commission on Equity and Inclusion.

17 (2) for procurements for all construction,
18 construction-related services, operation of any facility,
19 and the provision of any construction or
20 construction-related service or activity committed by law
21 to the jurisdiction or responsibility of the Illinois
22 Department of Transportation, including the direct or
23 reimbursable expenditure of all federal funds for which the
24 Department of Transportation is responsible or accountable
25 for the use thereof in accordance with federal law,

1 regulation, or procedure, the independent chief
2 procurement officer appointed by the Secretary of
3 Transportation with the consent of the majority of the
4 members of the Executive Ethics Commission and approved by
5 a majority vote of the Commission on Equity and Inclusion.

6 (3) for all procurements made by a public institution
7 of higher education, the independent chief procurement
8 officer appointed by a majority of the members of the
9 Executive Ethics Commission and approved by a majority vote
10 of the Commission on Equity and Inclusion.

11 (4) (Blank).

12 (5) for all other procurements, the independent chief
13 procurement officer appointed by a majority of the members
14 of the Executive Ethics Commission and approved by a
15 majority vote of the Commission on Equity and Inclusion.

16 (Source: P.A. 95-481, eff. 8-28-07; 96-795, eff. 7-1-10 (see
17 Section 5 of P.A. 96-793 for the effective date of changes made
18 by P.A. 96-795); 96-920, eff. 7-1-10.)

19 (30 ILCS 500/5-7 new)

20 Sec. 5-7. Commission on Equity and Inclusion; powers and
21 duties.

22 (a) The Commission on Equity and Inclusion, as created
23 under the Commission on Equity and Inclusion Act, shall have
24 the powers and duties provided under this Section with respect
25 to this Code. Nothing in this Section shall be construed as

1 overriding the authority and duties of the Procurement Policy
2 Board as provided under Section 5-5. The powers and duties of
3 the Commission as provided under this Section shall be
4 exercised alongside, but independent of, that of the
5 Procurement Policy Board.

6 (b) The Commission shall have the authority and
7 responsibility to review, comment upon, and recommend,
8 consistent with this Code, rules and practices governing the
9 procurement, management, control, and disposal of supplies,
10 services, professional or artistic services, construction, and
11 real property and capital improvement leases procured by the
12 State. The Commission shall also have the authority to
13 recommend a program for professional development and provide
14 opportunities for training in procurement practices and
15 policies to chief procurement officers and their staffs in
16 order to ensure that all procurement is conducted in an
17 efficient, professional, and appropriately transparent manner.

18 (c) Upon a majority vote of its members, the Commission may
19 review a contract. Upon a three-fifths vote of its members, the
20 Commission may propose procurement rules for consideration by
21 chief procurement officers. These proposals shall be published
22 in each volume of the Procurement Bulletin. Except as otherwise
23 provided by law, the Commission shall act upon the vote of a
24 majority of its members who have been appointed and are
25 serving.

26 (d) The Commission may review, study, and hold public

1 hearings concerning the implementation and administration of
2 this Code. Each chief procurement officer, State purchasing
3 officer, procurement compliance monitor, and State agency
4 shall cooperate with the Commission, provide information to the
5 Commission, and be responsive to the Commission in the
6 Commission's conduct of its reviews, studies, and hearings.

7 (e) Upon a three-fifths vote of its members, the Commission
8 shall review a proposal, bid, or contract and issue a
9 recommendation to void a contract or reject a proposal or bid
10 based on any conflict of interest or violation of this Code. A
11 recommendation of the Commission shall be delivered to the
12 appropriate chief procurement officer and Executive Ethics
13 Commission within 7 calendar days and must be published in the
14 next volume of the Procurement Bulletin. The bidder, offeror,
15 potential contractor, contractor, or subcontractor shall have
16 15 calendar days to provide a written response to the notice,
17 and a hearing before the Commission on the alleged conflict of
18 interest or violation shall be held upon request by the bidder,
19 offeror, potential contractor, contractor, or subcontractor.
20 The requested hearing date and time shall be determined by the
21 Commission, but in no event shall the hearing occur later than
22 15 calendar days after the date of the request.

23 (30 ILCS 500/5-30)

24 Sec. 5-30. Proposed contracts; Procurement Policy Board;
25 Commission on Equity and Inclusion.

1 (a) Except as provided in subsection (c), within 14
2 calendar days after notice of the awarding or letting of a
3 contract has appeared in the Procurement Bulletin in accordance
4 with subsection (b) of Section 15-25, the Board or the
5 Commission on Equity and Inclusion may request in writing from
6 the contracting agency and the contracting agency shall
7 promptly, but in no event later than 7 calendar days after
8 receipt of the request, provide to the requesting entity Board,
9 by electronic or other means satisfactory to the requesting
10 entity Board, documentation in the possession of the
11 contracting agency concerning the proposed contract. Nothing
12 in this subsection is intended to waive or abrogate any
13 privilege or right of confidentiality authorized by law.

14 (b) No contract subject to this Section may be entered into
15 until the 14-day period described in subsection (a) has
16 expired, unless the contracting agency requests in writing that
17 the Board and the Commission on Equity and Inclusion waive the
18 period and the Board and the Commission on Equity and Inclusion
19 grant grants the waiver in writing.

20 (c) This Section does not apply to (i) contracts entered
21 into under this Code for small and emergency procurements as
22 those procurements are defined in Article 20 and (ii) contracts
23 for professional and artistic services that are nonrenewable,
24 one year or less in duration, and have a value of less than
25 \$20,000. If requested in writing by the Board or the Commission
26 on Equity and Inclusion, however, the contracting agency must

1 promptly, but in no event later than 10 calendar days after
2 receipt of the request, transmit to the Board or the Commission
3 on Equity and Inclusion a copy of the contract for an emergency
4 procurement and documentation in the possession of the
5 contracting agency concerning the contract.

6 (Source: P.A. 100-43, eff. 8-9-17.)

7 (30 ILCS 500/10-20)

8 Sec. 10-20. Independent chief procurement officers.

9 (a) Appointment. Beginning with appointments made on or
10 after the effective date of this amendatory Act of the 101st
11 General Assembly ~~Within 60 calendar days after the effective~~
12 ~~date of this amendatory Act of the 96th General Assembly,~~ the
13 Executive Ethics Commission with the majority vote approval of
14 the Commission on Equity and Inclusion, and with the advice and
15 consent of the Senate, shall appoint or approve 4 chief
16 procurement officers, one for each of the following categories:

17 (1) for procurements for construction and
18 construction-related services committed by law to the
19 jurisdiction or responsibility of the Capital Development
20 Board;

21 (2) for procurements for all construction,
22 construction-related services, operation of any facility,
23 and the provision of any service or activity committed by
24 law to the jurisdiction or responsibility of the Illinois
25 Department of Transportation, including the direct or

1 reimbursable expenditure of all federal funds for which the
2 Department of Transportation is responsible or accountable
3 for the use thereof in accordance with federal law,
4 regulation, or procedure, the chief procurement officer
5 recommended for approval under this item appointed by the
6 Secretary of Transportation after consent by the Executive
7 Ethics Commission and the Commission on Equity and
8 Inclusion;

9 (3) for all procurements made by a public institution
10 of higher education; and

11 (4) for all other procurement needs of State agencies.

12 A chief procurement officer shall be responsible to the
13 Executive Ethics Commission and the Commission on Equity and
14 Inclusion but must be located within the agency that the
15 officer provides with procurement services. The chief
16 procurement officer for higher education shall have an office
17 located within the Board of Higher Education, unless otherwise
18 designated by the Executive Ethics Commission and the
19 Commission on Equity and Inclusion. The chief procurement
20 officer for all other procurement needs of the State shall have
21 an office located within the Department of Central Management
22 Services, unless otherwise designated by the Executive Ethics
23 Commission and the Commission on Equity and Inclusion.

24 (b) Terms and independence. Each chief procurement officer
25 appointed under this Section shall serve for a term of 5 years
26 beginning on the date of the officer's appointment. The chief

1 procurement officer may be removed for cause after a hearing by
2 the Executive Ethics Commission and the Commission on Equity
3 and Inclusion. The Governor or the director of a State agency
4 directly responsible to the Governor may institute a complaint
5 against the officer by filing such complaint with the
6 Commission. The Commission shall have a hearing based on the
7 complaint. The officer and the complainant shall receive
8 reasonable notice of the hearing and shall be permitted to
9 present their respective arguments on the complaint. After the
10 hearing, the Commission shall make a finding on the complaint
11 and may take disciplinary action, including but not limited to
12 removal of the officer.

13 The salary of a chief procurement officer shall be
14 established by the Executive Ethics Commission and the
15 Commission on Equity and Inclusion and may not be diminished
16 during the officer's term. The salary may not exceed the salary
17 of the director of a State agency for which the officer serves
18 as chief procurement officer.

19 (c) Qualifications. In addition to any other requirement or
20 qualification required by State law, each chief procurement
21 officer must within 12 months of employment be a Certified
22 Professional Public Buyer or a Certified Public Purchasing
23 Officer, pursuant to certification by the Universal Public
24 Purchasing Certification Council, and must reside in Illinois.

25 (d) Fiduciary duty. Each chief procurement officer owes a
26 fiduciary duty to the State.

1 (e) Vacancy. In case of a vacancy in one or more of the
2 offices of a chief procurement officer under this Section
3 during the recess of the Senate, the Executive Ethics
4 Commission, with the approval of the Commission on Equity and
5 Inclusion, shall make a temporary appointment until the next
6 meeting of the Senate, when the Executive Ethics Commission,
7 with the approval of the Commission on Equity and Inclusion,
8 shall nominate some person to fill the office, and any person
9 so nominated who is confirmed by the Senate shall hold office
10 during the remainder of the term and until his or her successor
11 is appointed and qualified. ~~If the Senate is not in session at~~
12 ~~the time this amendatory Act of the 96th General Assembly takes~~
13 ~~effect, the Executive Ethics Commission shall make a temporary~~
14 ~~appointment as in the case of a vacancy.~~

15 (f) (Blank).

16 (g) (Blank).

17 (Source: P.A. 98-1076, eff. 1-1-15.)

18 (30 ILCS 500/20-10)

19 (Text of Section from P.A. 96-159, 96-588, 97-96, 97-895,
20 98-1076, 99-906, 100-43, and 101-31)

21 Sec. 20-10. Competitive sealed bidding; reverse auction.

22 (a) Conditions for use. All contracts shall be awarded by
23 competitive sealed bidding except as otherwise provided in
24 Section 20-5.

25 (b) Invitation for bids. An invitation for bids shall be

1 issued and shall include a purchase description and the
2 material contractual terms and conditions applicable to the
3 procurement.

4 (c) Public notice. Public notice of the invitation for bids
5 shall be published in the Illinois Procurement Bulletin at
6 least 14 calendar days before the date set in the invitation
7 for the opening of bids.

8 (d) Bid opening. Bids shall be opened publicly or through
9 an electronic procurement system in the presence of one or more
10 witnesses at the time and place designated in the invitation
11 for bids. The name of each bidder, including earned and applied
12 bid credit from the Illinois Works Jobs Program Act, the amount
13 of each bid, and other relevant information as may be specified
14 by rule shall be recorded. After the award of the contract, the
15 winning bid and the record of each unsuccessful bid shall be
16 open to public inspection.

17 (e) Bid acceptance and bid evaluation. Bids shall be
18 unconditionally accepted without alteration or correction,
19 except as authorized in this Code. Bids shall be evaluated
20 based on the requirements set forth in the invitation for bids,
21 which may include criteria to determine acceptability such as
22 inspection, testing, quality, workmanship, delivery, and
23 suitability for a particular purpose. Those criteria that will
24 affect the bid price and be considered in evaluation for award,
25 such as discounts, transportation costs, and total or life
26 cycle costs, shall be objectively measurable. The invitation

1 for bids shall set forth the evaluation criteria to be used.

2 (f) Correction or withdrawal of bids. Correction or
3 withdrawal of inadvertently erroneous bids before or after
4 award, or cancellation of awards of contracts based on bid
5 mistakes, shall be permitted in accordance with rules. After
6 bid opening, no changes in bid prices or other provisions of
7 bids prejudicial to the interest of the State or fair
8 competition shall be permitted. All decisions to permit the
9 correction or withdrawal of bids based on bid mistakes shall be
10 supported by written determination made by a State purchasing
11 officer.

12 (g) Award. The contract shall be awarded with reasonable
13 promptness by written notice to the lowest responsible and
14 responsive bidder whose bid meets the requirements and criteria
15 set forth in the invitation for bids, except when a State
16 purchasing officer determines it is not in the best interest of
17 the State and by written explanation determines another bidder
18 shall receive the award. The explanation shall appear in the
19 appropriate volume of the Illinois Procurement Bulletin. The
20 written explanation must include:

- 21 (1) a description of the agency's needs;
- 22 (2) a determination that the anticipated cost will be
23 fair and reasonable;
- 24 (3) a listing of all responsible and responsive
25 bidders; and
- 26 (4) the name of the bidder selected, the total contract

1 price, and the reasons for selecting that bidder.

2 Each chief procurement officer may adopt guidelines to
3 implement the requirements of this subsection (g).

4 The written explanation shall be filed with the Legislative
5 Audit Commission, and the Commission on Equity and Inclusion,
6 and the Procurement Policy Board, and be made available for
7 inspection by the public, within 30 calendar days after the
8 agency's decision to award the contract.

9 (h) Multi-step sealed bidding. When it is considered
10 impracticable to initially prepare a purchase description to
11 support an award based on price, an invitation for bids may be
12 issued requesting the submission of unpriced offers to be
13 followed by an invitation for bids limited to those bidders
14 whose offers have been qualified under the criteria set forth
15 in the first solicitation.

16 (i) Alternative procedures. Notwithstanding any other
17 provision of this Act to the contrary, the Director of the
18 Illinois Power Agency may create alternative bidding
19 procedures to be used in procuring professional services under
20 Section 1-56, subsections (a) and (c) of Section 1-75 and
21 subsection (d) of Section 1-78 of the Illinois Power Agency Act
22 and Section 16-111.5(c) of the Public Utilities Act and to
23 procure renewable energy resources under Section 1-56 of the
24 Illinois Power Agency Act. These alternative procedures shall
25 be set forth together with the other criteria contained in the
26 invitation for bids, and shall appear in the appropriate volume

1 of the Illinois Procurement Bulletin.

2 (j) Reverse auction. Notwithstanding any other provision
3 of this Section and in accordance with rules adopted by the
4 chief procurement officer, that chief procurement officer may
5 procure supplies or services through a competitive electronic
6 auction bidding process after the chief procurement officer
7 determines that the use of such a process will be in the best
8 interest of the State. The chief procurement officer shall
9 publish that determination in his or her next volume of the
10 Illinois Procurement Bulletin.

11 An invitation for bids shall be issued and shall include
12 (i) a procurement description, (ii) all contractual terms,
13 whenever practical, and (iii) conditions applicable to the
14 procurement, including a notice that bids will be received in
15 an electronic auction manner.

16 Public notice of the invitation for bids shall be given in
17 the same manner as provided in subsection (c).

18 Bids shall be accepted electronically at the time and in
19 the manner designated in the invitation for bids. During the
20 auction, a bidder's price shall be disclosed to other bidders.
21 Bidders shall have the opportunity to reduce their bid prices
22 during the auction. At the conclusion of the auction, the
23 record of the bid prices received and the name of each bidder
24 shall be open to public inspection.

25 After the auction period has terminated, withdrawal of bids
26 shall be permitted as provided in subsection (f).

1 The contract shall be awarded within 60 calendar days after
2 the auction by written notice to the lowest responsible bidder,
3 or all bids shall be rejected except as otherwise provided in
4 this Code. Extensions of the date for the award may be made by
5 mutual written consent of the State purchasing officer and the
6 lowest responsible bidder.

7 This subsection does not apply to (i) procurements of
8 professional and artistic services, (ii) telecommunications
9 services, communication services, and information services,
10 and (iii) contracts for construction projects, including
11 design professional services.

12 (Source: P.A. 100-43, eff. 8-9-17; 101-31, eff. 6-28-19.)

13 (Text of Section from P.A. 96-159, 96-795, 97-96, 97-895,
14 98-1076, 99-906, 100-43, and 101-31)

15 Sec. 20-10. Competitive sealed bidding; reverse auction.

16 (a) Conditions for use. All contracts shall be awarded by
17 competitive sealed bidding except as otherwise provided in
18 Section 20-5.

19 (b) Invitation for bids. An invitation for bids shall be
20 issued and shall include a purchase description and the
21 material contractual terms and conditions applicable to the
22 procurement.

23 (c) Public notice. Public notice of the invitation for bids
24 shall be published in the Illinois Procurement Bulletin at
25 least 14 calendar days before the date set in the invitation

1 for the opening of bids.

2 (d) Bid opening. Bids shall be opened publicly or through
3 an electronic procurement system in the presence of one or more
4 witnesses at the time and place designated in the invitation
5 for bids. The name of each bidder, including earned and applied
6 bid credit from the Illinois Works Jobs Program Act, the amount
7 of each bid, and other relevant information as may be specified
8 by rule shall be recorded. After the award of the contract, the
9 winning bid and the record of each unsuccessful bid shall be
10 open to public inspection.

11 (e) Bid acceptance and bid evaluation. Bids shall be
12 unconditionally accepted without alteration or correction,
13 except as authorized in this Code. Bids shall be evaluated
14 based on the requirements set forth in the invitation for bids,
15 which may include criteria to determine acceptability such as
16 inspection, testing, quality, workmanship, delivery, and
17 suitability for a particular purpose. Those criteria that will
18 affect the bid price and be considered in evaluation for award,
19 such as discounts, transportation costs, and total or life
20 cycle costs, shall be objectively measurable. The invitation
21 for bids shall set forth the evaluation criteria to be used.

22 (f) Correction or withdrawal of bids. Correction or
23 withdrawal of inadvertently erroneous bids before or after
24 award, or cancellation of awards of contracts based on bid
25 mistakes, shall be permitted in accordance with rules. After
26 bid opening, no changes in bid prices or other provisions of

1 bids prejudicial to the interest of the State or fair
2 competition shall be permitted. All decisions to permit the
3 correction or withdrawal of bids based on bid mistakes shall be
4 supported by written determination made by a State purchasing
5 officer.

6 (g) Award. The contract shall be awarded with reasonable
7 promptness by written notice to the lowest responsible and
8 responsive bidder whose bid meets the requirements and criteria
9 set forth in the invitation for bids, except when a State
10 purchasing officer determines it is not in the best interest of
11 the State and by written explanation determines another bidder
12 shall receive the award. The explanation shall appear in the
13 appropriate volume of the Illinois Procurement Bulletin. The
14 written explanation must include:

15 (1) a description of the agency's needs;

16 (2) a determination that the anticipated cost will be
17 fair and reasonable;

18 (3) a listing of all responsible and responsive
19 bidders; and

20 (4) the name of the bidder selected, the total contract
21 price, and the reasons for selecting that bidder.

22 Each chief procurement officer may adopt guidelines to
23 implement the requirements of this subsection (g).

24 The written explanation shall be filed with the Legislative
25 Audit Commission, and the Commission on Equity and Inclusion,
26 and the Procurement Policy Board, and be made available for

1 inspection by the public, within 30 days after the agency's
2 decision to award the contract.

3 (h) Multi-step sealed bidding. When it is considered
4 impracticable to initially prepare a purchase description to
5 support an award based on price, an invitation for bids may be
6 issued requesting the submission of unpriced offers to be
7 followed by an invitation for bids limited to those bidders
8 whose offers have been qualified under the criteria set forth
9 in the first solicitation.

10 (i) Alternative procedures. Notwithstanding any other
11 provision of this Act to the contrary, the Director of the
12 Illinois Power Agency may create alternative bidding
13 procedures to be used in procuring professional services under
14 subsections (a) and (c) of Section 1-75 and subsection (d) of
15 Section 1-78 of the Illinois Power Agency Act and Section
16 16-111.5(c) of the Public Utilities Act and to procure
17 renewable energy resources under Section 1-56 of the Illinois
18 Power Agency Act. These alternative procedures shall be set
19 forth together with the other criteria contained in the
20 invitation for bids, and shall appear in the appropriate volume
21 of the Illinois Procurement Bulletin.

22 (j) Reverse auction. Notwithstanding any other provision
23 of this Section and in accordance with rules adopted by the
24 chief procurement officer, that chief procurement officer may
25 procure supplies or services through a competitive electronic
26 auction bidding process after the chief procurement officer

1 determines that the use of such a process will be in the best
2 interest of the State. The chief procurement officer shall
3 publish that determination in his or her next volume of the
4 Illinois Procurement Bulletin.

5 An invitation for bids shall be issued and shall include
6 (i) a procurement description, (ii) all contractual terms,
7 whenever practical, and (iii) conditions applicable to the
8 procurement, including a notice that bids will be received in
9 an electronic auction manner.

10 Public notice of the invitation for bids shall be given in
11 the same manner as provided in subsection (c).

12 Bids shall be accepted electronically at the time and in
13 the manner designated in the invitation for bids. During the
14 auction, a bidder's price shall be disclosed to other bidders.
15 Bidders shall have the opportunity to reduce their bid prices
16 during the auction. At the conclusion of the auction, the
17 record of the bid prices received and the name of each bidder
18 shall be open to public inspection.

19 After the auction period has terminated, withdrawal of bids
20 shall be permitted as provided in subsection (f).

21 The contract shall be awarded within 60 calendar days after
22 the auction by written notice to the lowest responsible bidder,
23 or all bids shall be rejected except as otherwise provided in
24 this Code. Extensions of the date for the award may be made by
25 mutual written consent of the State purchasing officer and the
26 lowest responsible bidder.

1 This subsection does not apply to (i) procurements of
2 professional and artistic services, (ii) telecommunications
3 services, communication services, and information services,
4 and (iii) contracts for construction projects, including
5 design professional services.

6 (Source: P.A. 100-43, eff. 8-9-17; 101-31, eff. 6-28-19.)

7 (30 ILCS 500/20-25)

8 Sec. 20-25. Sole source procurements.

9 (a) In accordance with standards set by rule, contracts may
10 be awarded without use of the specified method of source
11 selection when there is only one economically feasible source
12 for the item. A State contract may be awarded as a sole source
13 contract unless an interested party submits a written request
14 for a public hearing at which the chief procurement officer and
15 purchasing agency present written justification for the
16 procurement method. Any interested party may present
17 testimony. A sole source contract where a hearing was requested
18 by an interested party may be awarded after the hearing is
19 conducted with the approval of the chief procurement officer.

20 (b) This Section may not be used as a basis for amending a
21 contract for professional or artistic services if the amendment
22 would result in an increase in the amount paid under the
23 contract of more than 5% of the initial award, or would extend
24 the contract term beyond the time reasonably needed for a
25 competitive procurement, not to exceed 2 months.

1 (c) Notice of intent to enter into a sole source contract
2 shall be provided to the Procurement Policy Board and the
3 Commission on Equity and Inclusion, and published in the online
4 electronic Bulletin at least 14 calendar days before the public
5 hearing required in subsection (a). The notice shall include
6 the sole source procurement justification form prescribed by
7 the Board, a description of the item to be procured, the
8 intended sole source contractor, and the date, time, and
9 location of the public hearing. A copy of the notice and all
10 documents provided at the hearing shall be included in the
11 subsequent Procurement Bulletin.

12 (d) By August 1 each year, each chief procurement officer
13 shall file a report with the General Assembly identifying each
14 contract the officer sought under the sole source procurement
15 method and providing the justification given for seeking sole
16 source as the procurement method for each of those contracts.

17 (Source: P.A. 100-43, eff. 8-9-17.)

18 (30 ILCS 500/20-30)

19 Sec. 20-30. Emergency purchases.

20 (a) Conditions for use. In accordance with standards set by
21 rule, a purchasing agency may make emergency procurements
22 without competitive sealed bidding or prior notice when there
23 exists a threat to public health or public safety, or when
24 immediate expenditure is necessary for repairs to State
25 property in order to protect against further loss of or damage

1 to State property, to prevent or minimize serious disruption in
2 critical State services that affect health, safety, or
3 collection of substantial State revenues, or to ensure the
4 integrity of State records; provided, however, that the term of
5 the emergency purchase shall be limited to the time reasonably
6 needed for a competitive procurement, not to exceed 90 calendar
7 days. A contract may be extended beyond 90 calendar days if the
8 chief procurement officer determines additional time is
9 necessary and that the contract scope and duration are limited
10 to the emergency. Prior to execution of the extension, the
11 chief procurement officer must hold a public hearing and
12 provide written justification for all emergency contracts.
13 Members of the public may present testimony. Emergency
14 procurements shall be made with as much competition as is
15 practicable under the circumstances, and shall include best
16 efforts to include contractors certified under the Business
17 Enterprise Program. A written description of the basis for the
18 emergency and reasons for the selection of the particular
19 contractor shall be included in the contract file.

20 (b) Notice. Notice of all emergency procurements shall be
21 provided to the Procurement Policy Board and the Commission on
22 Equity and Inclusion, and published in the online electronic
23 Bulletin no later than 5 calendar days after the contract is
24 awarded. Notice of intent to extend an emergency contract shall
25 be provided to the Procurement Policy Board and the Commission
26 on Equity and Inclusion, and published in the online electronic

1 Bulletin at least 14 calendar days before the public hearing.
2 Notice shall include at least a description of the need for the
3 emergency purchase, the contractor, and if applicable, the
4 date, time, and location of the public hearing. A copy of this
5 notice and all documents provided at the hearing shall be
6 included in the subsequent Procurement Bulletin. Before the
7 next appropriate volume of the Illinois Procurement Bulletin,
8 the purchasing agency shall publish in the Illinois Procurement
9 Bulletin a copy of each written description and reasons and the
10 total cost of each emergency procurement made during the
11 previous month. When only an estimate of the total cost is
12 known at the time of publication, the estimate shall be
13 identified as an estimate and published. When the actual total
14 cost is determined, it shall also be published in like manner
15 before the 10th day of the next succeeding month.

16 (c) Statements. A chief procurement officer making a
17 procurement under this Section shall file statements with the
18 Procurement Policy Board, the Commission on Equity and
19 Inclusion, and the Auditor General within 10 calendar days
20 after the procurement setting forth the amount expended, the
21 name of the contractor involved, and the conditions and
22 circumstances requiring the emergency procurement. When only
23 an estimate of the cost is available within 10 calendar days
24 after the procurement, the actual cost shall be reported
25 immediately after it is determined. At the end of each fiscal
26 quarter, the Auditor General shall file with the Legislative

1 Audit Commission and the Governor a complete listing of all
2 emergency procurements reported during that fiscal quarter.
3 The Legislative Audit Commission shall review the emergency
4 procurements so reported and, in its annual reports, advise the
5 General Assembly of procurements that appear to constitute an
6 abuse of this Section.

7 (d) Quick purchases. The chief procurement officer may
8 promulgate rules extending the circumstances by which a
9 purchasing agency may make purchases under this Section,
10 including but not limited to the procurement of items available
11 at a discount for a limited period of time. The chief
12 procurement officer shall adopt rules regarding good faith and
13 best efforts from contractors and companies certified under the
14 Business Enterprise Program.

15 (e) The changes to this Section made by this amendatory Act
16 of the 96th General Assembly apply to procurements executed on
17 or after its effective date.

18 (Source: P.A. 100-43, eff. 8-9-17.)

19 (30 ILCS 500/20-60)

20 Sec. 20-60. Duration of contracts.

21 (a) Maximum duration. A contract may be entered into for
22 any period of time deemed to be in the best interests of the
23 State but not exceeding 10 years inclusive, beginning January
24 1, 2010, of proposed contract renewals. Third parties may lease
25 State-owned dark fiber networks for any period of time deemed

1 to be in the best interest of the State, but not exceeding 20
2 years. The length of a lease for real property or capital
3 improvements shall be in accordance with the provisions of
4 Section 40-25. The length of energy conservation program
5 contracts or energy savings contracts or leases shall be in
6 accordance with the provisions of Section 25-45. A contract for
7 bond or mortgage insurance awarded by the Illinois Housing
8 Development Authority, however, may be entered into for any
9 period of time less than or equal to the maximum period of time
10 that the subject bond or mortgage may remain outstanding.

11 (b) Subject to appropriation. All contracts made or entered
12 into shall recite that they are subject to termination and
13 cancellation in any year for which the General Assembly fails
14 to make an appropriation to make payments under the terms of
15 the contract.

16 (c) The chief procurement officer shall file a proposed
17 extension or renewal of a contract with the Procurement Policy
18 Board and the Commission on Equity and Inclusion prior to
19 entering into any extension or renewal if the cost associated
20 with the extension or renewal exceeds \$249,999. The Procurement
21 Policy Board or the Commission on Equity and Inclusion may
22 object to the proposed extension or renewal within 30 calendar
23 days and require a hearing before the Board or the Commission
24 on Equity and Inclusion prior to entering into the extension or
25 renewal. If the Procurement Policy Board or the Commission on
26 Equity and Inclusion does not object within 30 calendar days or

1 takes affirmative action to recommend the extension or renewal,
2 the chief procurement officer may enter into the extension or
3 renewal of a contract. This subsection does not apply to any
4 emergency procurement, any procurement under Article 40, or any
5 procurement exempted by Section 1-10(b) of this Code. If any
6 State agency contract is paid for in whole or in part with
7 federal-aid funds, grants, or loans and the provisions of this
8 subsection would result in the loss of those federal-aid funds,
9 grants, or loans, then the contract is exempt from the
10 provisions of this subsection in order to remain eligible for
11 those federal-aid funds, grants, or loans, and the State agency
12 shall file notice of this exemption with the Procurement Policy
13 Board or the Commission on Equity and Inclusion prior to
14 entering into the proposed extension or renewal. Nothing in
15 this subsection permits a chief procurement officer to enter
16 into an extension or renewal in violation of subsection (a). By
17 August 1 each year, the Procurement Policy Board and the
18 Commission on Equity and Inclusion shall each ~~shall~~ file a
19 report with the General Assembly identifying for the previous
20 fiscal year (i) the proposed extensions or renewals that were
21 filed and whether such extensions and renewals were objected to
22 ~~with the Board and whether the Board objected~~ and (ii) the
23 contracts exempt from this subsection.

24 (d) Notwithstanding the provisions of subsection (a) of
25 this Section, the Department of Innovation and Technology may
26 enter into leases for dark fiber networks for any period of

1 time deemed to be in the best interests of the State but not
2 exceeding 20 years inclusive. The Department of Innovation and
3 Technology may lease dark fiber networks from third parties
4 only for the primary purpose of providing services (i) to the
5 offices of Governor, Lieutenant Governor, Attorney General,
6 Secretary of State, Comptroller, or Treasurer and State
7 agencies, as defined under Section 5-15 of the Civil
8 Administrative Code of Illinois or (ii) for anchor
9 institutions, as defined in Section 7 of the Illinois Century
10 Network Act. Dark fiber network lease contracts shall be
11 subject to all other provisions of this Code and any applicable
12 rules or requirements, including, but not limited to,
13 publication of lease solicitations, use of standard State
14 contracting terms and conditions, and approval of vendor
15 certifications and financial disclosures.

16 (e) As used in this Section, "dark fiber network" means a
17 network of fiber optic cables laid but currently unused by a
18 third party that the third party is leasing for use as network
19 infrastructure.

20 (Source: P.A. 100-23, eff. 7-6-17; 100-611, eff. 7-20-18;
21 101-81, eff. 7-12-19.)

22 (30 ILCS 500/35-15)

23 Sec. 35-15. Prequalification.

24 (a) The chief procurement officer for matters other than
25 construction and the higher education chief procurement

1 officer shall each develop appropriate and reasonable
2 prequalification standards and categories of professional and
3 artistic services.

4 (b) The prequalifications and categorizations shall be
5 submitted to the Procurement Policy Board and the Commission on
6 Equity and Inclusion, and published for public comment prior to
7 their submission to the Joint Committee on Administrative Rules
8 for approval.

9 (c) The chief procurement officer for matters other than
10 construction and the higher education chief procurement
11 officer shall each also assemble and maintain a comprehensive
12 list of prequalified and categorized businesses and persons.

13 (d) Prequalification shall not be used to bar or prevent
14 any qualified business or person from bidding or responding to
15 invitations for bid or requests for proposal.

16 (Source: P.A. 100-43, eff. 8-9-17.)

17 (30 ILCS 500/35-30)

18 Sec. 35-30. Awards.

19 (a) All State contracts for professional and artistic
20 services, except as provided in this Section, shall be awarded
21 using the competitive request for proposal process outlined in
22 this Section.

23 (b) For each contract offered, the chief procurement
24 officer, State purchasing officer, or his or her designee shall
25 use the appropriate standard solicitation forms available from

1 the chief procurement officer for matters other than
2 construction or the higher education chief procurement
3 officer.

4 (c) Prepared forms shall be submitted to the chief
5 procurement officer for matters other than construction or the
6 higher education chief procurement officer, whichever is
7 appropriate, for publication in its Illinois Procurement
8 Bulletin and circulation to the chief procurement officer for
9 matters other than construction or the higher education chief
10 procurement officer's list of prequalified vendors. Notice of
11 the offer or request for proposal shall appear at least 14
12 calendar days before the response to the offer is due.

13 (d) All interested respondents shall return their
14 responses to the chief procurement officer for matters other
15 than construction or the higher education chief procurement
16 officer, whichever is appropriate, which shall open and record
17 them. The chief procurement officer for matters other than
18 construction or higher education chief procurement officer
19 then shall forward the responses, together with any information
20 it has available about the qualifications and other State work
21 of the respondents.

22 (e) After evaluation, ranking, and selection, the
23 responsible chief procurement officer, State purchasing
24 officer, or his or her designee shall notify the chief
25 procurement officer for matters other than construction or the
26 higher education chief procurement officer, whichever is

1 appropriate, of the successful respondent and shall forward a
2 copy of the signed contract for the chief procurement officer
3 for matters other than construction or higher education chief
4 procurement officer's file. The chief procurement officer for
5 matters other than construction or higher education chief
6 procurement officer shall publish the names of the responsible
7 procurement decision-maker, the agency letting the contract,
8 the successful respondent, a contract reference, and value of
9 the let contract in the next appropriate volume of the Illinois
10 Procurement Bulletin.

11 (f) For all professional and artistic contracts with
12 annualized value that exceeds \$100,000, evaluation and ranking
13 by price are required. Any chief procurement officer or State
14 purchasing officer, but not their designees, may select a
15 respondent other than the lowest respondent by price. In any
16 case, when the contract exceeds the \$100,000 threshold and the
17 lowest respondent is not selected, the chief procurement
18 officer or the State purchasing officer shall forward together
19 with the contract notice of who the low respondent by price was
20 and a written decision as to why another was selected to the
21 chief procurement officer for matters other than construction
22 or the higher education chief procurement officer, whichever is
23 appropriate. The chief procurement officer for matters other
24 than construction or higher education chief procurement
25 officer shall publish as provided in subsection (e) of Section
26 35-30, but shall include notice of the chief procurement

1 officer's or State purchasing officer's written decision.

2 (g) The chief procurement officer for matters other than
3 construction and higher education chief procurement officer
4 may each refine, but not contradict, this Section by
5 promulgating rules for submission to the Procurement Policy
6 Board and the Commission on Equity and Inclusion, and then to
7 the Joint Committee on Administrative Rules. Any refinement
8 shall be based on the principles and procedures of the federal
9 Architect-Engineer Selection Law, Public Law 92-582 Brooks
10 Act, and the Architectural, Engineering, and Land Surveying
11 Qualifications Based Selection Act; except that pricing shall
12 be an integral part of the selection process.

13 (Source: P.A. 100-43, eff. 8-9-17.)

14 (30 ILCS 500/40-20)

15 Sec. 40-20. Request for information.

16 (a) Conditions for use. Leases shall be procured by request
17 for information except as otherwise provided in Section 40-15.

18 (b) Form. A request for information shall be issued and
19 shall include:

20 (1) the type of property to be leased;

21 (2) the proposed uses of the property;

22 (3) the duration of the lease;

23 (4) the preferred location of the property; and

24 (5) a general description of the configuration
25 desired.

1 (c) Public notice. Public notice of the request for
2 information for the availability of real property to lease
3 shall be published in the appropriate volume of the Illinois
4 Procurement Bulletin at least 14 calendar days before the date
5 set forth in the request for receipt of responses and shall
6 also be published in similar manner in a newspaper of general
7 circulation in the community or communities where the using
8 agency is seeking space.

9 (d) Response. The request for information response shall
10 consist of written information sufficient to show that the
11 respondent can meet minimum criteria set forth in the request.
12 State purchasing officers may enter into discussions with
13 respondents for the purpose of clarifying State needs and the
14 information supplied by the respondents. On the basis of the
15 information supplied and discussions, if any, a State
16 purchasing officer shall make a written determination
17 identifying the responses that meet the minimum criteria set
18 forth in the request for information. Negotiations shall be
19 entered into with all qualified respondents for the purpose of
20 securing a lease that is in the best interest of the State. A
21 written report of the negotiations shall be retained in the
22 lease files and shall include the reasons for the final
23 selection. All leases shall be reduced to writing; one copy
24 shall be filed with the Comptroller in accordance with the
25 provisions of Section 20-80, and one copy each shall be filed
26 with the Board and the Commission on Equity and Inclusion.

1 When the lowest response by price is not selected, the
2 State purchasing officer shall forward to the chief procurement
3 officer, along with the lease, notice of the identity of the
4 lowest respondent by price and written reasons for the
5 selection of a different response. The chief procurement
6 officer shall publish the written reasons in the next volume of
7 the Illinois Procurement Bulletin.

8 (e) Board and Commission on Equity and Inclusion review.
9 Upon receipt of (1) any proposed lease of real property of
10 10,000 or more square feet or (2) any proposed lease of real
11 property with annual rent payments of \$100,000 or more, the
12 Procurement Policy Board and the Commission on Equity and
13 Inclusion shall have 30 calendar days to review the proposed
14 lease. If neither the Board nor the Commission on Equity and
15 Inclusion ~~the Board does not~~ object in writing within 30
16 calendar days, then the proposed lease shall become effective
17 according to its terms as submitted. The leasing agency shall
18 make any and all materials available to the Board and the
19 Commission on Equity and Inclusion to assist in the review
20 process.

21 (Source: P.A. 98-1076, eff. 1-1-15.)

22 (30 ILCS 500/50-20)

23 Sec. 50-20. Exemptions. The appropriate chief procurement
24 officer may file a request with the Executive Ethics Commission
25 to exempt named individuals from the prohibitions of Section

1 50-13 when, in his or her judgment, the public interest in
2 having the individual in the service of the State outweighs the
3 public policy evidenced in that Section. The Executive Ethics
4 Commission may grant an exemption after a public hearing at
5 which any person may present testimony. The chief procurement
6 officer shall publish notice of the date, time, and location of
7 the hearing in the online electronic Bulletin at least 14
8 calendar days prior to the hearing and provide notice to the
9 individual subject to the waiver, ~~and~~ the Procurement Policy
10 Board, and the Commission on Equity and Inclusion. The
11 Executive Ethics Commission shall also provide public notice of
12 the date, time, and location of the hearing on its website. If
13 the Commission grants an exemption, the exemption is effective
14 only if it is filed with the Secretary of State and the
15 Comptroller prior to the execution of any contract and includes
16 a statement setting forth the name of the individual and all
17 the pertinent facts that would make that Section applicable,
18 setting forth the reason for the exemption, and declaring the
19 individual exempted from that Section. Notice of each exemption
20 shall be published in the Illinois Procurement Bulletin. A
21 contract for which a waiver has been issued but has not been
22 filed in accordance with this Section is voidable by the State.
23 The changes to this Section made by this amendatory Act of the
24 96th General Assembly shall apply to exemptions granted on or
25 after its effective date.

26 (Source: P.A. 98-1076, eff. 1-1-15.)

1 (30 ILCS 500/50-35)

2 Sec. 50-35. Financial disclosure and potential conflicts
3 of interest.

4 (a) All bids and offers from responsive bidders, offerors,
5 vendors, or contractors with an annual value of more than
6 \$50,000, and all submissions to a vendor portal, shall be
7 accompanied by disclosure of the financial interests of the
8 bidder, offeror, potential contractor, or contractor and each
9 subcontractor to be used. In addition, all subcontracts
10 identified as provided by Section 20-120 of this Code with an
11 annual value of more than \$50,000 shall be accompanied by
12 disclosure of the financial interests of each subcontractor.
13 The financial disclosure of each successful bidder, offeror,
14 potential contractor, or contractor and its subcontractors
15 shall be incorporated as a material term of the contract and
16 shall become part of the publicly available contract or
17 procurement file maintained by the appropriate chief
18 procurement officer. Each disclosure under this Section shall
19 be signed and made under penalty of perjury by an authorized
20 officer or employee on behalf of the bidder, offeror, potential
21 contractor, contractor, or subcontractor, and must be filed
22 with the Procurement Policy Board and the Commission on Equity
23 and Inclusion.

24 (b) Disclosure shall include any ownership or distributive
25 income share that is in excess of 5%, or an amount greater than

1 60% of the annual salary of the Governor, of the disclosing
2 entity or its parent entity, whichever is less, unless the
3 bidder, offeror, potential contractor, contractor, or
4 subcontractor (i) is a publicly traded entity subject to
5 Federal 10K reporting, in which case it may submit its 10K
6 disclosure in place of the prescribed disclosure, or (ii) is a
7 privately held entity that is exempt from Federal 10k reporting
8 but has more than 100 shareholders, in which case it may submit
9 the information that Federal 10k reporting companies are
10 required to report under 17 CFR 229.401 and list the names of
11 any person or entity holding any ownership share that is in
12 excess of 5% in place of the prescribed disclosure. The form of
13 disclosure shall be prescribed by the applicable chief
14 procurement officer and must include at least the names,
15 addresses, and dollar or proportionate share of ownership of
16 each person identified in this Section, their instrument of
17 ownership or beneficial relationship, and notice of any
18 potential conflict of interest resulting from the current
19 ownership or beneficial relationship of each individual
20 identified in this Section having in addition any of the
21 following relationships:

22 (1) State employment, currently or in the previous 3
23 years, including contractual employment of services.

24 (2) State employment of spouse, father, mother, son, or
25 daughter, including contractual employment for services in
26 the previous 2 years.

1 (3) Elective status; the holding of elective office of
2 the State of Illinois, the government of the United States,
3 any unit of local government authorized by the Constitution
4 of the State of Illinois or the statutes of the State of
5 Illinois currently or in the previous 3 years.

6 (4) Relationship to anyone holding elective office
7 currently or in the previous 2 years; spouse, father,
8 mother, son, or daughter.

9 (5) Appointive office; the holding of any appointive
10 government office of the State of Illinois, the United
11 States of America, or any unit of local government
12 authorized by the Constitution of the State of Illinois or
13 the statutes of the State of Illinois, which office
14 entitles the holder to compensation in excess of expenses
15 incurred in the discharge of that office currently or in
16 the previous 3 years.

17 (6) Relationship to anyone holding appointive office
18 currently or in the previous 2 years; spouse, father,
19 mother, son, or daughter.

20 (7) Employment, currently or in the previous 3 years,
21 as or by any registered lobbyist of the State government.

22 (8) Relationship to anyone who is or was a registered
23 lobbyist in the previous 2 years; spouse, father, mother,
24 son, or daughter.

25 (9) Compensated employment, currently or in the
26 previous 3 years, by any registered election or re-election

1 committee registered with the Secretary of State or any
2 county clerk in the State of Illinois, or any political
3 action committee registered with either the Secretary of
4 State or the Federal Board of Elections.

5 (10) Relationship to anyone; spouse, father, mother,
6 son, or daughter; who is or was a compensated employee in
7 the last 2 years of any registered election or re-election
8 committee registered with the Secretary of State or any
9 county clerk in the State of Illinois, or any political
10 action committee registered with either the Secretary of
11 State or the Federal Board of Elections.

12 (b-1) The disclosure required under this Section must also
13 include the name and address of each lobbyist required to
14 register under the Lobbyist Registration Act and other agent of
15 the bidder, offeror, potential contractor, contractor, or
16 subcontractor who is not identified under subsections (a) and
17 (b) and who has communicated, is communicating, or may
18 communicate with any State officer or employee concerning the
19 bid or offer. The disclosure under this subsection is a
20 continuing obligation and must be promptly supplemented for
21 accuracy throughout the process and throughout the term of the
22 contract if the bid or offer is successful.

23 (b-2) The disclosure required under this Section must also
24 include, for each of the persons identified in subsection (b)
25 or (b-1), each of the following that occurred within the
26 previous 10 years: suspension or debarment from contracting

1 with any governmental entity; professional licensure
2 discipline; bankruptcies; adverse civil judgments and
3 administrative findings; and criminal felony convictions. The
4 disclosure under this subsection is a continuing obligation and
5 must be promptly supplemented for accuracy throughout the
6 process and throughout the term of the contract if the bid or
7 offer is successful.

8 (c) The disclosure in subsection (b) is not intended to
9 prohibit or prevent any contract. The disclosure is meant to
10 fully and publicly disclose any potential conflict to the chief
11 procurement officers, State purchasing officers, their
12 designees, and executive officers so they may adequately
13 discharge their duty to protect the State.

14 (d) When a potential for a conflict of interest is
15 identified, discovered, or reasonably suspected, the chief
16 procurement officer or State procurement officer shall send the
17 contract to the Procurement Policy Board and the Commission on
18 Equity and Inclusion. In accordance with the objectives of
19 subsection (c), if the Procurement Policy Board or the
20 Commission on Equity and Inclusion finds evidence of a
21 potential conflict of interest not originally disclosed by the
22 bidder, offeror, potential contractor, contractor, or
23 subcontractor, the Board or the Commission on Equity and
24 Inclusion shall provide written notice to the bidder, offeror,
25 potential contractor, contractor, or subcontractor that is
26 identified, discovered, or reasonably suspected of having a

1 potential conflict of interest. The bidder, offeror, potential
2 contractor, contractor, or subcontractor shall have 15
3 calendar days to respond in writing to the Board or the
4 Commission on Equity and Inclusion, and a hearing before the
5 Board or the Commission on Equity and Inclusion will be granted
6 upon request by the bidder, offeror, potential contractor,
7 contractor, or subcontractor, at a date and time to be
8 determined by the Board or the Commission on Equity and
9 Inclusion, but which in no event shall occur later than 15
10 calendar days after the date of the request. Upon
11 consideration, the Board or the Commission on Equity and
12 Inclusion shall recommend, in writing, whether to allow or void
13 the contract, bid, offer, or subcontract weighing the best
14 interest of the State of Illinois. All recommendations shall be
15 submitted to the Executive Ethics Commission. The Executive
16 Ethics Commission must hold a public hearing within 30 calendar
17 days after receiving the Board's or the Commission on Equity
18 and Inclusion's recommendation if the Procurement Policy Board
19 or the Commission on Equity and Inclusion makes a
20 recommendation to (i) void a contract or (ii) void a bid or
21 offer and the chief procurement officer selected or intends to
22 award the contract to the bidder, offeror, or potential
23 contractor. A chief procurement officer is prohibited from
24 awarding a contract before a hearing if the Board or the
25 Commission on Equity and Inclusion recommendation does not
26 support a bid or offer. The recommendation and proceedings of

1 any hearing, if applicable, shall be available to the public.

2 (e) These thresholds and disclosure do not relieve the
3 chief procurement officer, the State purchasing officer, or
4 their designees from reasonable care and diligence for any
5 contract, bid, offer, or submission to a vendor portal. The
6 chief procurement officer, the State purchasing officer, or
7 their designees shall be responsible for using any reasonably
8 known and publicly available information to discover any
9 undisclosed potential conflict of interest and act to protect
10 the best interest of the State of Illinois.

11 (f) Inadvertent or accidental failure to fully disclose
12 shall render the contract, bid, offer, proposal, subcontract,
13 or relationship voidable by the chief procurement officer if he
14 or she deems it in the best interest of the State of Illinois
15 and, at his or her discretion, may be cause for barring from
16 future contracts, bids, offers, proposals, subcontracts, or
17 relationships with the State for a period of up to 2 years.

18 (g) Intentional, willful, or material failure to disclose
19 shall render the contract, bid, offer, proposal, subcontract,
20 or relationship voidable by the chief procurement officer if he
21 or she deems it in the best interest of the State of Illinois
22 and shall result in debarment from future contracts, bids,
23 offers, proposals, subcontracts, or relationships for a period
24 of not less than 2 years and not more than 10 years.
25 Reinstatement after 2 years and before 10 years must be
26 reviewed and commented on in writing by the Governor of the

1 State of Illinois, or by an executive ethics board or
2 commission he or she might designate. The comment shall be
3 returned to the responsible chief procurement officer who must
4 rule in writing whether and when to reinstate.

5 (h) In addition, all disclosures shall note any other
6 current or pending contracts, bids, offers, proposals,
7 subcontracts, leases, or other ongoing procurement
8 relationships the bidder, offeror, potential contractor,
9 contractor, or subcontractor has with any other unit of State
10 government and shall clearly identify the unit and the
11 contract, offer, proposal, lease, or other relationship.

12 (i) The bidder, offeror, potential contractor, or
13 contractor has a continuing obligation to supplement the
14 disclosure required by this Section throughout the bidding
15 process during the term of any contract, and during the vendor
16 portal registration process.

17 (Source: P.A. 97-490, eff. 8-22-11; 97-895, eff. 8-3-12;
18 98-1076, eff. 1-1-15.)

19 Section 115-130. The Business Enterprise for Minorities,
20 Women, and Persons with Disabilities Act is amended by changing
21 Sections 2, 4, 4f, 5, 7, and 8 and by adding Section 5.5 as
22 follows:

23 (30 ILCS 575/2)

24 (Section scheduled to be repealed on June 30, 2024)

1 Sec. 2. Definitions.

2 (A) For the purpose of this Act, the following terms shall
3 have the following definitions:

4 (1) "Minority person" shall mean a person who is a
5 citizen or lawful permanent resident of the United States
6 and who is any of the following:

7 (a) American Indian or Alaska Native (a person
8 having origins in any of the original peoples of North
9 and South America, including Central America, and who
10 maintains tribal affiliation or community attachment).

11 (b) Asian (a person having origins in any of the
12 original peoples of the Far East, Southeast Asia, or
13 the Indian subcontinent, including, but not limited
14 to, Cambodia, China, India, Japan, Korea, Malaysia,
15 Pakistan, the Philippine Islands, Thailand, and
16 Vietnam).

17 (c) Black or African American (a person having
18 origins in any of the black racial groups of Africa).

19 (d) Hispanic or Latino (a person of Cuban, Mexican,
20 Puerto Rican, South or Central American, or other
21 Spanish culture or origin, regardless of race).

22 (e) Native Hawaiian or Other Pacific Islander (a
23 person having origins in any of the original peoples of
24 Hawaii, Guam, Samoa, or other Pacific Islands).

25 (2) "Woman" shall mean a person who is a citizen or
26 lawful permanent resident of the United States and who is

1 of the female gender.

2 (2.05) "Person with a disability" means a person who is
3 a citizen or lawful resident of the United States and is a
4 person qualifying as a person with a disability under
5 subdivision (2.1) of this subsection (A).

6 (2.1) "Person with a disability" means a person with a
7 severe physical or mental disability that:

8 (a) results from:

9 amputation,

10 arthritis,

11 autism,

12 blindness,

13 burn injury,

14 cancer,

15 cerebral palsy,

16 Crohn's disease,

17 cystic fibrosis,

18 deafness,

19 head injury,

20 heart disease,

21 hemiplegia,

22 hemophilia,

23 respiratory or pulmonary dysfunction,

24 an intellectual disability,

25 mental illness,

26 multiple sclerosis,

1 muscular dystrophy,
2 musculoskeletal disorders,
3 neurological disorders, including stroke and
4 epilepsy,
5 paraplegia,
6 quadriplegia and other spinal cord conditions,
7 sickle cell anemia,
8 ulcerative colitis,
9 specific learning disabilities, or
10 end stage renal failure disease; and

11 (b) substantially limits one or more of the
12 person's major life activities.

13 Another disability or combination of disabilities may
14 also be considered as a severe disability for the purposes
15 of item (a) of this subdivision (2.1) if it is determined
16 by an evaluation of rehabilitation potential to cause a
17 comparable degree of substantial functional limitation
18 similar to the specific list of disabilities listed in item
19 (a) of this subdivision (2.1).

20 (3) "Minority-owned business" means a business which
21 is at least 51% owned by one or more minority persons, or
22 in the case of a corporation, at least 51% of the stock in
23 which is owned by one or more minority persons; and the
24 management and daily business operations of which are
25 controlled by one or more of the minority individuals who
26 own it.

1 (4) "Women-owned business" means a business which is at
2 least 51% owned by one or more women, or, in the case of a
3 corporation, at least 51% of the stock in which is owned by
4 one or more women; and the management and daily business
5 operations of which are controlled by one or more of the
6 women who own it.

7 (4.1) "Business owned by a person with a disability"
8 means a business that is at least 51% owned by one or more
9 persons with a disability and the management and daily
10 business operations of which are controlled by one or more
11 of the persons with disabilities who own it. A
12 not-for-profit agency for persons with disabilities that
13 is exempt from taxation under Section 501 of the Internal
14 Revenue Code of 1986 is also considered a "business owned
15 by a person with a disability".

16 (4.2) "Council" means the Business Enterprise Council
17 for Minorities, Women, and Persons with Disabilities
18 created under Section 5 of this Act.

19 (4.3) "Commission" means, unless the context clearly
20 indicates otherwise, the Commission on Equity and
21 Inclusion created under the Commission on Equity and
22 Inclusion Act.

23 (5) "State contracts" means all contracts entered into
24 by the State, any agency or department thereof, or any
25 public institution of higher education, including
26 community college districts, regardless of the source of

1 the funds with which the contracts are paid, which are not
2 subject to federal reimbursement. "State contracts" does
3 not include contracts awarded by a retirement system,
4 pension fund, or investment board subject to Section
5 1-109.1 of the Illinois Pension Code. This definition shall
6 control over any existing definition under this Act or
7 applicable administrative rule.

8 "State construction contracts" means all State
9 contracts entered into by a State agency or public
10 institution of higher education for the repair,
11 remodeling, renovation or construction of a building or
12 structure, or for the construction or maintenance of a
13 highway defined in Article 2 of the Illinois Highway Code.

14 (6) "State agencies" shall mean all departments,
15 officers, boards, commissions, institutions and bodies
16 politic and corporate of the State, but does not include
17 the Board of Trustees of the University of Illinois, the
18 Board of Trustees of Southern Illinois University, the
19 Board of Trustees of Chicago State University, the Board of
20 Trustees of Eastern Illinois University, the Board of
21 Trustees of Governors State University, the Board of
22 Trustees of Illinois State University, the Board of
23 Trustees of Northeastern Illinois University, the Board of
24 Trustees of Northern Illinois University, the Board of
25 Trustees of Western Illinois University, municipalities or
26 other local governmental units, or other State

1 constitutional officers.

2 (7) "Public institutions of higher education" means
3 the University of Illinois, Southern Illinois University,
4 Chicago State University, Eastern Illinois University,
5 Governors State University, Illinois State University,
6 Northeastern Illinois University, Northern Illinois
7 University, Western Illinois University, the public
8 community colleges of the State, and any other public
9 universities, colleges, and community colleges now or
10 hereafter established or authorized by the General
11 Assembly.

12 (8) "Certification" means a determination made by the
13 Council or by one delegated authority from the Council to
14 make certifications, or by a State agency with statutory
15 authority to make such a certification, that a business
16 entity is a business owned by a minority, woman, or person
17 with a disability for whatever purpose. A business owned
18 and controlled by women shall be certified as a
19 "woman-owned business". A business owned and controlled by
20 women who are also minorities shall be certified as both a
21 "women-owned business" and a "minority-owned business".

22 (9) "Control" means the exclusive or ultimate and sole
23 control of the business including, but not limited to,
24 capital investment and all other financial matters,
25 property, acquisitions, contract negotiations, legal
26 matters, officer-director-employee selection and

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

13 (10) "Business" means a business that has annual gross
14 sales of less than \$75,000,000 as evidenced by the federal
15 income tax return of the business. A firm with gross sales
16 in excess of this cap may apply to the Council for
17 certification for a particular contract if the firm can
18 demonstrate that the contract would have significant
19 impact on businesses owned by minorities, women, or persons
20 with disabilities as suppliers or subcontractors or in
21 employment of minorities, women, or persons with
22 disabilities.

23 (11) "Utilization plan" means a form and additional
24 documentations included in all bids or proposals that
25 demonstrates a vendor's proposed utilization of vendors
26 certified by the Business Enterprise Program to meet the

1 targeted goal. The utilization plan shall demonstrate that
2 the Vendor has either: (1) met the entire contract goal or
3 (2) requested a full or partial waiver and made good faith
4 efforts towards meeting the goal.

5 (12) "Business Enterprise Program" means the Business
6 Enterprise Program of the Department of Central Management
7 Services.

8 (B) When a business is owned at least 51% by any
9 combination of minority persons, women, or persons with
10 disabilities, even though none of the 3 classes alone holds at
11 least a 51% interest, the ownership requirement for purposes of
12 this Act is considered to be met or in excess of the entire
13 contract goal. The certification category for the business is
14 that of the class holding the largest ownership interest in the
15 business. If 2 or more classes have equal ownership interests,
16 the certification category shall be determined by the business.
17 (Source: P.A. 100-391, eff. 8-25-17; 101-601, eff. 1-1-20.)

18 (30 ILCS 575/4) (from Ch. 127, par. 132.604)

19 (Section scheduled to be repealed on June 30, 2024)

20 Sec. 4. Award of State contracts.

21 (a) Except as provided in subsection (b), not less than 20%
22 of the total dollar amount of State contracts, as defined by
23 the Secretary of the Council and approved by the Council, shall
24 be established as an aspirational goal to be awarded to
25 businesses owned by minorities, women, and persons with

1 disabilities; provided, however, that of the total amount of
2 all State contracts awarded to businesses owned by minorities,
3 women, and persons with disabilities pursuant to this Section,
4 contracts representing at least 11% shall be awarded to
5 businesses owned by minorities, contracts representing at
6 least 7% shall be awarded to women-owned businesses, and
7 contracts representing at least 2% shall be awarded to
8 businesses owned by persons with disabilities.

9 The above percentage relates to the total dollar amount of
10 State contracts during each State fiscal year, calculated by
11 examining independently each type of contract for each agency
12 or public institutions of higher education which lets such
13 contracts. Only that percentage of arrangements which
14 represents the participation of businesses owned by
15 minorities, women, and persons with disabilities on such
16 contracts shall be included. State contracts subject to the
17 requirements of this Act shall include the requirement that
18 only expenditures to businesses owned by minorities, women, and
19 persons with disabilities that perform a commercially useful
20 function may be counted toward the goals set forth by this Act.
21 Contracts shall include a definition of "commercially useful
22 function" that is consistent with 49 CFR 26.55(c).

23 (b) Not less than 20% of the total dollar amount of State
24 construction contracts is established as an aspirational goal
25 to be awarded to businesses owned by minorities, women, and
26 persons with disabilities; provided that, contracts

1 representing at least 11% of the total dollar amount of State
2 construction contracts shall be awarded to businesses owned by
3 minorities; contracts representing at least 7% of the total
4 dollar amount of State construction contracts shall be awarded
5 to women-owned businesses; and contracts representing at least
6 2% of the total dollar amount of State construction contracts
7 shall be awarded to businesses owned by persons with
8 disabilities.

9 (c) (Blank).

10 (d) Within one year after April 28, 2009 (the effective
11 date of Public Act 96-8), the Department of Central Management
12 Services shall conduct a social scientific study that measures
13 the impact of discrimination on minority and women business
14 development in Illinois. Within 18 months after April 28, 2009
15 (the effective date of Public Act 96-8), the Department shall
16 issue a report of its findings and any recommendations on
17 whether to adjust the goals for minority and women
18 participation established in this Act. Copies of this report
19 and the social scientific study shall be filed with the
20 Governor and the General Assembly.

21 By December 1, 2020, the Department of Central Management
22 Services shall conduct a new social scientific study that
23 measures the impact of discrimination on minority and women
24 business development in Illinois. By June 1, 2022, the
25 Department shall issue a report of its findings and any
26 recommendations on whether to adjust the goals for minority and

1 women participation established in this Act. Copies of this
2 report and the social scientific study shall be filed with the
3 Governor, ~~the Advisory Board,~~ and the General Assembly. By
4 December 1, 2022, the Department of Central Management Services
5 Business Enterprise Program shall develop a model for social
6 scientific disparity study sourcing for local governmental
7 units to adapt and implement to address regional disparities in
8 public procurement.

9 (e) Except as permitted under this Act or as otherwise
10 mandated by federal law or regulation, those who submit bids or
11 proposals for State contracts subject to the provisions of this
12 Act, whose bids or proposals are successful and include a
13 utilization plan but that fail to meet the goals set forth in
14 subsection (b) of this Section, shall be notified of that
15 deficiency and shall be afforded a period not to exceed 10
16 calendar days from the date of notification to cure that
17 deficiency in the bid or proposal. The deficiency in the bid or
18 proposal may only be cured by contracting with additional
19 subcontractors who are owned by minorities or women. Any
20 increase in cost to a contract for the addition of a
21 subcontractor to cure a bid's deficiency shall not affect the
22 bid price, shall not be used in the request for an exemption in
23 this Act, and in no case shall an identified subcontractor with
24 a certification made pursuant to this Act be terminated from
25 the contract without the written consent of the State agency or
26 public institution of higher education entering into the

1 contract. The Commission on Equity and Inclusion shall be
2 notified of all utilization plan deficiencies on submitted bids
3 or proposals for State contracts under this subsection (e).

4 (f) Non-construction solicitations that include Business
5 Enterprise Program participation goals shall require bidders
6 and offerors to include utilization plans. Utilization plans
7 are due at the time of bid or offer submission. Failure to
8 complete and include a utilization plan, including
9 documentation demonstrating good faith effort when requesting
10 a waiver, shall render the bid or offer non-responsive. The
11 Commission on Equity and Inclusion shall be notified of all
12 bids and offers that fail to include a utilization plan as
13 required under this subsection (f).

14 (g) Bids or proposals for State contracts shall be examined
15 to determine if the bid or proposal is responsible,
16 competitive, and whether the services to be provided are likely
17 to be completed based upon the pricing. If the bid or proposal
18 is responsible, competitive, and the services to be provided
19 are likely to be completed based on the prices listed, then the
20 bid is deemed responsive. If the bid or proposal is not
21 responsible, competitive, and the services to be provided are
22 not likely to be completed based on the prices listed, then the
23 entire bid is deemed non-responsive. The Commission on Equity
24 and Inclusion shall be notified of all non-responsive bids or
25 proposals for State contracts under this subsection (g).

26 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20;

1 101-601, eff. 1-1-20; revised 10-26-20.)

2 (30 ILCS 575/4f)

3 (Section scheduled to be repealed on June 30, 2024)

4 Sec. 4f. Award of State contracts.

5 (1) It is hereby declared to be the public policy of the
6 State of Illinois to promote and encourage each State agency
7 and public institution of higher education to use businesses
8 owned by minorities, women, and persons with disabilities in
9 the area of goods and services, including, but not limited to,
10 insurance services, investment management services,
11 information technology services, accounting services,
12 architectural and engineering services, and legal services.
13 Furthermore, each State agency and public institution of higher
14 education shall utilize such firms to the greatest extent
15 feasible within the bounds of financial and fiduciary prudence,
16 and take affirmative steps to remove any barriers to the full
17 participation of such firms in the procurement and contracting
18 opportunities afforded.

19 (a) When a State agency or public institution of higher
20 education, other than a community college, awards a
21 contract for insurance services, for each State agency or
22 public institution of higher education, it shall be the
23 aspirational goal to use insurance brokers owned by
24 minorities, women, and persons with disabilities as
25 defined by this Act, for not less than 20% of the total

1 annual premiums or fees; provided that, contracts
2 representing at least 11% of the total annual premiums or
3 fees shall be awarded to businesses owned by minorities;
4 contracts representing at least 7% of the total annual
5 premiums or fees shall be awarded to women-owned
6 businesses; and contracts representing at least 2% of the
7 total annual premiums or fees shall be awarded to
8 businesses owned by persons with disabilities.

9 (b) When a State agency or public institution of higher
10 education, other than a community college, awards a
11 contract for investment services, for each State agency or
12 public institution of higher education, it shall be the
13 aspirational goal to use emerging investment managers
14 owned by minorities, women, and persons with disabilities
15 as defined by this Act, for not less than 20% of the total
16 funds under management; provided that, contracts
17 representing at least 11% of the total funds under
18 management shall be awarded to businesses owned by
19 minorities; contracts representing at least 7% of the total
20 funds under management shall be awarded to women-owned
21 businesses; and contracts representing at least 2% of the
22 total funds under management shall be awarded to businesses
23 owned by persons with disabilities. Furthermore, it is the
24 aspirational goal that not less than 20% of the direct
25 asset managers of the State funds be minorities, women, and
26 persons with disabilities.

1 (c) When a State agency or public institution of higher
2 education, other than a community college, awards
3 contracts for information technology services, accounting
4 services, architectural and engineering services, and
5 legal services, for each State agency and public
6 institution of higher education, it shall be the
7 aspirational goal to use such firms owned by minorities,
8 women, and persons with disabilities as defined by this Act
9 and lawyers who are minorities, women, and persons with
10 disabilities as defined by this Act, for not less than 20%
11 of the total dollar amount of State contracts; provided
12 that, contracts representing at least 11% of the total
13 dollar amount of State contracts shall be awarded to
14 businesses owned by minorities or minority lawyers;
15 contracts representing at least 7% of the total dollar
16 amount of State contracts shall be awarded to women-owned
17 businesses or women who are lawyers; and contracts
18 representing at least 2% of the total dollar amount of
19 State contracts shall be awarded to businesses owned by
20 persons with disabilities or persons with disabilities who
21 are lawyers.

22 (d) When a community college awards a contract for
23 insurance services, investment services, information
24 technology services, accounting services, architectural
25 and engineering services, and legal services, it shall be
26 the aspirational goal of each community college to use

1 businesses owned by minorities, women, and persons with
2 disabilities as defined in this Act for not less than 20%
3 of the total amount spent on contracts for these services
4 collectively; provided that, contracts representing at
5 least 11% of the total amount spent on contracts for these
6 services shall be awarded to businesses owned by
7 minorities; contracts representing at least 7% of the total
8 amount spent on contracts for these services shall be
9 awarded to women-owned businesses; and contracts
10 representing at least 2% of the total amount spent on
11 contracts for these services shall be awarded to businesses
12 owned by persons with disabilities. When a community
13 college awards contracts for investment services,
14 contracts awarded to investment managers who are not
15 emerging investment managers as defined in this Act shall
16 not be considered businesses owned by minorities, women, or
17 persons with disabilities for the purposes of this Section.

18 (2) As used in this Section:

19 "Accounting services" means the measurement,
20 processing and communication of financial information
21 about economic entities including, but is not limited to,
22 financial accounting, management accounting, auditing,
23 cost containment and auditing services, taxation and
24 accounting information systems.

25 "Architectural and engineering services" means
26 professional services of an architectural or engineering

1 nature, or incidental services, that members of the
2 architectural and engineering professions, and individuals
3 in their employ, may logically or justifiably perform,
4 including studies, investigations, surveying and mapping,
5 tests, evaluations, consultations, comprehensive planning,
6 program management, conceptual designs, plans and
7 specifications, value engineering, construction phase
8 services, soils engineering, drawing reviews, preparation
9 of operating and maintenance manuals, and other related
10 services.

11 "Emerging investment manager" means an investment
12 manager or claims consultant having assets under
13 management below \$10 billion or otherwise adjudicating
14 claims.

15 "Information technology services" means, but is not
16 limited to, specialized technology-oriented solutions by
17 combining the processes and functions of software,
18 hardware, networks, telecommunications, web designers,
19 cloud developing resellers, and electronics.

20 "Insurance broker" means an insurance brokerage firm,
21 claims administrator, or both, that procures, places all
22 lines of insurance, or administers claims with annual
23 premiums or fees of at least \$5,000,000 but not more than
24 \$10,000,000.

25 "Legal services" means work performed by a lawyer
26 including, but not limited to, contracts in anticipation of

1 litigation, enforcement actions, or investigations.

2 (3) Each State agency and public institution of higher
3 education shall adopt policies that identify its plan and
4 implementation procedures for increasing the use of service
5 firms owned by minorities, women, and persons with
6 disabilities. All plan and implementation procedures for
7 increasing the use of service firms owned by minorities, women,
8 and persons with disabilities must be submitted to and approved
9 by the Commission on Equity and Inclusion on an annual basis.

10 (4) Except as provided in subsection (5), the Council shall
11 file no later than March 1 of each year an annual report to the
12 Governor, the Bureau on Apprenticeship Programs, and the
13 General Assembly. The report filed with the General Assembly
14 shall be filed as required in Section 3.1 of the General
15 Assembly Organization Act. This report shall: (i) identify the
16 service firms used by each State agency and public institution
17 of higher education, (ii) identify the actions it has
18 undertaken to increase the use of service firms owned by
19 minorities, women, and persons with disabilities, including
20 encouraging non-minority-owned firms to use other service
21 firms owned by minorities, women, and persons with disabilities
22 as subcontractors when the opportunities arise, (iii) state any
23 recommendations made by the Council to each State agency and
24 public institution of higher education to increase
25 participation by the use of service firms owned by minorities,
26 women, and persons with disabilities, and (iv) include the

1 following:

2 (A) For insurance services: the names of the insurance
3 brokers or claims consultants used, the total of risk
4 managed by each State agency and public institution of
5 higher education by insurance brokers, the total
6 commissions, fees paid, or both, the lines or insurance
7 policies placed, and the amount of premiums placed; and the
8 percentage of the risk managed by insurance brokers, the
9 percentage of total commission, fees paid, or both, the
10 lines or insurance policies placed, and the amount of
11 premiums placed with each by the insurance brokers owned by
12 minorities, women, and persons with disabilities by each
13 State agency and public institution of higher education.

14 (B) For investment management services: the names of
15 the investment managers used, the total funds under
16 management of investment managers; the total commissions,
17 fees paid, or both; the total and percentage of funds under
18 management of emerging investment managers owned by
19 minorities, women, and persons with disabilities,
20 including the total and percentage of total commissions,
21 fees paid, or both by each State agency and public
22 institution of higher education.

23 (C) The names of service firms, the percentage and
24 total dollar amount paid for professional services by
25 category by each State agency and public institution of
26 higher education.

1 (D) The names of service firms, the percentage and
2 total dollar amount paid for services by category to firms
3 owned by minorities, women, and persons with disabilities
4 by each State agency and public institution of higher
5 education.

6 (E) The total number of contracts awarded for services
7 by category and the total number of contracts awarded to
8 firms owned by minorities, women, and persons with
9 disabilities by each State agency and public institution of
10 higher education.

11 (5) For community college districts, the Business
12 Enterprise Council shall only report the following information
13 for each community college district: (i) the name of the
14 community colleges in the district, (ii) the name and contact
15 information of a person at each community college appointed to
16 be the single point of contact for vendors owned by minorities,
17 women, or persons with disabilities, (iii) the policy of the
18 community college district concerning certified vendors, (iv)
19 the certifications recognized by the community college
20 district for determining whether a business is owned or
21 controlled by a minority, woman, or person with a disability,
22 (v) outreach efforts conducted by the community college
23 district to increase the use of certified vendors, (vi) the
24 total expenditures by the community college district in the
25 prior fiscal year in the divisions of work specified in
26 paragraphs (a), (b), and (c) of subsection (1) of this Section

1 and the amount paid to certified vendors in those divisions of
2 work, and (vii) the total number of contracts entered into for
3 the divisions of work specified in paragraphs (a), (b), and (c)
4 of subsection (1) of this Section and the total number of
5 contracts awarded to certified vendors providing these
6 services to the community college district. The Business
7 Enterprise Council shall not make any utilization reports under
8 this Act for community college districts for Fiscal Year 2015
9 and Fiscal Year 2016, but shall make the report required by
10 this subsection for Fiscal Year 2017 and for each fiscal year
11 thereafter. The Business Enterprise Council shall report the
12 information in items (i), (ii), (iii), and (iv) of this
13 subsection beginning in September of 2016. The Business
14 Enterprise Council may collect the data needed to make its
15 report from the Illinois Community College Board.

16 (6) The status of the utilization of services shall be
17 discussed at each of the regularly scheduled Business
18 Enterprise Council meetings. Time shall be allotted for the
19 Council to receive, review, and discuss the progress of the use
20 of service firms owned by minorities, women, and persons with
21 disabilities by each State agency and public institution of
22 higher education; and any evidence regarding past or present
23 racial, ethnic, or gender-based discrimination which directly
24 impacts a State agency or public institution of higher
25 education contracting with such firms. If after reviewing such
26 evidence the Council finds that there is or has been such

1 discrimination against a specific group, race or sex, the
2 Council shall establish sheltered markets or adjust existing
3 sheltered markets tailored to address the Council's specific
4 findings for the divisions of work specified in paragraphs (a),
5 (b), and (c) of subsection (1) of this Section.

6 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20.)

7 (30 ILCS 575/5) (from Ch. 127, par. 132.605)

8 (Section scheduled to be repealed on June 30, 2024)

9 Sec. 5. Business Enterprise Council.

10 (1) To help implement, monitor, and enforce the goals of
11 this Act, there is created the Business Enterprise Council for
12 Minorities, Women, and Persons with Disabilities, hereinafter
13 referred to as the Council, composed of the Chairperson of the
14 Commission on Equity and Inclusion, the Secretary of Human
15 Services and the Directors of the Department of Human Rights,
16 the Department of Commerce and Economic Opportunity, the
17 Department of Central Management Services, the Department of
18 Transportation and the Capital Development Board, or their duly
19 appointed representatives, with the Comptroller, or his or her
20 designee, serving as an advisory member of the Council. Ten
21 individuals representing businesses that are minority-owned,
22 ~~or~~ women-owned, or owned by persons with disabilities, 2
23 individuals representing the business community, and a
24 representative of public institutions of higher education
25 shall be appointed by the Governor. These members shall serve

1 2-year ~~2-year~~ terms and shall be eligible for reappointment.
2 Any vacancy occurring on the Council shall also be filled by
3 the Governor. Any member appointed to fill a vacancy occurring
4 prior to the expiration of the term for which his or her
5 predecessor was appointed shall be appointed for the remainder
6 of such term. Members of the Council shall serve without
7 compensation but shall be reimbursed for any ordinary and
8 necessary expenses incurred in the performance of their duties.

9 The Chairperson of the Commission ~~Director of the~~
10 ~~Department of Central Management Services~~ shall serve as the
11 Council chairperson and shall select, subject to approval of
12 the council, a Secretary responsible for the operation of the
13 program who shall serve as the Division Manager of the Business
14 Enterprise for Minorities, Women, and Persons with
15 Disabilities Division of the Department of Central Management
16 Services.

17 The Director of each State agency and the chief executive
18 officer of each public institution ~~institutions~~ of higher
19 education shall appoint a liaison to the Council. The liaison
20 shall be responsible for submitting to the Council any reports
21 and documents necessary under this Act.

22 (2) The Council's authority and responsibility shall be to:

23 (a) Devise a certification procedure to assure that
24 businesses taking advantage of this Act are legitimately
25 classified as businesses owned by minorities, women, or
26 persons with disabilities and a registration procedure to

1 recognize, without additional evidence of Business
2 Enterprise Program eligibility, the certification of
3 businesses owned by minorities, women, or persons with
4 disabilities certified by the City of Chicago, Cook County,
5 or other jurisdictional programs with requirements and
6 procedures equaling or exceeding those in this Act.

7 (b) Maintain a list of all businesses legitimately
8 classified as businesses owned by minorities, women, or
9 persons with disabilities to provide to State agencies and
10 public institutions of higher education.

11 (c) Review rules and regulations for the
12 implementation of the program for businesses owned by
13 minorities, women, and persons with disabilities.

14 (d) Review compliance plans submitted by each State
15 agency and public institution ~~institutions~~ of higher
16 education pursuant to this Act.

17 (e) Make annual reports as provided in Section 8f to
18 the Governor and the General Assembly on the status of the
19 program.

20 (f) Serve as a central clearinghouse for information on
21 State contracts, including the maintenance of a list of all
22 pending State contracts upon which businesses owned by
23 minorities, women, and persons with disabilities may bid.
24 At the Council's discretion, maintenance of the list may
25 include 24-hour electronic access to the list along with
26 the bid and application information.

1 (g) Establish a toll-free ~~toll-free~~ telephone number to
2 facilitate information requests concerning the
3 certification process and pending contracts.

4 (3) No premium bond rate of a surety company for a bond
5 required of a business owned by a minority, woman, or person
6 with a disability bidding for a State contract shall be higher
7 than the lowest rate charged by that surety company for a
8 similar bond in the same classification of work that would be
9 written for a business not owned by a minority, woman, or
10 person with a disability.

11 (4) Any Council member who has direct financial or personal
12 interest in any measure pending before the Council shall
13 disclose this fact to the Council and refrain from
14 participating in the determination upon such measure.

15 (5) The Secretary shall have the following duties and
16 responsibilities:

17 (a) To be responsible for the day-to-day operation of
18 the Council.

19 (b) To serve as a coordinator for all of the State's
20 programs for businesses owned by minorities, women, and
21 persons with disabilities and as the information and
22 referral center for all State initiatives for businesses
23 owned by minorities, women, and persons with disabilities.

24 (c) To establish an enforcement procedure whereby the
25 Council may recommend to the appropriate State legal
26 officer that the State exercise its legal remedies which

1 shall include (1) termination of the contract involved, (2)
2 prohibition of participation by the respondent in public
3 contracts for a period not to exceed 3 years, (3)
4 imposition of a penalty not to exceed any profit acquired
5 as a result of violation, or (4) any combination thereof.
6 Such procedures shall require prior approval by Council.
7 All funds collected as penalties under this subsection
8 shall be used exclusively for maintenance and further
9 development of the Business Enterprise Program and
10 encouragement of participation in State procurement by
11 minorities, women, and persons with disabilities.

12 (d) To devise appropriate policies, regulations, and
13 procedures for including participation by businesses owned
14 by minorities, women, and persons with disabilities as
15 prime contractors, including, but not limited to: ~~;~~ (i)
16 encouraging the inclusions of qualified businesses owned
17 by minorities, women, and persons with disabilities on
18 solicitation lists, (ii) investigating the potential of
19 blanket bonding programs for small construction jobs, and
20 (iii) investigating and making recommendations concerning
21 the use of the sheltered market process.

22 (e) To devise procedures for the waiver of the
23 participation goals in appropriate circumstances.

24 (f) To accept donations and, with the approval of the
25 Council or the Chairperson ~~Director of Central Management~~
26 ~~Services~~, grants related to the purposes of this Act; to

1 conduct seminars related to the purpose of this Act and to
2 charge reasonable registration fees; and to sell
3 directories, vendor lists, and other such information to
4 interested parties, except that forms necessary to become
5 eligible for the program shall be provided free of charge
6 to a business or individual applying for the program.

7 (Source: P.A. 100-391, eff. 8-25-17; 100-801, eff. 8-10-18;
8 101-601, eff. 1-1-20; revised 8-18-20.)

9 (30 ILCS 575/5.5 new)

10 Sec. 5.5. Transfer of Council functions.

11 (a) Notwithstanding any provision of law to the contrary,
12 beginning on and after the effective date of this amendatory
13 Act of the 101st General Assembly, the Commission on Equity and
14 Inclusion shall have jurisdiction over the functions of the
15 Business Enterprise Council.

16 (b) All powers, duties, rights, and responsibilities of the
17 Department of Central Management Services relating to
18 jurisdiction over the Council are transferred to the
19 Commission.

20 (c) All books, records, papers, documents, property,
21 contracts, causes of action, and pending business pertaining to
22 the powers, duties, rights, and responsibilities of the
23 Department of Central Management Services relating to
24 jurisdiction over the Council are transferred to the
25 Commission.

1 (30 ILCS 575/7) (from Ch. 127, par. 132.607)

2 (Section scheduled to be repealed on June 30, 2024)

3 Sec. 7. Exemptions; waivers; publication of data.

4 (1) Individual contract exemptions. The Council, at the
5 written request of the affected agency, public institution of
6 higher education, or recipient of a grant or loan of State
7 funds of \$250,000 or more complying with Section 45 of the
8 State Finance Act, may permit an individual contract or
9 contract package, (related contracts being bid or awarded
10 simultaneously for the same project or improvements) be made
11 wholly or partially exempt from State contracting goals for
12 businesses owned by minorities, women, and persons with
13 disabilities prior to the advertisement for bids or
14 solicitation of proposals whenever there has been a
15 determination, reduced to writing and based on the best
16 information available at the time of the determination, that
17 there is an insufficient number of businesses owned by
18 minorities, women, and persons with disabilities to ensure
19 adequate competition and an expectation of reasonable prices on
20 bids or proposals solicited for the individual contract or
21 contract package in question. Any such exemptions shall be
22 given by the Council to the Bureau on Apprenticeship Programs.

23 (a) Written request for contract exemption. A written
24 request for an individual contract exemption must include,
25 but is not limited to, the following:

1 (i) a list of eligible businesses owned by
2 minorities, women, and persons with disabilities;

3 (ii) a clear demonstration that the number of
4 eligible businesses identified in subparagraph (i)
5 above is insufficient to ensure adequate competition;

6 (iii) the difference in cost between the contract
7 proposals being offered by businesses owned by
8 minorities, women, and persons with disabilities and
9 the agency or public institution of higher education's
10 expectations of reasonable prices on bids or proposals
11 within that class; and

12 (iv) a list of eligible businesses owned by
13 minorities, women, and persons with disabilities that
14 the contractor has used in the current and prior fiscal
15 years.

16 (b) Determination. The Council's determination
17 concerning an individual contract exemption must consider,
18 at a minimum, the following:

19 (i) the justification for the requested exemption,
20 including whether diligent efforts were undertaken to
21 identify and solicit eligible businesses owned by
22 minorities, women, and persons with disabilities;

23 (ii) the total number of exemptions granted to the
24 affected agency, public institution of higher
25 education, or recipient of a grant or loan of State
26 funds of \$250,000 or more complying with Section 45 of

1 the State Finance Act that have been granted by the
2 Council in the current and prior fiscal years; and

3 (iii) the percentage of contracts awarded by the
4 agency or public institution of higher education to
5 eligible businesses owned by minorities, women, and
6 persons with disabilities in the current and prior
7 fiscal years.

8 (2) Class exemptions.

9 (a) Creation. The Council, at the written request of
10 the affected agency or public institution of higher
11 education, may permit an entire class of contracts be made
12 exempt from State contracting goals for businesses owned by
13 minorities, women, and persons with disabilities whenever
14 there has been a determination, reduced to writing and
15 based on the best information available at the time of the
16 determination, that there is an insufficient number of
17 qualified businesses owned by minorities, women, and
18 persons with disabilities to ensure adequate competition
19 and an expectation of reasonable prices on bids or
20 proposals within that class. Any such exemption shall be
21 given by the Council to the Bureau on Apprenticeship
22 Programs.

23 (a-1) Written request for class exemption. A written
24 request for a class exemption must include, but is not
25 limited to, the following:

26 (i) a list of eligible businesses owned by

1 minorities, women, and persons with disabilities;

2 (ii) a clear demonstration that the number of
3 eligible businesses identified in subparagraph (i)
4 above is insufficient to ensure adequate competition;

5 (iii) the difference in cost between the contract
6 proposals being offered by eligible businesses owned
7 by minorities, women, and persons with disabilities
8 and the agency or public institution of higher
9 education's expectations of reasonable prices on bids
10 or proposals within that class; and

11 (iv) the number of class exemptions the affected
12 agency or public institution of higher education
13 requested in the current and prior fiscal years.

14 (a-2) Determination. The Council's determination
15 concerning class exemptions must consider, at a minimum,
16 the following:

17 (i) the justification for the requested exemption,
18 including whether diligent efforts were undertaken to
19 identify and solicit eligible businesses owned by
20 minorities, women, and persons with disabilities;

21 (ii) the total number of class exemptions granted
22 to the requesting agency or public institution of
23 higher education that have been granted by the Council
24 in the current and prior fiscal years; and

25 (iii) the percentage of contracts awarded by the
26 agency or public institution of higher education to

1 eligible businesses owned by minorities, women, and
2 persons with disabilities the current and prior fiscal
3 years.

4 (b) Limitation. Any such class exemption shall not be
5 permitted for a period of more than one year at a time.

6 (3) Waivers. Where a particular contract requires a
7 contractor to meet a goal established pursuant to this Act, the
8 contractor shall have the right to request from the Council, in
9 consultation with the Commission, a waiver from such
10 requirements. The Council may grant the waiver only upon a
11 demonstration by the contractor of unreasonable responses to
12 the request for proposals given the class of contract shall
13 grant the waiver where the contractor demonstrates that there
14 has been made a good faith effort to comply with the goals for
15 participation by businesses owned by minorities, women, and
16 persons with disabilities. Any such waiver shall also be
17 transmitted in writing to the Bureau on Apprenticeship
18 Programs.

19 (a) Request for waiver. A contractor's request for a
20 waiver under this subsection (3) must include, but is not
21 limited to, the following, if available:

22 (i) a list of eligible businesses owned by
23 minorities, women, and persons with disabilities that
24 pertain to the class of contracts in the requested
25 waiver. Eligible businesses are only eligible if the
26 business is certified for the products or work

1 advertised in the solicitation;

2 (ii) (Blank); ~~a clear demonstration that the~~
3 ~~number of eligible businesses identified in~~
4 ~~subparagraph (i) above is insufficient to ensure~~
5 ~~competition;~~

6 (iii) the difference in cost between the contract
7 proposals being offered by businesses owned by
8 minorities, women, and persons with disabilities and
9 the agency or the public institution of higher
10 education's expectations of reasonable prices on bids
11 or proposals within that class; and

12 (iv) a list of businesses owned by minorities,
13 women, and persons with disabilities that the
14 contractor has used in the current and prior fiscal
15 years.

16 (b) Determination. The Council's determination, in
17 consultation with the Commission, concerning waivers must
18 include following:

19 (i) the justification for the requested waiver,
20 including whether the requesting contractor made a
21 proper demonstration of unreasonable responses to the
22 request for proposals given the class of contract ~~good~~
23 ~~faith effort to identify and solicit eligible~~
24 ~~businesses owned by minorities, women, and persons~~
25 ~~with disabilities;~~

26 (ii) the total number of waivers the contractor has

1 been granted by the Council in the current and prior
2 fiscal years;

3 (iii) the percentage of contracts awarded by the
4 agency or public institution of higher education to
5 eligible businesses owned by minorities, women, and
6 persons with disabilities in the current and prior
7 fiscal years; and

8 (iv) the contractor's use of businesses owned by
9 minorities, women, and persons with disabilities in
10 the current and prior fiscal years.

11 (3.5) (Blank).

12 (4) Conflict with other laws. In the event that any State
13 contract, which otherwise would be subject to the provisions of
14 this Act, is or becomes subject to federal laws or regulations
15 which conflict with the provisions of this Act or actions of
16 the State taken pursuant hereto, the provisions of the federal
17 laws or regulations shall apply and the contract shall be
18 interpreted and enforced accordingly.

19 (5) Each chief procurement officer, as defined in the
20 Illinois Procurement Code, shall maintain on his or her
21 official Internet website a database of the following: (i)
22 waivers granted under this Section with respect to contracts
23 under his or her jurisdiction; (ii) a State agency or public
24 institution of higher education's written request for an
25 exemption of an individual contract or an entire class of
26 contracts; and (iii) the Council's written determination

1 granting or denying a request for an exemption of an individual
2 contract or an entire class of contracts. The database, which
3 shall be updated periodically as necessary, shall be searchable
4 by contractor name and by contracting State agency.

5 (6) Each chief procurement officer, as defined by the
6 Illinois Procurement Code, shall maintain on its website a list
7 of all firms that have been prohibited from bidding, offering,
8 or entering into a contract with the State of Illinois as a
9 result of violations of this Act.

10 Each public notice required by law of the award of a State
11 contract shall include for each bid or offer submitted for that
12 contract the following: (i) the bidder's or offeror's name,
13 (ii) the bid amount, (iii) the name or names of the certified
14 firms identified in the bidder's or offeror's submitted
15 utilization plan, and (iv) the bid's amount and percentage of
16 the contract awarded to businesses owned by minorities, women,
17 and persons with disabilities identified in the utilization
18 plan.

19 (Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20;
20 101-601, eff. 1-1-20.)

21 (30 ILCS 575/8) (from Ch. 127, par. 132.608)

22 (Section scheduled to be repealed on June 30, 2024)

23 Sec. 8. Enforcement.

24 (1) The Commission on Equity and Inclusion ~~Council~~ shall
25 make such findings, recommendations and proposals to the

1 Governor as are necessary and appropriate to enforce this Act.
2 If, as a result of its monitoring activities, the Commission
3 ~~Council~~ determines that its goals and policies are not being
4 met by any State agency or public institution of higher
5 education, the Commission ~~Council~~ may recommend any or all of
6 the following actions:

7 (a) Establish enforcement procedures whereby the
8 Commission ~~Council~~ may recommend to the appropriate State
9 agency, public institutions of higher education, or law
10 enforcement officer that legal or administrative remedies
11 be initiated for violations of contract provisions or rules
12 issued hereunder or by a contracting State agency or public
13 institutions of higher education. State agencies and
14 public institutions of higher education shall be
15 authorized to adopt remedies for such violations which
16 shall include (1) termination of the contract involved, (2)
17 prohibition of participation of the respondents in public
18 contracts for a period not to exceed one year, (3)
19 imposition of a penalty not to exceed any profit acquired
20 as a result of violation, or (4) any combination thereof.

21 (b) If the Commission ~~Council~~ concludes that a
22 compliance plan submitted under Section 6 is unlikely to
23 produce the participation goals for businesses owned by
24 minorities, women, and persons with disabilities within
25 the then current fiscal year, the Commission ~~Council~~ may
26 recommend that the State agency or public institution of

1 higher education revise its plan to provide additional
2 opportunities for participation by businesses owned by
3 minorities, women, and persons with disabilities. Such
4 recommended revisions may include, but shall not be limited
5 to, the following:

6 (i) assurances of stronger and better focused
7 solicitation efforts to obtain more businesses owned
8 by minorities, women, and persons with disabilities as
9 potential sources of supply;

10 (ii) division of job or project requirements, when
11 economically feasible, into tasks or quantities to
12 permit participation of businesses owned by
13 minorities, women, and persons with disabilities;

14 (iii) elimination of extended experience or
15 capitalization requirements, when programmatically
16 feasible, to permit participation of businesses owned
17 by minorities, women, and persons with disabilities;

18 (iv) identification of specific proposed contracts
19 as particularly attractive or appropriate for
20 participation by businesses owned by minorities,
21 women, and persons with disabilities, such
22 identification to result from and be coupled with the
23 efforts of subparagraphs (i) through (iii);

24 (v) implementation of those regulations
25 established for the use of the sheltered market
26 process.

1 (30 ILCS 265/10)

2 Sec. 10. Technology Development Account.

3 (a) The State Treasurer may segregate a portion of the
4 Treasurer's investment portfolio, that at no time shall be
5 greater than 1% of the portfolio, in the Technology Development
6 Account, an account that shall be maintained separately and
7 apart from other moneys invested by the Treasurer. The
8 Treasurer may make investments from the Account that help
9 attract, assist, and retain quality technology businesses in
10 Illinois. The earnings on the Account shall be accounted for
11 separately from other investments made by the Treasurer.

12 (b) Moneys in the Account may be invested by the State
13 Treasurer to provide venture capital to technology businesses
14 seeking to locate, expand, or remain in Illinois by placing
15 money with Illinois venture capital firms for investment by the
16 venture capital firms in technology businesses. "Venture
17 capital", as used in this Act, means equity financing that is
18 provided for starting up, expanding, or relocating a company,
19 or related purposes such as financing for seed capital,
20 research and development, introduction of a product or process
21 into the marketplace, or similar needs requiring risk capital.
22 "Technology business", as used in this Act, means a company
23 that has as its principal function the providing of services
24 including computer, information transfer, communication,
25 distribution, processing, administrative, laboratory,
26 experimental, developmental, technical, testing services,

1 manufacture of goods or materials, the processing of goods or
2 materials by physical or chemical change, computer related
3 activities, robotics, biological or pharmaceutical industrial
4 activity, or technology oriented or emerging industrial
5 activity. "Illinois venture capital firms", as used in this
6 Act, means an entity that has a majority of its employees in
7 Illinois or that has at least one managing partner domiciled in
8 Illinois that has made significant capital investments in
9 Illinois companies and that provides equity financing for
10 starting up or expanding a company, or related purposes such as
11 financing for seed capital, research and development,
12 introduction of a product or process into the marketplace, or
13 similar needs requiring risk capital.

14 (c) Any fund created by an Illinois venture capital firm in
15 which the State Treasurer places money pursuant to this Act
16 shall be required by the State Treasurer to seek investments in
17 technology businesses seeking to locate, expand, or remain in
18 Illinois.

19 (d) The investment of the State Treasurer in any fund
20 created by an Illinois venture capital firm in which the State
21 Treasurer places money pursuant to this Section ~~Act~~ shall not
22 exceed 10% of the total investments in the fund.

23 (e) The State Treasurer shall not invest more than
24 one-third of the Technology Development Account in any given
25 calendar year.

26 (f) The Treasurer may deposit no more than 15% ~~10%~~ of the

1 earnings of the investments in the Technology Development
2 Account into the Technology Development Fund.

3 (Source: P.A. 94-395, eff. 8-1-05.)

4 (30 ILCS 265/11)

5 Sec. 11. Technology Development Account II.

6 (a) Including the amount provided in Section 10 of this
7 Act, the State Treasurer shall segregate a portion of the
8 Treasurer's State investment portfolio, that at no time shall
9 be greater than 5% of the portfolio, in the Technology
10 Development Account IIa ("TDA IIa"), an account that shall be
11 maintained separately and apart from other moneys invested by
12 the Treasurer. Distributions from the investments in TDA IIa
13 may be reinvested into TDA IIa without being counted against
14 the 5% cap. The aggregate investment in TDA IIa and the
15 aggregate commitment of investment capital in a TDA
16 II-Recipient Fund shall at no time be greater than 5% of the
17 State's investment portfolio, which shall be calculated as: (1)
18 the balance at the inception of the State's fiscal year; or (2)
19 the average balance in the immediately preceding 5 fiscal
20 years, whichever number is greater. Distributions from a TDA
21 II-Recipient Fund, in an amount not to exceed the commitment
22 amount and total distributions received, may be reinvested into
23 TDA IIa without being counted against the 5% cap. The Treasurer
24 may make investments from TDA IIa that help attract, assist,
25 and retain quality technology businesses in Illinois. The

1 earnings on TDA IIa shall be accounted for separately from
2 other investments made by the Treasurer.

3 (b) The Treasurer may solicit proposals from entities to
4 manage and be the General Partner of a separate fund
5 ("Technology Development Account IIb" or "TDA IIb") consisting
6 of investments from private sector investors that must invest,
7 at the direction of the general partner, in tandem with TDA IIa
8 in a pro-rata portion. The Treasurer may enter into an
9 agreement with the entity managing TDA IIb to advise on the
10 investment strategy of TDA IIa and TDA IIb (collectively
11 "Technology Development Account II" or "TDA II") and fulfill
12 other mutually agreeable terms. Funds in TDA IIb shall be kept
13 separate and apart from moneys in the State treasury.

14 (c) All or a portion of the moneys in TDA IIa shall be
15 invested by the State Treasurer to provide venture capital to
16 technology businesses, including co-investments, seeking to
17 locate, expand, or remain in Illinois by placing money with
18 Illinois venture capital firms for investment by the venture
19 capital firms in technology businesses. "Venture capital", as
20 used in this Section, means equity financing that is provided
21 for starting up, expanding, or relocating a company, or related
22 purposes such as financing for seed capital, research and
23 development, introduction of a product or process into the
24 marketplace, or similar needs requiring risk capital.
25 "Technology business", as used in this Section, means a company
26 that has as its principal function the providing of services,

1 including computer, information transfer, communication,
2 distribution, processing, administrative, laboratory,
3 experimental, developmental, technical, or testing services;
4 manufacture of goods or materials; the processing of goods or
5 materials by physical or chemical change; computer related
6 activities; robotics, biological, or pharmaceutical industrial
7 activities; or technology-oriented or emerging industrial
8 activity. "Illinois venture capital firm", as used in this
9 Section, means an entity that: (1) has a majority of its
10 employees in Illinois (more than 50%) or that has at least one
11 general partner or principal domiciled in Illinois, and that
12 (2) provides equity financing for starting up or expanding a
13 company, or related purposes such as financing for seed
14 capital, research and development, introduction of a product or
15 process into the marketplace, or similar needs requiring risk
16 capital. "Illinois venture capital firm" may also mean an
17 entity that has a track record of identifying, evaluating, and
18 investing in Illinois companies and that provides equity
19 financing for starting up or expanding a company, or related
20 purposes such as financing for seed capital, research and
21 development, introduction of a product or process into the
22 marketplace, or similar needs requiring risk capital. For
23 purposes of this Section, "track record" means having made, on
24 average, at least one investment in an Illinois company in each
25 of its funds if the Illinois venture capital firm has multiple
26 funds or at least 2 investments in Illinois companies if the

1 Illinois venture capital firm has only one fund. In no case
2 shall more than 15% of the capital in the TDA IIa be invested
3 in firms based outside of Illinois.

4 (d) Any fund created by an Illinois venture capital firm in
5 which the State Treasurer places money pursuant to this Section
6 shall be required by the State Treasurer to seek investments in
7 technology businesses seeking to locate, expand, or remain in
8 Illinois. Any fund created by an Illinois venture capital firm
9 in which the State Treasurer places money under this Section
10 ("TDA II-Recipient Fund") shall invest a minimum of twice (2x)
11 the aggregate amount of investable capital that is received
12 from the State Treasurer under this Section in Illinois
13 companies during the life of the fund. "Illinois companies", as
14 used in this Section, are companies that are headquartered or
15 that otherwise have a significant presence in the State at the
16 time of initial or follow-on investment. Investable capital is
17 calculated as committed capital, as defined in the firm's
18 applicable fund's governing documents, less related estimated
19 fees and expenses to be incurred during the life of the fund.
20 For the purposes of this subsection (d), "significant presence"
21 means at least one physical office and one full-time employee
22 within the geographic borders of this State.

23 Any TDA II-Recipient Fund shall also invest additional
24 capital in Illinois companies during the life of the fund if,
25 as determined by the fund's manager, the investment:

26 (1) is consistent with the firm's fiduciary

1 responsibility to its limited partners;

2 (2) is consistent with the fund manager's investment
3 strategy; and

4 (3) demonstrates the potential to create risk-adjusted
5 financial returns consistent with the fund manager's
6 investment goals.

7 In addition to any reporting requirements set forth in
8 Section 10 of this Act, any TDA II-Recipient Fund shall report
9 the following additional information to the Treasurer on a
10 quarterly or annual basis, as determined by the Treasurer, for
11 all investments:

12 (1) the names of portfolio companies invested in during
13 the applicable investment period;

14 (2) the addresses of reported portfolio companies;

15 (3) the date of the initial (and follow-on) investment;

16 (4) the cost of the investment;

17 (5) the current fair market value of the investment;

18 (6) for Illinois companies, the number of Illinois
19 employees on the investment date; and

20 (7) for Illinois companies, the current number of
21 Illinois employees.

22 If, as of the earlier to occur of (i) the fourth year of
23 the investment period of any TDA II-Recipient Fund or (ii) when
24 that TDA II-Recipient Fund has drawn more than 60% of the
25 investable capital of all limited partners, that TDA
26 II-Recipient Fund has failed to invest the minimum amount

1 required under this subsection (d) in Illinois companies, then
2 the Treasurer shall deliver written notice to the manager of
3 that fund seeking compliance with the minimum amount
4 requirement under this subsection (d). If, after 180 days of
5 delivery of notice, the TDA II-Recipient Fund has still failed
6 to invest the minimum amount required under this subsection (d)
7 in Illinois companies, then the Treasurer may elect, in
8 writing, to terminate any further commitment to make capital
9 contributions to that fund which otherwise would have been made
10 under this Section.

11 (e) ~~The Notwithstanding the limitation found in subsection~~
12 ~~(d) of Section 10 of this Act, the~~ investment of the State
13 Treasurer in any fund created by an Illinois venture capital
14 firm in which the State Treasurer places money pursuant to this
15 Section shall not exceed 15% of the total TDA IIa account
16 balance.

17 (f) (Blank).

18 (g) The Treasurer may deposit no more than 15% ~~10%~~ of the
19 earnings of the investments in the Technology Development
20 Account IIa into the Technology Development Fund.

21 (Source: P.A. 100-1081, eff. 8-24-18.)

22 (30 ILCS 265/20)

23 Sec. 20. Technology Development Fund. The Technology
24 Development Fund is created as a special fund outside the State
25 treasury with the State Treasurer as custodian. Moneys in the

1 Fund may be used by the State Treasurer to pay expenses related
2 to investments from the Technology Development Account. Moneys
3 in the Fund in excess of those expenses may be provided as
4 grants to: (i) Illinois schools to purchase computers, and to
5 upgrade technology, and support career and technical
6 education; or (ii) incubators, accelerators, innovation
7 research, technology transfer, and educational programs that
8 provide training, support, and other resources to technology
9 businesses to promote the growth of jobs and entrepreneurial
10 and venture capital environments in communities of color or
11 underrepresented or under-resourced communities in the State.

12 (Source: P.A. 94-395, eff. 8-1-05.)

13 Article 125.

14 Division 1. General Provisions

15 Section 125-1-1. Short title. This Act may be cited as the
16 Anti-Predatory Lending Act.

17 Section 125-1-5. Purpose and construction. Illinois
18 families pay over \$500,000,000 per year in payday and title
19 loan fees. As reported by the Department in 2020, nearly half
20 of Illinois payday loan borrowers earn less than \$30,000 per
21 year, and the average annual percentage rate of a payday loan
22 is 297%. The purpose of this Act is to protect consumers from

1 predatory loans consistent with the federal law, the Military
2 Lending Act, that protects active duty members of the military.
3 This Act shall be construed as a consumer protection law for
4 all purposes. This Act shall be liberally construed to
5 effectuate its purpose.

6 Section 125-1-10. Definitions. As used in this Act:

7 "Consumer" means any natural person, including consumers
8 acting jointly.

9 "Department" means the Department of Financial and
10 Professional Regulation.

11 "Lender" means any person or entity, including any
12 affiliate or subsidiary of a lender, that offers or makes a
13 loan, buys a whole or partial interest in a loan, arranges a
14 loan for a third party, or acts as an agent for a third party in
15 making a loan, regardless of whether approval, acceptance, or
16 ratification by the third party is necessary to create a legal
17 obligation for the third party, and includes any other person
18 or entity if the Department determines that the person or
19 entity is engaged in a transaction that is in substance a
20 disguised loan or a subterfuge for the purpose of avoiding this
21 Act.

22 "Person" means any natural person.

23 "Secretary" means the Secretary of Financial and
24 Professional Regulation or a person authorized by the
25 Secretary.

1 "Loan" means money or credit provided to a consumer in
2 exchange for the consumer's agreement to a certain set of
3 terms, including, but not limited to, any finance charges,
4 interest, and other conditions. "Loan" includes closed-end and
5 open-end credit and any transaction conducted via any medium
6 whatsoever, including, but not limited to, paper, facsimile,
7 Internet, or telephone.

8 Section 125-1-15. Applicability.

9 (a) Except as otherwise provided in this Section, this Act
10 applies to any person or entity that offers or makes a loan to
11 a consumer in Illinois.

12 (b) The provisions of this Act apply to any person or
13 entity that seeks to evade its applicability by any device,
14 subterfuge, or pretense whatsoever.

15 (d) Banks, savings banks, savings and loan associations,
16 and credit unions chartered under the laws of the United States
17 are exempt from the provisions of this Act.

18 Division 5. Predatory Loan Protection

19 Section 125-5-5. Rate cap. Notwithstanding any other
20 provision of law, for loans made or renewed on and after the
21 effective date of this Act, a lender shall not contract for or
22 receive a charge exceeding a 36% annual percentage rate on the
23 unpaid balance of the amount financed for a loan. For purposes

1 of this Section, the annual percentage rate shall be calculated
2 as such rate is calculated using the system for calculating a
3 military annual percentage rate under Section 232.4 of Title 32
4 of the Code of Federal Regulations as in effect on the
5 effective date of this amendatory Act of the 101st General
6 Assembly.

7 Section 125-5-10. Violation. Any loan made in violation of
8 this Act is void and uncollectible as to any principal, fee,
9 interest, or charge.

10 Section 125-5-15. No evasion.

11 (a) No person may engage in any device, subterfuge, or
12 pretense to evade the requirements of this Act, including, but
13 not limited to, making loans disguised as a personal property
14 sale and leaseback transaction; disguising loan proceeds as a
15 cash rebate for the pretextual installment sale of goods or
16 services; or making, offering, assisting, or arranging a debtor
17 to obtain a loan with a greater rate or interest,
18 consideration, or charge than is permitted by this Act through
19 any method including mail, telephone, internet, or any
20 electronic means regardless of whether the person has a
21 physical location in the State.

22 (b) A person is a lender subject to the requirements of
23 this Act notwithstanding the fact that the person purports to
24 act as an agent, service provider, or in another capacity for

1 another entity that is exempt from this Act, if, among other
2 things:

3 (1) the person holds, acquires, or maintains, directly
4 or indirectly, the predominant economic interest in the
5 loan;

6 (2) the person markets, brokers, arranges, or
7 facilitates the loan and holds the right, requirement, or
8 first right of refusal to purchase loans, receivables, or
9 interests in the loans; or

10 (3) the totality of the circumstances indicate that the
11 person is the lender and the transaction is structured to
12 evade the requirements of this Act. Circumstances that
13 weigh in favor of a person being a lender include, without
14 limitation, where the person:

15 (i) indemnifies, insures, or protects an exempt
16 entity for any costs or risks related to the loan;

17 (ii) predominantly designs, controls, or operates
18 the loan program; or

19 (iii) purports to act as an agent, service
20 provider, or in another capacity for an exempt entity
21 while acting directly as a lender in other states.

22 Section 125-5-20. Rules. The Secretary shall, within one
23 year after the effective date of this Act, adopt rules
24 consistent with this Act and rescind or amend rules that are
25 inconsistent. The adoption, amendment, or rescission of rules

1 shall be in conformity with the Illinois Administrative
2 Procedure Act.

3 Division 10. Administrative Provisions

4 Section 125-10-5. Enforcement and remedies.

5 (a) The remedies provided in this Act are cumulative and
6 apply to persons or entities subject to this Act.

7 (b) Any material violation of this Act, including the
8 commission of an act prohibited under Division 5, constitutes a
9 violation of the Consumer Fraud and Deceptive Business
10 Practices Act.

11 (c) Subject to the Illinois Administrative Procedure Act,
12 the Secretary may hold hearings, make findings of fact,
13 conclusions of law, issue cease and desist orders, have the
14 power to issue fines of up to \$10,000 per violation, and refer
15 the matter to the appropriate law enforcement agency for
16 prosecution under this Act. All proceedings shall be open to
17 the public.

18 (d) The Secretary may issue a cease and desist order to any
19 person or entity, when in the opinion of the Secretary the
20 person or entity is violating or is about to violate any
21 provision of this Act. The cease and desist order permitted by
22 this subsection (d) may be issued prior to a hearing.

23 The Secretary shall serve notice of the action, including,
24 but not limited to, a statement of the reasons for the action,

1 either personally or by certified mail, return receipt
2 requested. Service by certified mail shall be deemed completed
3 when the notice is deposited in the U.S. Mail.

4 Within 10 days of service of the cease and desist order,
5 the person or entity may request a hearing in writing.

6 If it is determined that the Secretary had the authority to
7 issue the cease and desist order, the Secretary may issue such
8 orders as may be reasonably necessary to correct, eliminate, or
9 remedy the conduct.

10 The powers vested in the Secretary by this subsection (d)
11 are additional to any and all other powers and remedies vested
12 in the Secretary by law, and nothing in this subsection (d)
13 shall be construed as requiring that the Secretary shall employ
14 the power conferred in this subsection instead of or as a
15 condition precedent to the exercise of any other power or
16 remedy vested in the Secretary.

17 (e) The Secretary may, after 10 days notice by certified
18 mail, return receipt requested, to the person or entity stating
19 the contemplated action and in general the grounds therefore,
20 fine the person or entity an amount not exceeding \$10,000 per
21 violation if the person or entity has failed to comply with any
22 provision of this Act or any order, decision, finding, rule,
23 regulation, or direction of the Secretary lawfully made in
24 accordance with the authority of this Act. Service by certified
25 mail shall be deemed completed when the notice is deposited in
26 the U.S. Mail.

1 Section 125-10-10. Preemption of administrative rules. Any
2 administrative rule adopted prior to the effective date of this
3 Act by the Department regarding loans is preempted.

4 Section 125-10-15. Reporting of violations. The Department
5 shall report to the Attorney General all material violations of
6 this Act of which it becomes aware.

7 Section 125-10-20. Judicial review. All final
8 administrative decisions of the Department under this Act are
9 subject to judicial review under the Administrative Review Law
10 and any rules adopted under the Administrative Review Law.

11 Section 125-10-25. No waivers. There shall be no waiver of
12 any provision of this Act.

13 Section 125-10-30. Superiority of Act. To the extent this
14 Act conflicts with any other State laws, this Act is superior
15 and supersedes those laws, except that nothing in this Act
16 applies to any lender that is a bank, savings bank, savings and
17 loan association, or credit union chartered under laws of the
18 United States.

19 Section 125-10-35. Severability. The provisions of this
20 Act are severable under Section 1.31 of the Statute on

1 Statutes.

2 Article 90. Amendatory Provisions

3 Section 125-90-25. The Consumer Installment Loan Act is
4 amended by changing Sections 1, 15, 15d, and 17.5 as follows:

5 (205 ILCS 670/1) (from Ch. 17, par. 5401)

6 Sec. 1. License required to engage in business. No person,
7 partnership, association, limited liability company, or
8 corporation shall engage in the business of making loans of
9 money in a principal amount not exceeding \$40,000, and charge,
10 contract for, or receive on any such loan a greater rate of
11 interest, discount, or consideration therefor than the lender
12 would be permitted by law to charge if he were not a licensee
13 hereunder, ~~except as authorized by this Act after first~~
14 ~~obtaining a license from the Director of Financial Institutions~~
15 ~~(hereinafter called the Director)~~. No licensee, or employee or
16 affiliate thereof, that is licensed under the Payday Loan
17 Reform Act shall obtain a license under this Act except that a
18 licensee under the Payday Loan Reform Act may obtain a license
19 under this Act for the exclusive purpose and use of making
20 title-secured loans, as defined in subsection (a) of Section 15
21 of this Act and governed by Title 38, Section 110.300 of the
22 Illinois Administrative Code. For the purpose of this Section,
23 "affiliate" means any person or entity that directly or

1 indirectly controls, is controlled by, or shares control with
2 another person or entity. A person or entity has control over
3 another if the person or entity has an ownership interest of
4 25% or more in the other.

5 In this Act, "Director" means the Director of Financial
6 Institutions of the Department of Financial and Professional
7 Regulation.

8 (Source: P.A. 96-936, eff. 3-21-11; 97-420, eff. 1-1-12.)

9 (205 ILCS 670/15) (from Ch. 17, par. 5415)

10 Sec. 15. Charges permitted.

11 (a) Every licensee may lend a principal amount not
12 exceeding \$40,000 and, ~~except as to small consumer loans as~~
13 ~~defined in this Section,~~ may charge, contract for and receive
14 thereon interest at an annual percentage rate of no more than
15 36%, subject to the provisions of this Act; ~~provided, however,~~
16 ~~that the limitation on the annual percentage rate contained in~~
17 ~~this subsection (a) does not apply to title secured loans,~~
18 ~~which are loans upon which interest is charged at an annual~~
19 ~~percentage rate exceeding 36%, in which, at commencement, an~~
20 ~~obligor provides to the licensee, as security for the loan,~~
21 ~~physical possession of the obligor's title to a motor vehicle,~~
22 ~~and upon which a licensee may charge, contract for, and receive~~
23 ~~thereon interest at the rate agreed upon by the licensee and~~
24 ~~borrower.~~ For purposes of this Section, the annual percentage
25 rate shall be calculated as such rate is calculated using the

1 system for calculating a military annual percentage rate under
2 Section 232.4 of Title 32 of the Code of Federal Regulations as
3 in effect on the effective date of this amendatory Act of the
4 101st General Assembly ~~in accordance with the federal Truth in~~
5 ~~Lending Act.~~

6 (b) For purpose of this Section, the following terms shall
7 have the meanings ascribed herein.

8 "Applicable interest" for a precomputed loan contract
9 means the amount of interest attributable to each monthly
10 installment period. It is computed as if each installment
11 period were one month and any interest charged for extending
12 the first installment period beyond one month is ignored. The
13 applicable interest for any monthly installment period is, ~~for~~
14 ~~loans other than small consumer loans as defined in this~~
15 ~~Section,~~ that portion of the precomputed interest that bears
16 the same ratio to the total precomputed interest as the
17 balances scheduled to be outstanding during that month bear to
18 the sum of all scheduled monthly outstanding balances in the
19 original contract. ~~With respect to a small consumer loan, the~~
20 ~~applicable interest for any installment period is that portion~~
21 ~~of the precomputed monthly installment account handling charge~~
22 ~~attributable to the installment period calculated based on a~~
23 ~~method at least as favorable to the consumer as the actuarial~~
24 ~~method, as defined by the federal Truth in Lending Act.~~

25 "Interest-bearing loan" means a loan in which the debt is
26 expressed as a principal amount plus interest charged on actual

1 unpaid principal balances for the time actually outstanding.

2 "Precomputed loan" means a loan in which the debt is
3 expressed as the sum of the original principal amount plus
4 interest computed actuarially in advance, assuming all
5 payments will be made when scheduled.

6 ~~"Small consumer loan" means a loan upon which interest is~~
7 ~~charged at an annual percentage rate exceeding 36% and with an~~
8 ~~amount financed of \$4,000 or less. "Small consumer loan" does~~
9 ~~not include a title secured loan as defined by subsection (a)~~
10 ~~of this Section or a payday loan as defined by the Payday Loan~~
11 ~~Reform Act.~~

12 "Substantially equal installment" includes a last
13 regularly scheduled payment that may be less than, but not more
14 than 5% larger than, the previous scheduled payment according
15 to a disclosed payment schedule agreed to by the parties.

16 (c) Loans may be interest-bearing or precomputed.

17 (d) To compute time for either interest-bearing or
18 precomputed loans for the calculation of interest and other
19 purposes, a month shall be a calendar month and a day shall be
20 considered 1/30th of a month when calculation is made for a
21 fraction of a month. A month shall be 1/12th of a year. A
22 calendar month is that period from a given date in one month to
23 the same numbered date in the following month, and if there is
24 no same numbered date, to the last day of the following month.
25 When a period of time includes a month and a fraction of a
26 month, the fraction of the month is considered to follow the

1 whole month. In the alternative, for interest-bearing loans,
2 the licensee may charge interest at the rate of 1/365th of the
3 agreed annual rate for each day actually elapsed.

4 (d-5) No licensee or other person may condition an
5 extension of credit to a consumer on the consumer's repayment
6 by preauthorized electronic fund transfers. Payment options,
7 including, but not limited to, electronic fund transfers and
8 Automatic Clearing House (ACH) transactions may be offered to
9 consumers as a choice and method of payment chosen by the
10 consumer.

11 (e) With respect to interest-bearing loans:

12 (1) Interest shall be computed on unpaid principal
13 balances outstanding from time to time, for the time
14 outstanding, until fully paid. Each payment shall be
15 applied first to the accumulated interest and the remainder
16 of the payment applied to the unpaid principal balance;
17 provided however, that if the amount of the payment is
18 insufficient to pay the accumulated interest, the unpaid
19 interest continues to accumulate to be paid from the
20 proceeds of subsequent payments and is not added to the
21 principal balance.

22 (2) Interest shall not be payable in advance or
23 compounded. However, if part or all of the consideration
24 for a new loan contract is the unpaid principal balance of
25 a prior loan, then the principal amount payable under the
26 new loan contract may include any unpaid interest which has

1 accrued. The unpaid principal balance of a precomputed loan
2 is the balance due after refund or credit of unearned
3 interest as provided in paragraph (f), clause (3). The
4 resulting loan contract shall be deemed a new and separate
5 loan transaction for all purposes.

6 (3) Loans must be fully amortizing and be repayable in
7 substantially equal and consecutive weekly, biweekly,
8 semimonthly, or monthly installments. Notwithstanding this
9 requirement, rates may vary according to an index that is
10 independently verifiable and beyond the control of the
11 licensee.

12 (4) The lender or creditor may, if the contract
13 provides, collect a delinquency or collection charge on
14 each installment in default for a period of not less than
15 10 days in an amount not exceeding 5% of the installment on
16 installments in excess of \$200, or \$10 on installments of
17 \$200 or less, but only one delinquency and collection
18 charge may be collected on any installment regardless of
19 the period during which it remains in default.

20 (f) With respect to precomputed loans:

21 (1) Loans shall be repayable in substantially equal and
22 consecutive weekly, biweekly, semimonthly, or monthly
23 installments of principal and interest combined, except
24 that the first installment period may be longer than one
25 month by not more than 15 days, and the first installment
26 payment amount may be larger than the remaining payments by

1 the amount of interest charged for the extra days; and
2 provided further that monthly installment payment dates
3 may be omitted to accommodate borrowers with seasonal
4 income.

5 (2) Payments may be applied to the combined total of
6 principal and precomputed interest until the loan is fully
7 paid. Payments shall be applied in the order in which they
8 become due, except that any insurance proceeds received as
9 a result of any claim made on any insurance, unless
10 sufficient to prepay the contract in full, may be applied
11 to the unpaid installments of the total of payments in
12 inverse order.

13 (3) When any loan contract is paid in full by cash,
14 renewal or refinancing, or a new loan, one month or more
15 before the final installment due date, a licensee shall
16 refund or credit the obligor with the total of the
17 applicable interest for all fully unexpired installment
18 periods, as originally scheduled or as deferred, which
19 follow the day of prepayment; provided, if the prepayment
20 occurs prior to the first installment due date, the
21 licensee may retain 1/30 of the applicable interest for a
22 first installment period of one month for each day from the
23 date of the loan to the date of prepayment, and shall
24 refund or credit the obligor with the balance of the total
25 interest contracted for. If the maturity of the loan is
26 accelerated for any reason and judgment is entered, the

1 licensee shall credit the borrower with the same refund as
2 if prepayment in full had been made on the date the
3 judgement is entered.

4 (4) The lender or creditor may, if the contract
5 provides, collect a delinquency or collection charge on
6 each installment in default for a period of not less than
7 10 days in an amount not exceeding 5% of the installment on
8 installments in excess of \$200, or \$10 on installments of
9 \$200 or less, but only one delinquency or collection charge
10 may be collected on any installment regardless of the
11 period during which it remains in default.

12 (5) If the parties agree in writing, either in the loan
13 contract or in a subsequent agreement, to a deferment of
14 wholly unpaid installments, a licensee may grant a
15 deferment and may collect a deferment charge as provided in
16 this Section. A deferment postpones the scheduled due date
17 of the earliest unpaid installment and all subsequent
18 installments as originally scheduled, or as previously
19 deferred, for a period equal to the deferment period. The
20 deferment period is that period during which no installment
21 is scheduled to be paid by reason of the deferment. The
22 deferment charge for a one month period may not exceed the
23 applicable interest for the installment period immediately
24 following the due date of the last undeferred payment. A
25 proportionate charge may be made for deferment for periods
26 of more or less than one month. A deferment charge is

1 earned pro rata during the deferment period and is fully
2 earned on the last day of the deferment period. Should a
3 loan be prepaid in full during a deferment period, the
4 licensee shall credit to the obligor a refund of the
5 unearned deferment charge in addition to any other refund
6 or credit made for prepayment of the loan in full.

7 (6) If two or more installments are delinquent one full
8 month or more on any due date, and if the contract so
9 provides, the licensee may reduce the unpaid balance by the
10 refund credit which would be required for prepayment in
11 full on the due date of the most recent maturing
12 installment in default. Thereafter, and in lieu of any
13 other default or deferment charges, the agreed rate of
14 interest ~~or, in the case of small consumer loans, interest~~
15 ~~at the rate of 18% per annum,~~ may be charged on the unpaid
16 balance until fully paid.

17 (7) Fifteen days after the final installment as
18 originally scheduled or deferred, the licensee, for any
19 loan contract which has not previously been converted to
20 interest-bearing under paragraph (f), clause (6), may
21 compute and charge interest on any balance remaining
22 unpaid, including unpaid default or deferment charges, at
23 the agreed rate of interest ~~or, in the case of small~~
24 ~~consumer loans, interest at the rate of 18% per annum,~~
25 until fully paid. At the time of payment of said final
26 installment, the licensee shall give notice to the obligor

1 stating any amounts unpaid.

2 (Source: P.A. 101-563, eff. 8-23-19.)

3 (205 ILCS 670/15d) (from Ch. 17, par. 5419)

4 Sec. 15d. Extra charges prohibited; exceptions. No amount
5 in addition to the charges authorized by this Act shall be
6 directly or indirectly charged, contracted for, or received,
7 except (1) lawful fees paid to any public officer or agency to
8 record, file or release security; (2) (i) costs and
9 disbursements actually incurred in connection with a real
10 estate loan, for any title insurance, title examination,
11 abstract of title, survey, or appraisal, or paid to a trustee
12 in connection with a trust deed, and (ii) in connection with a
13 real estate loan those charges authorized by Section 4.1a of
14 the Interest Act, whether called "points" or otherwise, which
15 charges are imposed as a condition for making the loan and are
16 not refundable in the event of prepayment of the loan; (3)
17 costs and disbursements, including reasonable attorney's fees,
18 incurred in legal proceedings to collect a loan or to realize
19 on a security after default; and (4) an amount not exceeding
20 \$25, plus any actual expenses incurred in connection with a
21 check or draft that is not honored because of insufficient or
22 uncollected funds or because no such account exists; ~~and (5) a~~
23 ~~document preparation fee not to exceed \$25 for obtaining and~~
24 ~~reviewing credit reports and preparation of other documents.~~
25 This Section does not prohibit the receipt of a commission,

1 dividend, charge, or other benefit by the licensee or by an
2 employee, affiliate, or associate of the licensee from the
3 insurance permitted by Sections 15a and 15b of this Act or from
4 insurance in lieu of perfecting a security interest provided
5 that the premiums for such insurance do not exceed the fees
6 that otherwise could be contracted for by the licensee under
7 this Section. Obtaining any of the items referred to in clause
8 (i) of item (2) of this Section through the licensee or from
9 any person specified by the licensee shall not be a condition
10 precedent to the granting of the loan.

11 (Source: P.A. 89-400, eff. 8-20-95; 90-437, eff. 1-1-98.)

12 (205 ILCS 670/17.5)

13 Sec. 17.5. Consumer reporting service.

14 (a) For the purpose of this Section, "certified database"
15 means the consumer reporting service database established
16 pursuant to the Payday Loan Reform Act.

17 (b) Within 90 days after making a ~~small consumer~~ loan, a
18 licensee shall enter information about the loan into the
19 certified database.

20 (c) For every ~~small consumer~~ loan made, the licensee shall
21 input the following information into the certified database
22 within 90 days after the loan is made:

23 (i) the consumer's name and official identification
24 number (for purposes of this Act, "official identification
25 number" includes a Social Security Number, an Individual

1 Taxpayer Identification Number, a Federal Employer
2 Identification Number, an Alien Registration Number, or an
3 identification number imprinted on a passport or consular
4 identification document issued by a foreign government);

5 (ii) the consumer's gross monthly income;

6 (iii) the date of the loan;

7 (iv) the amount financed;

8 (v) the term of the loan;

9 (vi) the acquisition charge;

10 (vii) the monthly installment account handling charge;

11 (viii) the verification fee;

12 (ix) the number and amount of payments; and

13 (x) whether the loan is a first or subsequent
14 refinancing of a prior ~~small-consumer~~ loan.

15 (d) Once a loan is entered with the certified database, the
16 certified database shall provide to the licensee a dated,
17 time-stamped statement acknowledging the certified database's
18 receipt of the information and assigning each loan a unique
19 loan number.

20 (e) The licensee shall update the certified database within
21 90 days if any of the following events occur:

22 (i) the loan is paid in full by cash;

23 (ii) the loan is refinanced;

24 (iii) the loan is renewed;

25 (iv) the loan is satisfied in full or in part by
26 collateral being sold after default;

1 (v) the loan is cancelled or rescinded; or

2 (vi) the consumer's obligation on the loan is otherwise
3 discharged by the licensee.

4 (f) To the extent a licensee sells a product or service to
5 a consumer, ~~other than a small consumer loan,~~ and finances any
6 portion of the cost of the product or service, the licensee
7 shall, in addition to and at the same time as the information
8 inputted under subsection (d) of this Section, enter into the
9 certified database:

10 (i) a description of the product or service sold;

11 (ii) the charge for the product or service; and

12 (iii) the portion of the charge for the product or
13 service, if any, that is included in the amount financed by
14 a ~~small consumer~~ loan.

15 (g) The certified database provider shall indemnify the
16 licensee against all claims and actions arising from illegal or
17 willful or wanton acts on the part of the certified database
18 provider. The certified database provider may charge a fee not
19 to exceed \$1 for each loan entered into the certified database
20 under subsection (d) of this Section. The database provider
21 shall not charge any additional fees or charges to the
22 licensee.

23 (h) All personally identifiable information regarding any
24 consumer obtained by way of the certified database and
25 maintained by the Department is strictly confidential and shall
26 be exempt from disclosure under subsection (c) of Section 7 of

1 the Freedom of Information Act.

2 (i) A licensee who submits information to a certified
3 database provider in accordance with this Section shall not be
4 liable to any person for any subsequent release or disclosure
5 of that information by the certified database provider, the
6 Department, or any other person acquiring possession of the
7 information, regardless of whether such subsequent release or
8 disclosure was lawful, authorized, or intentional.

9 (j) To the extent the certified database becomes
10 unavailable to a licensee as a result of some event or events
11 outside the control of the licensee or the certified database
12 is decertified, the requirements of this Section and Section
13 17.4 of this Act are suspended until such time as the certified
14 database becomes available.

15 (Source: P.A. 96-936, eff. 3-21-11; 97-813, eff. 7-13-12.)

16 (205 ILCS 670/17.1 rep.)

17 (205 ILCS 670/17.2 rep.)

18 (205 ILCS 670/17.3 rep.)

19 (205 ILCS 670/17.4 rep.)

20 Section 125-90-30. The Consumer Installment Loan Act is
21 amended by repealing Sections 17.1, 17.2, 17.3, and 17.4.

22 Section 125-90-35. The Payday Loan Reform Act is amended by
23 changing Sections 2-5 and 4-5 as follows:

1 (815 ILCS 122/2-5)

2 Sec. 2-5. Loan terms.

3 (a) Without affecting the right of a consumer to prepay at
4 any time without cost or penalty, no payday loan may have a
5 minimum term of less than 13 days.

6 (b) Except for an installment payday loan as defined in
7 this Section, no payday loan may be made to a consumer if the
8 loan would result in the consumer being indebted to one or more
9 payday lenders for a period in excess of 45 consecutive days.
10 Except as provided under subsection (c) of this Section and
11 Section 2-40, if a consumer has or has had loans outstanding
12 for a period in excess of 45 consecutive days, no payday lender
13 may offer or make a loan to the consumer for at least 7
14 calendar days after the date on which the outstanding balance
15 of all payday loans made during the 45 consecutive day period
16 is paid in full. For purposes of this subsection, the term
17 "consecutive days" means a series of continuous calendar days
18 in which the consumer has an outstanding balance on one or more
19 payday loans; however, if a payday loan is made to a consumer
20 within 6 days or less after the outstanding balance of all
21 loans is paid in full, those days are counted as "consecutive
22 days" for purposes of this subsection.

23 (c) Notwithstanding anything in this Act to the contrary, a
24 payday loan shall also include any installment loan otherwise
25 meeting the definition of payday loan contained in Section
26 1-10, but that has a term agreed by the parties of not less

1 than 112 days and not exceeding 180 days; hereinafter an
2 "installment payday loan". The following provisions shall
3 apply:

4 (i) Any installment payday loan must be fully
5 amortizing, with a finance charge calculated on the
6 principal balances scheduled to be outstanding and be
7 repayable in substantially equal and consecutive
8 installments, according to a payment schedule agreed by the
9 parties with not less than 13 days and not more than one
10 month between payments. ~~except that the first installment~~
11 ~~period may be longer than the remaining installment periods~~
12 ~~by not more than 15 days, and the first installment payment~~
13 ~~may be larger than the remaining installment payments by~~
14 ~~the amount of finance charges applicable to the extra days.~~
15 ~~In calculating finance charges under this subsection, when~~
16 ~~the first installment period is longer than the remaining~~
17 ~~installment periods, the amount of the finance charges~~
18 ~~applicable to the extra days shall not be greater than~~
19 ~~\$15.50 per \$100 of the original principal balance divided~~
20 ~~by the number of days in a regularly scheduled installment~~
21 ~~period and multiplied by the number of extra days~~
22 ~~determined by subtracting the number of days in a regularly~~
23 ~~scheduled installment period from the number of days in the~~
24 ~~first installment period.~~

25 (ii) An installment payday loan may be refinanced by a
26 new installment payday loan one time during the term of the

1 initial loan; provided that the total duration of
2 indebtedness on the initial installment payday loan
3 combined with the total term of indebtedness of the new
4 loan refinancing that initial loan, shall not exceed 180
5 days. For purposes of this Act, a refinancing occurs when
6 an existing installment payday loan is paid from the
7 proceeds of a new installment payday loan.

8 (iii) In the event an installment payday loan is paid
9 in full prior to the date on which the last scheduled
10 installment payment before maturity is due, other than
11 through a refinancing, no licensee may offer or make a
12 payday loan to the consumer for at least 2 calendar days
13 thereafter.

14 (iv) No installment payday loan may be made to a
15 consumer if the loan would result in the consumer being
16 indebted to one or more payday lenders for a period in
17 excess of 180 consecutive days. The term "consecutive days"
18 does not include the date on which a consumer makes the
19 final installment payment.

20 (d) (Blank).

21 (e) No lender may make a payday loan to a consumer if the
22 total of all payday loan payments coming due within the first
23 calendar month of the loan, when combined with the payment
24 amount of all of the consumer's other outstanding payday loans
25 coming due within the same month, exceeds the lesser of:

26 (1) \$1,000; or

1 (2) in the case of one or more payday loans, 25% of the
2 consumer's gross monthly income; or

3 (3) in the case of one or more installment payday
4 loans, 22.5% of the consumer's gross monthly income; or

5 (4) in the case of a payday loan and an installment
6 payday loan, 22.5% of the consumer's gross monthly income.

7 No loan shall be made to a consumer who has an outstanding
8 balance on 2 payday loans, except that, for a period of 12
9 months after March 21, 2011 (the effective date of Public Act
10 96-936), consumers with an existing CILA loan may be issued an
11 installment loan issued under this Act from the company from
12 which their CILA loan was issued.

13 (e-5) A lender shall not contract for or receive a charge
14 exceeding a 36% annual percentage rate on the unpaid balance of
15 the amount financed for a payday loan. For purposes of this
16 Section, the annual percentage rate shall be calculated as such
17 rate is calculated using the system for calculating a military
18 annual percentage rate under Section 232.4 of Title 32 of the
19 Code of Federal Regulations as in effect on the effective date
20 of this amendatory Act of the 101st General Assembly. ~~Except as~~
21 ~~provided in subsection (c) (i), no lender may charge more than~~
22 ~~\$15.50 per \$100 loaned on any payday loan, or more than \$15.50~~
23 ~~per \$100 on the initial principal balance and on the principal~~
24 ~~balances scheduled to be outstanding during any installment~~
25 ~~period on any installment payday loan. Except for installment~~
26 ~~payday loans and except as provided in Section 2 25, this~~

1 ~~charge is considered fully earned as of the date on which the~~
2 ~~loan is made. For purposes of determining the finance charge~~
3 ~~earned on an installment payday loan, the disclosed annual~~
4 ~~percentage rate shall be applied to the principal balances~~
5 ~~outstanding from time to time until the loan is paid in full,~~
6 ~~or until the maturity date, whichever occurs first. No finance~~
7 ~~charge may be imposed after the final scheduled maturity date.~~

8 When any loan contract is paid in full, the licensee shall
9 refund any unearned finance charge. The unearned finance charge
10 that is refunded shall be calculated based on a method that is
11 at least as favorable to the consumer as the actuarial method,
12 as defined by the federal Truth in Lending Act. The sum of the
13 digits or rule of 78ths method of calculating prepaid interest
14 refunds is prohibited.

15 (f) A lender may not take or attempt to take an interest in
16 any of the consumer's personal property to secure a payday
17 loan.

18 (g) A consumer has the right to redeem a check or any other
19 item described in the definition of payday loan under Section
20 1-10 issued in connection with a payday loan from the lender
21 holding the check or other item at any time before the payday
22 loan becomes payable by paying the full amount of the check or
23 other item.

24 (h) For the purpose of this Section, "substantially equal
25 installment" includes a last regularly scheduled payment that
26 may be less than, but no more than 5% larger than, the previous

1 scheduled payment according to a disclosed payment schedule
2 agreed to by the parties.

3 (Source: P.A. 100-201, eff. 8-18-17; 101-563, eff. 8-23-19.)

4 (815 ILCS 122/4-5)

5 Sec. 4-5. Prohibited acts. A licensee or unlicensed person
6 or entity making payday loans may not commit, or have committed
7 on behalf of the licensee or unlicensed person or entity, any
8 of the following acts:

9 (1) Threatening to use or using the criminal process in
10 this or any other state to collect on the loan.

11 (2) Using any device or agreement that would have the
12 effect of charging or collecting more fees or charges than
13 allowed by this Act, including, but not limited to,
14 entering into a different type of transaction with the
15 consumer.

16 (3) Engaging in unfair, deceptive, or fraudulent
17 practices in the making or collecting of a payday loan.

18 (4) Using or attempting to use the check provided by
19 the consumer in a payday loan as collateral for a
20 transaction not related to a payday loan.

21 (5) Knowingly accepting payment in whole or in part of
22 a payday loan through the proceeds of another payday loan
23 provided by any licensee, except as provided in subsection
24 (c) of Section 2.5.

25 (6) Knowingly accepting any security, other than that

1 specified in the definition of payday loan in Section 1-10,
2 for a payday loan.

3 (7) Charging any fees or charges other than those
4 specifically authorized by this Act.

5 (8) Threatening to take any action against a consumer
6 that is prohibited by this Act or making any misleading or
7 deceptive statements regarding the payday loan or any
8 consequences thereof.

9 (9) Making a misrepresentation of a material fact by an
10 applicant for licensure in obtaining or attempting to
11 obtain a license.

12 (10) Including any of the following provisions in loan
13 documents required by subsection (b) of Section 2-20:

14 (A) a confession of judgment clause;

15 (B) a waiver of the right to a jury trial, if
16 applicable, in any action brought by or against a
17 consumer, unless the waiver is included in an
18 arbitration clause allowed under subparagraph (C) of
19 this paragraph (11);

20 (C) a mandatory arbitration clause that is
21 oppressive, unfair, unconscionable, or substantially
22 in derogation of the rights of consumers; or

23 (D) a provision in which the consumer agrees not to
24 assert any claim or defense arising out of the
25 contract.

26 (11) Selling any insurance of any kind whether or not

1 sold in connection with the making or collecting of a
2 payday loan.

3 (12) Taking any power of attorney.

4 (13) Taking any security interest in real estate.

5 (14) Collecting a delinquency or collection charge on
6 any installment regardless of the period in which it
7 remains in default.

8 (15) Collecting treble damages on an amount owing from
9 a payday loan.

10 (16) Refusing, or intentionally delaying or
11 inhibiting, the consumer's right to enter into a repayment
12 plan pursuant to this Act.

13 (17) Charging for, or attempting to collect,
14 attorney's fees, court costs, or arbitration costs
15 incurred in connection with the collection of a payday
16 loan.

17 (18) Making a loan in violation of this Act.

18 (19) Garnishing the wages or salaries of a consumer who
19 is a member of the military.

20 (20) Failing to suspend or defer collection activity
21 against a consumer who is a member of the military and who
22 has been deployed to a combat or combat-support posting.

23 (21) Contacting the military chain of command of a
24 consumer who is a member of the military in an effort to
25 collect on a payday loan.

26 (22) Making or offering to make any loan other than a

1 payday loan or a title-secured loan, provided however, that
2 to make or offer to make a title-secured loan, a licensee
3 must obtain a license under the Consumer Installment Loan
4 Act.

5 (23) Making or offering a loan in violation of the
6 Anti-Predatory Lending Act.

7 (Source: P.A. 96-936, eff. 3-21-11.)

8 Section 125-90-40. The Interest Act is amended by changing
9 Sections 4 and 4a as follows:

10 (815 ILCS 205/4) (from Ch. 17, par. 6404)

11 Sec. 4. General interest rate.

12 (1) Except as otherwise provided in Section 4.05 and in the
13 Anti-Predatory Lending Act, in all written contracts it shall
14 be lawful for the parties to stipulate or agree that 9% per
15 annum, or any less sum of interest, shall be taken and paid
16 upon every \$100 of money loaned or in any manner due and owing
17 from any person to any other person or corporation in this
18 state, and after that rate for a greater or less sum, or for a
19 longer or shorter time, except as herein provided.

20 The maximum rate of interest that may lawfully be
21 contracted for is determined by the law applicable thereto at
22 the time the contract is made. Any provision in any contract,
23 whether made before or after July 1, 1969, which provides for
24 or purports to authorize, contingent upon a change in the

1 Illinois law after the contract is made, any rate of interest
2 greater than the maximum lawful rate at the time the contract
3 is made, is void.

4 It is lawful for a state bank or a branch of an
5 out-of-state bank, as those terms are defined in Section 2 of
6 the Illinois Banking Act, to receive or to contract to receive
7 and collect interest and charges at any rate or rates agreed
8 upon by the bank or branch and the borrower. It is lawful for a
9 savings bank chartered under the Savings Bank Act or a savings
10 association chartered under the Illinois Savings and Loan Act
11 of 1985 to receive or contract to receive and collect interest
12 and charges at any rate agreed upon by the savings bank or
13 savings association and the borrower.

14 It is lawful to receive or to contract to receive and
15 collect interest and charges as authorized by this Act and as
16 authorized by the Consumer Installment Loan Act, ~~and by the~~
17 ~~"Consumer Finance Act", approved July 10, 1935, as now or~~
18 ~~hereafter amended, or by the Payday Loan Reform Act, or the~~
19 Anti-Predatory Lending Act. It is lawful to charge, contract
20 for, and receive any rate or amount of interest or
21 compensation, except as otherwise provided in the
22 Anti-Predatory Lending Act, with respect to the following
23 transactions:

24 (a) Any loan made to a corporation;

25 (b) Advances of money, repayable on demand, to an
26 amount not less than \$5,000, which are made upon warehouse

1 receipts, bills of lading, certificates of stock,
2 certificates of deposit, bills of exchange, bonds or other
3 negotiable instruments pledged as collateral security for
4 such repayment, if evidenced by a writing;

5 (c) Any credit transaction between a merchandise
6 wholesaler and retailer; any business loan to a business
7 association or copartnership or to a person owning and
8 operating a business as sole proprietor or to any persons
9 owning and operating a business as joint venturers, joint
10 tenants or tenants in common, or to any limited
11 partnership, or to any trustee owning and operating a
12 business or whose beneficiaries own and operate a business,
13 except that any loan which is secured (1) by an assignment
14 of an individual obligor's salary, wages, commissions or
15 other compensation for services, or (2) by his household
16 furniture or other goods used for his personal, family or
17 household purposes shall be deemed not to be a loan within
18 the meaning of this subsection; and provided further that a
19 loan which otherwise qualifies as a business loan within
20 the meaning of this subsection shall not be deemed as not
21 so qualifying because of the inclusion, with other security
22 consisting of business assets of any such obligor, of real
23 estate occupied by an individual obligor solely as his
24 residence. The term "business" shall be deemed to mean a
25 commercial, agricultural or industrial enterprise which is
26 carried on for the purpose of investment or profit, but

1 shall not be deemed to mean the ownership or maintenance of
2 real estate occupied by an individual obligor solely as his
3 residence;

4 (d) Any loan made in accordance with the provisions of
5 Subchapter I of Chapter 13 of Title 12 of the United States
6 Code, which is designated as "Housing Renovation and
7 Modernization";

8 (e) Any mortgage loan insured or upon which a
9 commitment to insure has been issued under the provisions
10 of the National Housing Act, Chapter 13 of Title 12 of the
11 United States Code;

12 (f) Any mortgage loan guaranteed or upon which a
13 commitment to guaranty has been issued under the provisions
14 of the Veterans' Benefits Act, Subchapter II of Chapter 37
15 of Title 38 of the United States Code;

16 (g) Interest charged by a broker or dealer registered
17 under the Securities Exchange Act of 1934, as amended, or
18 registered under the Illinois Securities Law of 1953,
19 approved July 13, 1953, as now or hereafter amended, on a
20 debit balance in an account for a customer if such debit
21 balance is payable at will without penalty and is secured
22 by securities as defined in Uniform Commercial
23 Code-Investment Securities;

24 (h) Any loan made by a participating bank as part of
25 any loan guarantee program which provides for loans and for
26 the refinancing of such loans to medical students, interns

1 and residents and which are guaranteed by the American
2 Medical Association Education and Research Foundation;

3 (i) Any loan made, guaranteed, or insured in accordance
4 with the provisions of the Housing Act of 1949, Subchapter
5 III of Chapter 8A of Title 42 of the United States Code and
6 the Consolidated Farm and Rural Development Act,
7 Subchapters I, II, and III of Chapter 50 of Title 7 of the
8 United States Code;

9 (j) Any loan by an employee pension benefit plan, as
10 defined in Section 3 (2) of the Employee Retirement Income
11 Security Act of 1974 (29 U.S.C.A. Sec. 1002), to an
12 individual participating in such plan, provided that such
13 loan satisfies the prohibited transaction exemption
14 requirements of Section 408 (b) (1) (29 U.S.C.A. Sec. 1108
15 (b) (1)) or Section 2003 (a) (26 U.S.C.A. Sec. 4975 (d)
16 (1)) of the Employee Retirement Income Security Act of
17 1974;

18 (k) Written contracts, agreements or bonds for deed
19 providing for installment purchase of real estate,
20 including a manufactured home as defined in subdivision
21 (53) of Section 9-102 of the Uniform Commercial Code that
22 is real property as defined in the Conveyance and
23 Encumbrance of Manufactured Homes as Real Property and
24 Severance Act;

25 (l) Loans secured by a mortgage on real estate,
26 including a manufactured home as defined in subdivision

1 (53) of Section 9-102 of the Uniform Commercial Code that
2 is real property as defined in the Conveyance and
3 Encumbrance of Manufactured Homes as Real Property and
4 Severance Act;

5 (m) Loans made by a sole proprietorship, partnership,
6 or corporation to an employee or to a person who has been
7 offered employment by such sole proprietorship,
8 partnership, or corporation made for the sole purpose of
9 transferring an employee or person who has been offered
10 employment to another office maintained and operated by the
11 same sole proprietorship, partnership, or corporation;

12 (n) Loans to or for the benefit of students made by an
13 institution of higher education.

14 (2) Except for loans described in subparagraph (a), (c),
15 (d), (e), (f) or (i) of subsection (1) of this Section, and
16 except to the extent permitted by the applicable statute for
17 loans made pursuant to Section 4a or pursuant to the Consumer
18 Installment Loan Act:

19 (a) Whenever the rate of interest exceeds 8% per annum
20 on any written contract, agreement or bond for deed
21 providing for the installment purchase of residential real
22 estate, or on any loan secured by a mortgage on residential
23 real estate, it shall be unlawful to provide for a
24 prepayment penalty or other charge for prepayment.

25 (b) No agreement, note or other instrument evidencing a
26 loan secured by a mortgage on residential real estate, or

1 written contract, agreement or bond for deed providing for
2 the installment purchase of residential real estate, may
3 provide for any change in the contract rate of interest
4 during the term thereof. However, if the Congress of the
5 United States or any federal agency authorizes any class of
6 lender to enter, within limitations, into mortgage
7 contracts or written contracts, agreements or bonds for
8 deed in which the rate of interest may be changed during
9 the term of the contract, any person, firm, corporation or
10 other entity not otherwise prohibited from entering into
11 mortgage contracts or written contracts, agreements or
12 bonds for deed in Illinois may enter into mortgage
13 contracts or written contracts, agreements or bonds for
14 deed in which the rate of interest may be changed during
15 the term of the contract, within the same limitations.

16 (3) In any contract or loan which is secured by a mortgage,
17 deed of trust, or conveyance in the nature of a mortgage, on
18 residential real estate, the interest which is computed,
19 calculated, charged, or collected pursuant to such contract or
20 loan, or pursuant to any regulation or rule promulgated
21 pursuant to this Act, may not be computed, calculated, charged
22 or collected for any period of time occurring after the date on
23 which the total indebtedness, with the exception of late
24 payment penalties, is paid in full.

25 (4) For purposes of this Section, a prepayment shall mean
26 the payment of the total indebtedness, with the exception of

1 late payment penalties if incurred or charged, on any date
2 before the date specified in the contract or loan agreement on
3 which the total indebtedness shall be paid in full, or before
4 the date on which all payments, if timely made, shall have been
5 made. In the event of a prepayment of the indebtedness which is
6 made on a date after the date on which interest on the
7 indebtedness was last computed, calculated, charged, or
8 collected but before the next date on which interest on the
9 indebtedness was to be calculated, computed, charged, or
10 collected, the lender may calculate, charge and collect
11 interest on the indebtedness for the period which elapsed
12 between the date on which the prepayment is made and the date
13 on which interest on the indebtedness was last computed,
14 calculated, charged or collected at a rate equal to 1/360 of
15 the annual rate for each day which so elapsed, which rate shall
16 be applied to the indebtedness outstanding as of the date of
17 prepayment. The lender shall refund to the borrower any
18 interest charged or collected which exceeds that which the
19 lender may charge or collect pursuant to the preceding
20 sentence. The provisions of this amendatory Act of 1985 shall
21 apply only to contracts or loans entered into on or after the
22 effective date of this amendatory Act, but shall not apply to
23 contracts or loans entered into on or after that date that are
24 subject to Section 4a of this Act, the Consumer Installment
25 Loan Act, the Payday Loan Reform Act, the Anti-Predatory
26 Lending Act, or the Retail Installment Sales Act, or that

1 provide for the refund of precomputed interest on prepayment in
2 the manner provided by such Act.

3 (5) For purposes of items (a) and (c) of subsection (1) of
4 this Section, a rate or amount of interest may be lawfully
5 computed when applying the ratio of the annual interest rate
6 over a year based on 360 days. The provisions of this
7 amendatory Act of the 96th General Assembly are declarative of
8 existing law.

9 (6) For purposes of this Section, "real estate" and "real
10 property" include a manufactured home, as defined in
11 subdivision (53) of Section 9-102 of the Uniform Commercial
12 Code that is real property as defined in the Conveyance and
13 Encumbrance of Manufactured Homes as Real Property and
14 Severance Act.

15 (Source: P.A. 98-749, eff. 7-16-14.)

16 (815 ILCS 205/4a) (from Ch. 17, par. 6410)

17 Sec. 4a. Installment loan rate.

18 (a) On money loaned to or in any manner owing from any
19 person, whether secured or unsecured, except where the money
20 loaned or in any manner owing is directly or indirectly for the
21 purchase price of real estate or an interest therein and is
22 secured by a lien on or retention of title to that real estate
23 or interest therein, to an amount not more than \$25,000
24 (excluding interest) which is evidenced by a written instrument
25 providing for the payment thereof in 2 or more periodic

1 installments over a period of not more than 181 months from the
2 date of the execution of the written instrument, it is lawful
3 to receive or to contract to receive and collect either:

4 (i) interest in an amount equivalent to interest
5 computed at a rate not exceeding 9% per year on the entire
6 principal amount of the money loaned or in any manner owing
7 for the period from the date of the making of the loan or
8 the incurring of the obligation for the amount owing
9 evidenced by the written instrument until the date of the
10 maturity of the last installment thereof, and to add that
11 amount to the principal, except that there shall be no
12 limit on the rate of interest which may be received or
13 contracted to be received and collected by (1) any bank,
14 except a bank chartered under the laws of the United States,
15 that has its main office or, after May 31, 1997, a branch
16 in this State; or (2) a savings and loan association
17 chartered under the Illinois Savings and Loan Act of 1985,
18 or a savings bank chartered under the Savings Bank Act; ~~or~~
19 ~~or a federal savings and loan association established under~~
20 ~~the laws of the United States and having its main office in~~
21 ~~this State; or (3) any lender licensed under either the~~
22 ~~Consumer Finance Act or the Consumer Installment Loan Act,~~
23 ~~but in any case in which interest is received, contracted~~
24 ~~for or collected on the basis of this clause (i), the~~
25 ~~debtor may satisfy in full at any time before maturity the~~
26 ~~debt evidenced by the written instrument, and in so~~

1 ~~satisfying must receive a refund credit against the total~~
2 ~~amount of interest added to the principal computed in the~~
3 ~~manner provided under Section 15(f)(3) of the Consumer~~
4 ~~Installment Loan Act for refunds or credits of applicable~~
5 ~~interest on payment in full of precomputed loans before the~~
6 ~~final installment due date, or~~

7 (ii) interest accrued on the principal balance from
8 time to time remaining unpaid, from the date of making of
9 the loan or the incurring of the obligation to the date of
10 the payment of the debt in full, at a rate not exceeding
11 the annual percentage rate equivalent of the rate permitted
12 to be charged under clause (i) above, but in any such case
13 the debtor may, provided that the debtor shall have paid in
14 full all interest and other charges accrued to the date of
15 such prepayment, prepay the principal balance in full or in
16 part at any time, and interest shall, upon any such
17 prepayment, cease to accrue on the principal amount which
18 has been prepaid.

19 (b) Whenever the principal amount of an installment loan is
20 \$300 or more and the repayment period is 6 months or more, a
21 minimum charge of \$15 may be collected instead of interest, but
22 only one minimum charge may be collected from the same person
23 during one year. When the principal amount of the loan
24 (excluding interest) is \$800 or less, the lender or creditor
25 may contract for and receive a service charge not to exceed \$5
26 in addition to interest; and that service charge may be

1 collected when the loan is made, but only one service charge
2 may be contracted for, received, or collected from the same
3 person during one year.

4 (c) Credit life insurance and credit accident and health
5 insurance, and any charge therefor which is deducted from the
6 loan or paid by the obligor, must comply with Article IX 1/2 of
7 the Illinois Insurance Code and all lawful requirements of the
8 Director of Insurance related thereto. When there are 2 or more
9 obligors on the loan contract, only one charge for credit life
10 insurance and credit accident and health insurance may be made
11 and only one of the obligors may be required to be insured.
12 Insurance obtained from, by or through the lender or creditor
13 must be in effect when the loan is transacted. The purchase of
14 that insurance from an agent, broker or insurer specified by
15 the lender or creditor may not be a condition precedent to the
16 granting of the loan.

17 (d) The lender or creditor may require the obligor to
18 provide property insurance on security other than household
19 goods, furniture and personal effects. The amount and term of
20 the insurance must be reasonable in relation to the amount and
21 term of the loan contract and the type and value of the
22 security, and the insurance must be procured in accordance with
23 the insurance laws of this State. The purchase of that
24 insurance from an agent, broker or insurer specified by the
25 lender or creditor may not be a condition precedent to the
26 granting of the loan.

1 (e) The lender or creditor may, if the contract provides,
2 collect a delinquency and collection charge on each installment
3 in default for a period of not less than 10 days in an amount
4 not exceeding 5% of the installment on installments in excess
5 of \$200 or \$10 on installments of \$200 or less, but only one
6 delinquency and collection charge may be collected on any
7 installment regardless of the period during which it remains in
8 default. In addition, the contract may provide for the payment
9 by the borrower or debtor of attorney's fees incurred by the
10 lender or creditor. The lender or creditor may enforce such a
11 provision to the extent of the reasonable attorney's fees
12 incurred by him in the collection or enforcement of the
13 contract or obligation. Whenever interest is contracted for or
14 received under this Section, no amount in addition to the
15 charges authorized by this Section may be directly or
16 indirectly charged, contracted for or received, except lawful
17 fees paid to a public officer or agency to record, file or
18 release security, and except costs and disbursements including
19 reasonable attorney's fees, incurred in legal proceedings to
20 collect a loan or to realize on a security after default. This
21 Section does not prohibit the receipt of any commission,
22 dividend or other benefit by the creditor or an employee,
23 affiliate or associate of the creditor from the insurance
24 authorized by this Section.

25 (f) When interest is contracted for or received under this
26 Section, the lender must disclose the following items to the

1 obligor in a written statement before the loan is consummated:

2 (1) the amount and date of the loan contract;

3 (2) the amount of loan credit using the term "amount
4 financed";

5 (3) every deduction from the amount financed or payment
6 made by the obligor for insurance and the type of insurance
7 for which each deduction or payment was made;

8 (4) every other deduction from the loan or payment made
9 by the obligor in connection with obtaining the loan;

10 (5) the date on which the finance charge begins to
11 accrue if different from the date of the transaction;

12 (6) the total amount of the loan charge for the
13 scheduled term of the loan contract with a description of
14 each amount included using the term "finance charge";

15 (7) the finance charge expressed as an annual
16 percentage rate using the term "annual percentage rate".
17 "Annual percentage rate" means the nominal annual
18 percentage rate of finance charge determined in accordance
19 with the actuarial method of computation with an accuracy
20 at least to the nearest 1/4 of 1%; or at the option of the
21 lender by application of the United States rule so that it
22 may be disclosed with an accuracy at least to the nearest
23 1/4 of 1%;

24 (8) the number, amount and due dates or periods of
25 payments scheduled to repay the loan and the sum of such
26 payments using the term "total of payments";

1 (9) the amount, or method of computing the amount of
2 any default, delinquency or similar charges payable in the
3 event of late payments;

4 (10) the right of the obligor to prepay the loan and
5 the fact that such prepayment will reduce the charge for
6 the loan;

7 (11) a description or identification of the type of any
8 security interest held or to be retained or acquired by the
9 lender in connection with the loan and a clear
10 identification of the property to which the security
11 interest relates. If after-acquired property will be
12 subject to the security interest, or if other or future
13 indebtedness is or may be secured by any such property,
14 this fact shall be clearly set forth in conjunction with
15 the description or identification of the type of security
16 interest held, retained or acquired;

17 (12) a description of any penalty charge that may be
18 imposed by the lender for prepayment of the principal of
19 the obligation with an explanation of the method of
20 computation of such penalty and the conditions under which
21 it may be imposed;

22 (13) unless the contract provides for the accrual and
23 payment of the finance charge on the balance of the amount
24 financed from time to time remaining unpaid, an
25 identification of the method of computing any unearned
26 portion of the finance charge in the event of prepayment of

1 the loan.

2 The terms "finance charge" and "annual percentage rate"
3 shall be printed more conspicuously than other terminology
4 required by this Section.

5 (g) At the time disclosures are made, the lender shall
6 deliver to the obligor a duplicate of the instrument or
7 statement by which the required disclosures are made and on
8 which the lender and obligor are identified and their addresses
9 stated. All of the disclosures shall be made clearly,
10 conspicuously and in meaningful sequence and made together on
11 either:

12 (i) the note or other instrument evidencing the
13 obligation on the same side of the page and above or
14 adjacent to the place for the obligor's signature; however,
15 where a creditor elects to combine disclosures with the
16 contract, security agreement, and evidence of a
17 transaction in a single document, the disclosures required
18 under this Section shall be made on the face of the
19 document, on the reverse side, or on both sides, provided
20 that the amount of the finance charge and the annual
21 percentage rate shall appear on the face of the document,
22 and, if the reverse side is used, the printing on both
23 sides of the document shall be equally clear and
24 conspicuous, both sides shall contain the statement,
25 "NOTICE: See other side for important information", and the
26 place for the customer's signature shall be provided

1 following the full content of the document; or

2 (ii) one side of a separate statement which identifies
3 the transaction.

4 The amount of the finance charge shall be determined as the
5 sum of all charges, payable directly or indirectly by the
6 obligor and imposed directly or indirectly by the lender as an
7 incident to or as a condition to the extension of credit,
8 whether paid or payable by the obligor, any other person on
9 behalf of the obligor, to the lender or to a third party,
10 including any of the following types of charges:

11 (1) Interest, time price differential, and any amount
12 payable under a discount or other system of additional
13 charges.

14 (2) Service, transaction, activity, or carrying
15 charge.

16 (3) Loan fee, points, finder's fee, or similar charge.

17 (4) Fee for an appraisal, investigation, or credit
18 report.

19 (5) Charges or premiums for credit life, accident,
20 health, or loss of income insurance, written in connection
21 with any credit transaction unless (a) the insurance
22 coverage is not required by the lender and this fact is
23 clearly and conspicuously disclosed in writing to the
24 obligor; and (b) any obligor desiring such insurance
25 coverage gives specific dated and separately signed
26 affirmative written indication of such desire after

1 receiving written disclosure to him of the cost of such
2 insurance.

3 (6) Charges or premiums for insurance, written in
4 connection with any credit transaction, against loss of or
5 damage to property or against liability arising out of the
6 ownership or use of property, unless a clear, conspicuous,
7 and specific statement in writing is furnished by the
8 lender to the obligor setting forth the cost of the
9 insurance if obtained from or through the lender and
10 stating that the obligor may choose the person through
11 which the insurance is to be obtained.

12 (7) Premium or other charges for any other guarantee or
13 insurance protecting the lender against the obligor's
14 default or other credit loss.

15 (8) Any charge imposed by a lender upon another lender
16 for purchasing or accepting an obligation of an obligor if
17 the obligor is required to pay any part of that charge in
18 cash, as an addition to the obligation, or as a deduction
19 from the proceeds of the obligation.

20 A late payment, delinquency, default, reinstatement or
21 other such charge is not a finance charge if imposed for actual
22 unanticipated late payment, delinquency, default or other
23 occurrence.

24 (h) Advertising for loans transacted under this Section may
25 not be false, misleading, or deceptive. That advertising, if it
26 states a rate or amount of interest, must state that rate as an

1 annual percentage rate of interest charged. In addition, if
2 charges other than for interest are made in connection with
3 those loans, those charges must be separately stated. No
4 advertising may indicate or imply that the rates or charges for
5 loans are in any way "recommended", "approved", "set" or
6 "established" by the State government or by this Act.

7 (i) A lender or creditor who complies with the federal
8 Truth in Lending Act, amendments thereto, and any regulations
9 issued or which may be issued thereunder, shall be deemed to be
10 in compliance with the provisions of subsections (f), (g) and
11 (h) of this Section.

12 (j) For purposes of this Section, "real estate" and "real
13 property" include a manufactured home as defined in subdivision
14 (53) of Section 9-102 of the Uniform Commercial Code that is
15 real property as defined in the Conveyance and Encumbrance of
16 Manufactured Homes as Real Property and Severance Act.

17 (Source: P.A. 98-749, eff. 7-16-14.)

18 Section 125-90-45. The Consumer Fraud and Deceptive
19 Business Practices Act is amended by changing Section 2Z as
20 follows:

21 (815 ILCS 505/2Z) (from Ch. 121 1/2, par. 262Z)

22 Sec. 2Z. Violations of other Acts. Any person who knowingly
23 violates the Automotive Repair Act, the Automotive Collision
24 Repair Act, the Home Repair and Remodeling Act, the Dance

1 Studio Act, the Physical Fitness Services Act, the Hearing
2 Instrument Consumer Protection Act, the Illinois Union Label
3 Act, the Installment Sales Contract Act, the Job Referral and
4 Job Listing Services Consumer Protection Act, the Travel
5 Promotion Consumer Protection Act, the Credit Services
6 Organizations Act, the Automatic Telephone Dialers Act, the
7 Pay-Per-Call Services Consumer Protection Act, the Telephone
8 Solicitations Act, the Illinois Funeral or Burial Funds Act,
9 the Cemetery Oversight Act, the Cemetery Care Act, the Safe and
10 Hygienic Bed Act, the Illinois Pre-Need Cemetery Sales Act, the
11 High Risk Home Loan Act, the Payday Loan Reform Act, the
12 Anti-Predatory Lending Act, the Mortgage Rescue Fraud Act,
13 subsection (a) or (b) of Section 3-10 of the Cigarette Tax Act,
14 subsection (a) or (b) of Section 3-10 of the Cigarette Use Tax
15 Act, the Electronic Mail Act, the Internet Caller
16 Identification Act, paragraph (6) of subsection (k) of Section
17 6-305 of the Illinois Vehicle Code, Section 11-1431, 18d-115,
18 18d-120, 18d-125, 18d-135, 18d-150, or 18d-153 of the Illinois
19 Vehicle Code, Article 3 of the Residential Real Property
20 Disclosure Act, the Automatic Contract Renewal Act, the Reverse
21 Mortgage Act, Section 25 of the Youth Mental Health Protection
22 Act, the Personal Information Protection Act, or the Student
23 Online Personal Protection Act commits an unlawful practice
24 within the meaning of this Act.

25 (Source: P.A. 99-331, eff. 1-1-16; 99-411, eff. 1-1-16; 99-642,
26 eff. 7-28-16; 100-315, eff. 8-24-17; 100-416, eff. 1-1-18;

1 100-863, eff. 8-14-18.)

2 Article 130.

3 Section 130-5. The Business Corporation Act of 1983 is
4 amended by changing Section 14.05 as follows:

5 (805 ILCS 5/14.05) (from Ch. 32, par. 14.05)

6 Sec. 14.05. Annual report of domestic or foreign
7 corporation. Each domestic corporation organized under any
8 general law or special act of this State authorizing the
9 corporation to issue shares, other than homestead
10 associations, building and loan associations, banks and
11 insurance companies (which includes a syndicate or limited
12 syndicate regulated under Article V 1/2 of the Illinois
13 Insurance Code or member of a group of underwriters regulated
14 under Article V of that Code), and each foreign corporation
15 (except members of a group of underwriters regulated under
16 Article V of the Illinois Insurance Code) authorized to
17 transact business in this State, shall file, within the time
18 prescribed by this Act, an annual report setting forth:

19 (a) The name of the corporation.

20 (b) The address, including street and number, or rural
21 route number, of its registered office in this State, and
22 the name of its registered agent at that address.

23 (c) The address, including street and number, or rural

1 route number, of its principal office.

2 (d) The names and respective addresses, including
3 street and number, or rural route number, of its directors
4 and officers.

5 (e) A statement of the aggregate number of shares which
6 the corporation has authority to issue, itemized by classes
7 and series, if any, within a class.

8 (f) A statement of the aggregate number of issued
9 shares, itemized by classes, and series, if any, within a
10 class.

11 (g) A statement, expressed in dollars, of the amount of
12 paid-in capital of the corporation as defined in this Act.

13 (h) Either a statement that (1) all the property of the
14 corporation is located in this State and all of its
15 business is transacted at or from places of business in
16 this State, or the corporation elects to pay the annual
17 franchise tax on the basis of its entire paid-in capital,
18 or (2) a statement, expressed in dollars, of the value of
19 all the property owned by the corporation, wherever
20 located, and the value of the property located within this
21 State, and a statement, expressed in dollars, of the gross
22 amount of business transacted by the corporation and the
23 gross amount thereof transacted by the corporation at or
24 from places of business in this State as of the close of
25 its fiscal year on or immediately preceding the last day of
26 the third month prior to the anniversary month or in the

1 case of a corporation which has established an extended
2 filing month, as of the close of its fiscal year on or
3 immediately preceding the last day of the third month prior
4 to the extended filing month; however, in the case of a
5 domestic corporation that has not completed its first
6 fiscal year, the statement with respect to property owned
7 shall be as of the last day of the third month preceding
8 the anniversary month and the statement with respect to
9 business transacted shall be furnished for the period
10 between the date of incorporation and the last day of the
11 third month preceding the anniversary month. In the case of
12 a foreign corporation that has not been authorized to
13 transact business in this State for a period of 12 months
14 and has not commenced transacting business prior to
15 obtaining authority, the statement with respect to
16 property owned shall be as of the last day of the third
17 month preceding the anniversary month and the statement
18 with respect to business transacted shall be furnished for
19 the period between the date of its authorization to
20 transact business in this State and the last day of the
21 third month preceding the anniversary month. If the data
22 referenced in item (2) of this subsection is not completed,
23 the franchise tax provided for in this Act shall be
24 computed on the basis of the entire paid-in capital.

25 (i) A statement, including the basis therefor, of
26 status as a "minority-owned business" or as a "women-owned

1 business" as those terms are defined in the Business
2 Enterprise for Minorities, Women, and Persons with
3 Disabilities Act.

4 (j) Additional information as may be necessary or
5 appropriate in order to enable the Secretary of State to
6 administer this Act and to verify the proper amount of fees
7 and franchise taxes payable by the corporation.

8 (k) A statement of whether the corporation or foreign
9 corporation has outstanding shares listed on a major United
10 States stock exchange and is thereby subject to the
11 reporting requirements of Section 8.12.

12 (l) For those corporations subject to Section 8.12, a
13 statement providing the information required under Section
14 8.12.

15 (m) For those corporations required to file an Employer
16 Information Report EEO-1 with the Equal Employment
17 Opportunity Commission, information that is substantially
18 similar to the employment data reported under Section D of
19 the corporation's EEO-1 in a format approved by the
20 Secretary of State. For each corporation that submits data
21 under this paragraph, the Secretary of State shall publish
22 the data on the gender, race, and ethnicity of each
23 corporation's employees on the Secretary of State's
24 official website. The Secretary of State shall publish such
25 information within 90 days of receipt of a properly filed
26 annual report or as soon thereafter as practicable.

1 The annual report shall be made on forms prescribed and
2 furnished by the Secretary of State, and the information
3 therein required by paragraphs (a) through (d), both inclusive,
4 of this Section, shall be given as of the date of the execution
5 of the annual report and the information therein required by
6 paragraphs (e), (f), and (g) of this Section shall be given as
7 of the last day of the third month preceding the anniversary
8 month, except that the information required by paragraphs (e),
9 (f), and (g) shall, in the case of a corporation which has
10 established an extended filing month, be given in its final
11 transition annual report and each subsequent annual report as
12 of the close of its fiscal year on or immediately preceding the
13 last day of the third month prior to its extended filing month.
14 The information required by paragraph (m) shall be included in
15 the corporation's annual report filed on and after January 1,
16 2022. It shall be executed by the corporation by its president,
17 a vice-president, secretary, assistant secretary, treasurer or
18 other officer duly authorized by the board of directors of the
19 corporation to execute those reports, and verified by him or
20 her, or, if the corporation is in the hands of a receiver or
21 trustee, it shall be executed on behalf of the corporation and
22 verified by the receiver or trustee.

23 (Source: P.A. 100-391, eff. 8-25-17; 100-486, eff. 1-1-18;
24 100-863, eff. 8-14-18; 101-589, eff. 8-27-19.)

1 Section 135-1. The Freedom of Information Act is amended by
2 changing Section 7.5 as follows:

3 (5 ILCS 140/7.5)

4 Sec. 7.5. Statutory exemptions. To the extent provided for
5 by the statutes referenced below, the following shall be exempt
6 from inspection and copying:

7 (a) All information determined to be confidential
8 under Section 4002 of the Technology Advancement and
9 Development Act.

10 (b) Library circulation and order records identifying
11 library users with specific materials under the Library
12 Records Confidentiality Act.

13 (c) Applications, related documents, and medical
14 records received by the Experimental Organ Transplantation
15 Procedures Board and any and all documents or other records
16 prepared by the Experimental Organ Transplantation
17 Procedures Board or its staff relating to applications it
18 has received.

19 (d) Information and records held by the Department of
20 Public Health and its authorized representatives relating
21 to known or suspected cases of sexually transmissible
22 disease or any information the disclosure of which is
23 restricted under the Illinois Sexually Transmissible
24 Disease Control Act.

1 (e) Information the disclosure of which is exempted
2 under Section 30 of the Radon Industry Licensing Act.

3 (f) Firm performance evaluations under Section 55 of
4 the Architectural, Engineering, and Land Surveying
5 Qualifications Based Selection Act.

6 (g) Information the disclosure of which is restricted
7 and exempted under Section 50 of the Illinois Prepaid
8 Tuition Act.

9 (h) Information the disclosure of which is exempted
10 under the State Officials and Employees Ethics Act, and
11 records of any lawfully created State or local inspector
12 general's office that would be exempt if created or
13 obtained by an Executive Inspector General's office under
14 that Act.

15 (i) Information contained in a local emergency energy
16 plan submitted to a municipality in accordance with a local
17 emergency energy plan ordinance that is adopted under
18 Section 11-21.5-5 of the Illinois Municipal Code.

19 (j) Information and data concerning the distribution
20 of surcharge moneys collected and remitted by carriers
21 under the Emergency Telephone System Act.

22 (k) Law enforcement officer identification information
23 or driver identification information compiled by a law
24 enforcement agency or the Department of Transportation
25 under Section 11-212 of the Illinois Vehicle Code.

26 (l) Records and information provided to a residential

1 health care facility resident sexual assault and death
2 review team or the Executive Council under the Abuse
3 Prevention Review Team Act.

4 (m) Information provided to the predatory lending
5 database created pursuant to Article 3 of the Residential
6 Real Property Disclosure Act, except to the extent
7 authorized under that Article.

8 (n) Defense budgets and petitions for certification of
9 compensation and expenses for court appointed trial
10 counsel as provided under Sections 10 and 15 of the Capital
11 Crimes Litigation Act. This subsection (n) shall apply
12 until the conclusion of the trial of the case, even if the
13 prosecution chooses not to pursue the death penalty prior
14 to trial or sentencing.

15 (o) Information that is prohibited from being
16 disclosed under Section 4 of the Illinois Health and
17 Hazardous Substances Registry Act.

18 (p) Security portions of system safety program plans,
19 investigation reports, surveys, schedules, lists, data, or
20 information compiled, collected, or prepared by or for the
21 Regional Transportation Authority under Section 2.11 of
22 the Regional Transportation Authority Act or the St. Clair
23 County Transit District under the Bi-State Transit Safety
24 Act.

25 (q) Information prohibited from being disclosed by the
26 Personnel Record Review Act.

1 (r) Information prohibited from being disclosed by the
2 Illinois School Student Records Act.

3 (s) Information the disclosure of which is restricted
4 under Section 5-108 of the Public Utilities Act.

5 (t) All identified or deidentified health information
6 in the form of health data or medical records contained in,
7 stored in, submitted to, transferred by, or released from
8 the Illinois Health Information Exchange, and identified
9 or deidentified health information in the form of health
10 data and medical records of the Illinois Health Information
11 Exchange in the possession of the Illinois Health
12 Information Exchange Office due to its administration of
13 the Illinois Health Information Exchange. The terms
14 "identified" and "deidentified" shall be given the same
15 meaning as in the Health Insurance Portability and
16 Accountability Act of 1996, Public Law 104-191, or any
17 subsequent amendments thereto, and any regulations
18 promulgated thereunder.

19 (u) Records and information provided to an independent
20 team of experts under the Developmental Disability and
21 Mental Health Safety Act (also known as Brian's Law).

22 (v) Names and information of people who have applied
23 for or received Firearm Owner's Identification Cards under
24 the Firearm Owners Identification Card Act or applied for
25 or received a concealed carry license under the Firearm
26 Concealed Carry Act, unless otherwise authorized by the

1 Firearm Concealed Carry Act; and databases under the
2 Firearm Concealed Carry Act, records of the Concealed Carry
3 Licensing Review Board under the Firearm Concealed Carry
4 Act, and law enforcement agency objections under the
5 Firearm Concealed Carry Act.

6 (w) Personally identifiable information which is
7 exempted from disclosure under subsection (g) of Section
8 19.1 of the Toll Highway Act.

9 (x) Information which is exempted from disclosure
10 under Section 5-1014.3 of the Counties Code or Section
11 8-11-21 of the Illinois Municipal Code.

12 (y) Confidential information under the Adult
13 Protective Services Act and its predecessor enabling
14 statute, the Elder Abuse and Neglect Act, including
15 information about the identity and administrative finding
16 against any caregiver of a verified and substantiated
17 decision of abuse, neglect, or financial exploitation of an
18 eligible adult maintained in the Registry established
19 under Section 7.5 of the Adult Protective Services Act.

20 (z) Records and information provided to a fatality
21 review team or the Illinois Fatality Review Team Advisory
22 Council under Section 15 of the Adult Protective Services
23 Act.

24 (aa) Information which is exempted from disclosure
25 under Section 2.37 of the Wildlife Code.

26 (bb) Information which is or was prohibited from

1 disclosure by the Juvenile Court Act of 1987.

2 (cc) Recordings made under the Law Enforcement
3 Officer-Worn Body Camera Act, except to the extent
4 authorized under that Act.

5 (dd) Information that is prohibited from being
6 disclosed under Section 45 of the Condominium and Common
7 Interest Community Ombudsperson Act.

8 (ee) Information that is exempted from disclosure
9 under Section 30.1 of the Pharmacy Practice Act.

10 (ff) Information that is exempted from disclosure
11 under the Revised Uniform Unclaimed Property Act.

12 (gg) Information that is prohibited from being
13 disclosed under Section 7-603.5 of the Illinois Vehicle
14 Code.

15 (hh) Records that are exempt from disclosure under
16 Section 1A-16.7 of the Election Code.

17 (ii) Information which is exempted from disclosure
18 under Section 2505-800 of the Department of Revenue Law of
19 the Civil Administrative Code of Illinois.

20 (jj) Information and reports that are required to be
21 submitted to the Department of Labor by registering day and
22 temporary labor service agencies but are exempt from
23 disclosure under subsection (a-1) of Section 45 of the Day
24 and Temporary Labor Services Act.

25 (kk) Information prohibited from disclosure under the
26 Seizure and Forfeiture Reporting Act.

1 (ll) Information the disclosure of which is restricted
2 and exempted under Section 5-30.8 of the Illinois Public
3 Aid Code.

4 (mm) Records that are exempt from disclosure under
5 Section 4.2 of the Crime Victims Compensation Act.

6 (nn) Information that is exempt from disclosure under
7 Section 70 of the Higher Education Student Assistance Act.

8 (oo) Communications, notes, records, and reports
9 arising out of a peer support counseling session prohibited
10 from disclosure under the First Responders Suicide
11 Prevention Act.

12 (pp) Names and all identifying information relating to
13 an employee of an emergency services provider or law
14 enforcement agency under the First Responders Suicide
15 Prevention Act.

16 (qq) Information and records held by the Department of
17 Public Health and its authorized representatives collected
18 under the Reproductive Health Act.

19 (rr) Information that is exempt from disclosure under
20 the Cannabis Regulation and Tax Act.

21 (ss) Data reported by an employer to the Department of
22 Human Rights pursuant to Section 2-108 of the Illinois
23 Human Rights Act.

24 (tt) Recordings made under the Children's Advocacy
25 Center Act, except to the extent authorized under that Act.

26 (uu) Information that is exempt from disclosure under

1 Section 50 of the Sexual Assault Evidence Submission Act.

2 (vv) Information that is exempt from disclosure under
3 subsections (f) and (j) of Section 5-36 of the Illinois
4 Public Aid Code.

5 (ww) Information that is exempt from disclosure under
6 Section 16.8 of the State Treasurer Act.

7 (xx) Information that is exempt from disclosure or
8 information that shall not be made public under the
9 Illinois Insurance Code.

10 (yy) Information prohibited from being disclosed under
11 the Illinois Educational Labor Relations Act.

12 (zz) Information prohibited from being disclosed under
13 the Illinois Public Labor Relations Act.

14 (aaa) Information prohibited from being disclosed
15 under Section 1-167 of the Illinois Pension Code.

16 (bbb) Information that is exempt from disclosure under
17 subsection (k) of Section 11 of the Equal Pay Act of 2003.

18 (Source: P.A. 100-20, eff. 7-1-17; 100-22, eff. 1-1-18;
19 100-201, eff. 8-18-17; 100-373, eff. 1-1-18; 100-464, eff.
20 8-28-17; 100-465, eff. 8-31-17; 100-512, eff. 7-1-18; 100-517,
21 eff. 6-1-18; 100-646, eff. 7-27-18; 100-690, eff. 1-1-19;
22 100-863, eff. 8-14-18; 100-887, eff. 8-14-18; 101-13, eff.
23 6-12-19; 101-27, eff. 6-25-19; 101-81, eff. 7-12-19; 101-221,
24 eff. 1-1-20; 101-236, eff. 1-1-20; 101-375, eff. 8-16-19;
25 101-377, eff. 8-16-19; 101-452, eff. 1-1-20; 101-466, eff.
26 1-1-20; 101-600, eff. 12-6-19; 101-620, eff. 12-20-19; 101-649,

1 eff. 7-7-20.)

2 Section 135-5. The State Finance Act is amended by adding
3 Section 5.935 as follows:

4 (30 ILCS 105/5.935 new)

5 Sec. 5.935. The Equal Pay Certificate Fund.

6 Section 135-10. The Equal Pay Act of 2003 is amended by
7 changing Section 10 and by adding Section 11 as follows:

8 (820 ILCS 112/10)

9 Sec. 10. Prohibited acts.

10 (a) No employer may discriminate between employees on the
11 basis of sex by paying wages to an employee at a rate less than
12 the rate at which the employer pays wages to another employee
13 of the opposite sex for the same or substantially similar work
14 on jobs the performance of which requires substantially similar
15 skill, effort, and responsibility, and which are performed
16 under similar working conditions, except where the payment is
17 made under:

18 (1) a seniority system;

19 (2) a merit system;

20 (3) a system that measures earnings by quantity or
21 quality of production; or

22 (4) a differential based on any other factor other

1 than: (i) sex or (ii) a factor that would constitute
2 unlawful discrimination under the Illinois Human Rights
3 Act, provided that the factor:

4 (A) is not based on or derived from a differential
5 in compensation based on sex or another protected
6 characteristic;

7 (B) is job-related with respect to the position and
8 consistent with a business necessity; and

9 (C) accounts for the differential.

10 No employer may discriminate between employees by paying
11 wages to an African-American employee at a rate less than the
12 rate at which the employer pays wages to another employee who
13 is not African-American for the same or substantially similar
14 work on jobs the performance of which requires substantially
15 similar skill, effort, and responsibility, and which are
16 performed under similar working conditions, except where the
17 payment is made under:

18 (1) a seniority system;

19 (2) a merit system;

20 (3) a system that measures earnings by quantity or
21 quality of production; or

22 (4) a differential based on any other factor other
23 than: (i) race or (ii) a factor that would constitute
24 unlawful discrimination under the Illinois Human Rights
25 Act, provided that the factor:

26 (A) is not based on or derived from a differential

1 in compensation based on race or another protected
2 characteristic;

3 (B) is job-related with respect to the position and
4 consistent with a business necessity; and

5 (C) accounts for the differential.

6 An employer who is paying wages in violation of this Act
7 may not, to comply with this Act, reduce the wages of any other
8 employee.

9 Nothing in this Act may be construed to require an employer
10 to pay, to any employee at a workplace in a particular county,
11 wages that are equal to the wages paid by that employer at a
12 workplace in another county to employees in jobs the
13 performance of which requires equal skill, effort, and
14 responsibility, and which are performed under similar working
15 conditions.

16 (b) It is unlawful for any employer to interfere with,
17 restrain, or deny the exercise of or the attempt to exercise
18 any right provided under this Act. It is unlawful for any
19 employer to discharge or in any other manner discriminate
20 against any individual for inquiring about, disclosing,
21 comparing, or otherwise discussing the employee's wages or the
22 wages of any other employee, or aiding or encouraging any
23 person to exercise his or her rights under this Act. It is
24 unlawful for an employer to require an employee to sign a
25 contract or waiver that would prohibit the employee from
26 disclosing or discussing information about the employee's

1 wages, salary, benefits, or other compensation. An employer
2 may, however, prohibit a human resources employee, a
3 supervisor, or any other employee whose job responsibilities
4 require or allow access to other employees' wage or salary
5 information from disclosing that information without prior
6 written consent from the employee whose information is sought
7 or requested.

8 (b-5) It is unlawful for an employer or employment agency,
9 or employee or agent thereof, to (1) screen job applicants
10 based on their current or prior wages or salary histories,
11 including benefits or other compensation, by requiring that the
12 wage or salary history of an applicant satisfy minimum or
13 maximum criteria, (2) request or require a wage or salary
14 history as a condition of being considered for employment, as a
15 condition of being interviewed, as a condition of continuing to
16 be considered for an offer of employment, as a condition of an
17 offer of employment or an offer of compensation, or (3) request
18 or require that an applicant disclose wage or salary history as
19 a condition of employment.

20 (b-10) It is unlawful for an employer to seek the wage or
21 salary history, including benefits or other compensation, of a
22 job applicant from any current or former employer. This
23 subsection (b-10) does not apply if:

24 (1) the job applicant's wage or salary history is a
25 matter of public record under the Freedom of Information
26 Act, or any other equivalent State or federal law, or is

1 contained in a document completed by the job applicant's
2 current or former employer and then made available to the
3 public by the employer, or submitted or posted by the
4 employer to comply with State or federal law; or

5 (2) the job applicant is a current employee and is
6 applying for a position with the same current employer.

7 (b-15) Nothing in subsections (b-5) and (b-10) shall be
8 construed to prevent an employer or employment agency, or an
9 employee or agent thereof, from:

10 (1) providing information about the wages, benefits,
11 compensation, or salary offered in relation to a position;
12 or

13 (2) engaging in discussions with an applicant for
14 employment about the applicant's expectations with respect
15 to wage or salary, benefits, and other compensation.

16 (b-20) An employer is not in violation of subsections (b-5)
17 and (b-10) when a job applicant voluntarily and without
18 prompting discloses his or her current or prior wage or salary
19 history, including benefits or other compensation, on the
20 condition that the employer does not consider or rely on the
21 voluntary disclosures as a factor in determining whether to
22 offer a job applicant employment, in making an offer of
23 compensation, or in determining future wages, salary,
24 benefits, or other compensation.

25 (c) It is unlawful for any person to discharge or in any
26 other manner discriminate against any individual because the

1 individual:

2 (1) has filed any charge or has instituted or caused to
3 be instituted any proceeding under or related to this Act;

4 (2) has given, or is about to give, any information in
5 connection with any inquiry or proceeding relating to any
6 right provided under this Act;

7 (3) has testified, or is about to testify, in any
8 inquiry or proceeding relating to any right provided under
9 this Act; or

10 (4) fails to comply with any wage or salary history
11 inquiry.

12 (Source: P.A. 100-1140, eff. 1-1-19; 101-177, eff. 9-29-19.)

13 (820 ILCS 112/11 new)

14 Sec. 11. Equal pay certificate requirements; application.

15 (a) A business that has 100 or more full-time employees
16 must obtain an equal pay certificate from the Department or
17 certify in writing that it is exempt.

18 (b) No department or agency of the State shall execute a
19 contract for goods or services or an agreement for goods or
20 services in excess of \$500,000 with a business that has 40 or
21 more full-time employees in this State or a state where the
22 business has its primary place of business on a single day
23 during the prior 12 months, unless the business has an equal
24 pay certificate or has certified in writing that it is exempt.

25 This subsection does not apply to a business with respect

1 to a specific contract if the Department determines that
2 application of this Section would cause undue hardship to the
3 contracting entity. This subsection does not apply to a
4 contract to provide goods and services to individuals under the
5 Personnel Code, Article XX of the Illinois Insurance Code, the
6 Health Maintenance Organization Act, the Comprehensive Health
7 Insurance Plan Act, the Illinois Public Aid Code, the Rental
8 Housing Support Program Act, the Children's Health Insurance
9 Program Act, the Covering ALL KIDS Health Insurance Act, and
10 the Rehabilitation of Persons with Disabilities Act, with a
11 business that has a license, certification, registration,
12 provider agreement, or provider enrollment contract that is
13 prerequisite to providing those goods and services. This
14 subsection does not apply to contracts entered into by the
15 Illinois State Board of Investment for investment options under
16 Section 24-104 of the Illinois Pension Code.

17 (c) Any business subject to the requirements of this
18 Section that is authorized to transact business in this State
19 on the effective date of this amendatory Act of the 101st
20 General Assembly must obtain an equal pay certificate within 3
21 years after the effective date of this amendatory Act of the
22 101st General Assembly and must recertify every 2 years
23 thereafter. Any business subject to the requirements of this
24 Section that is authorized to transact business in this State
25 after the effective date of this amendatory Act of the 101st
26 General Assembly must obtain an equal pay certificate within 3

1 years of commencing business operations and must recertify
2 every 2 years thereafter.

3 (d) Application.

4 (1) A business shall apply for an equal pay certificate
5 by paying a \$150 filing fee and submitting an equal pay
6 compliance statement to the Director. Any business that is
7 required to file an annual Employer Information Report
8 EEO-1 with the Equal Employment Opportunity Commission
9 must also submit to the Director a copy of the business's
10 most recently filed Employer Information Report EEO-1. The
11 proceeds from the fees collected under this Section shall
12 be deposited into the Equal Pay Certificate Fund, a special
13 fund created in the State treasury. Moneys in the Fund
14 shall be appropriated to the Department for the purposes of
15 this Section. The Director shall issue an equal pay
16 certificate of compliance to a business that submits to the
17 Director a statement signed by the chairperson of the board
18 or chief executive officer of the business:

19 (A) that the business is in compliance with Title
20 VII of the Civil Rights Act of 1964, the Equal Pay Act
21 of 1963, the Illinois Human Rights Act, and the Equal
22 Wage Act;

23 (B) that the average compensation for its female
24 and minority employees is not consistently below the
25 average compensation for its male and non-minority
26 employees within each of the major job categories in

1 the Employer Information Report EEO-1 for which an
2 employee is expected to perform work under the
3 contract, taking into account factors such as length of
4 service, requirements of specific jobs, experience,
5 skill, effort, responsibility, working conditions of
6 the job, or other mitigating factors; as used in this
7 subparagraph, "minority" has the meaning ascribed to
8 that term in paragraph (1) of subsection (A) of Section
9 2 of the Business Enterprise for Minorities, Women, and
10 Persons with Disabilities Act;

11 (C) that the business does not restrict employees
12 of one sex to certain job classifications and makes
13 retention and promotion decisions without regard to
14 sex;

15 (D) that wage and benefit disparities are
16 corrected when identified to ensure compliance with
17 the Acts cited in subparagraph (A) and with
18 subparagraph (B); and

19 (E) how often wages and benefits are evaluated to
20 ensure compliance with the Acts cited in subparagraph
21 (A) and with subparagraph (B).

22 (2) The equal pay compliance statement shall also
23 indicate whether the business, in setting compensation and
24 benefits, utilizes:

25 (A) a market pricing approach;

26 (B) State prevailing wage or union contract

1 requirements;

2 (C) a performance pay system;

3 (D) an internal analysis; or

4 (E) an alternative approach to determine what
5 level of wages and benefits to pay its employees. If
6 the business uses an alternative approach, the
7 business must provide a description of its approach.

8 (3) Receipt of the equal pay compliance statement by
9 the Director does not establish compliance with the Acts
10 set forth in subparagraph (A).

11 (e) Issuance or rejection of certificate. The Director must
12 issue an equal pay certificate, or a statement of why the
13 application was rejected, within 15 days of receipt of the
14 application. An application may be rejected only if it does not
15 comply with the requirements of subsection (d).

16 (f) Revocation of certificate. An equal pay certificate for
17 a business may be suspended or revoked by the Director when the
18 business fails to make a good faith effort to comply with the
19 Acts identified in subparagraph (A) of paragraph (1) of
20 subsection (d), fails to make a good faith effort to comply
21 with this Section, or has multiple violations of this Section
22 or the Acts identified in subparagraph (A) of paragraph (1) of
23 subsection (d). Prior to suspending or revoking a certificate,
24 the Director must first have sought to conciliate with the
25 business regarding wages and benefits due to employees.

26 (g) Revocation of contract.

1 (1) If a contract is awarded to a business that does
2 not have an equal pay certificate as required under
3 subsection (b) or that is not in compliance with paragraph
4 (1) of subsection (d), the Director may void the contract
5 on behalf of the State. The contract award entity that is a
6 party to the agreement must be notified by the Director
7 prior to the Director taking action to void the contract.

8 (2) A contract may be abridged or terminated by the
9 contract award entity identified in subsection (b) upon
10 notice that the Director has suspended or revoked the
11 certificate of the business.

12 (h) Administrative review.

13 (1) A business may obtain an administrative hearing in
14 accordance with the Illinois Administrative Procedure Act
15 before the suspension or revocation of its certificate is
16 effective by filing a written request for hearing within 20
17 days after service of notice by the Director.

18 (2) A business may obtain an administrative hearing in
19 accordance with the Illinois Administrative Procedure Act
20 before the contract award entity's abridgement or
21 termination of a contract is effective by filing a written
22 request for a hearing 20 days after service of notice by
23 the contract award entity.

24 (i) Technical assistance. The Director must provide
25 technical assistance to any business that requests assistance
26 regarding this Section.

1 (j) Audit. The Director may audit the business's compliance
2 with this Section. As part of an audit, upon request, a
3 business must provide the Director the following information
4 with respect to employees expected to perform work under the
5 contract in each of the major job categories in the Employer
6 Information Report EEO-1:

7 (1) number of male employees;

8 (2) number of female employees;

9 (3) average annualized salaries paid to male employees
10 and to female employees, in the manner most consistent with
11 the employer's compensation system, within each major job
12 category;

13 (4) information on performance payments, benefits, or
14 other elements of compensation, in the manner most
15 consistent with the employer's compensation system, if
16 requested by the Director as part of a determination as to
17 whether these elements of compensation are different for
18 male and female employees;

19 (5) average length of service for male and female
20 employees in each major job category; and

21 (6) other information identified by the business or by
22 the Director, as needed, to determine compliance with items
23 specified in paragraph (1) of subsection (d).

24 (k) Access to data. Data submitted to the Director related
25 to equal pay certificates are private data on individuals or
26 nonpublic data with respect to persons other than Department

1 employees. The Director's decision to issue, not issue, revoke,
2 or suspend an equal pay certificate is public data.

3 (l) Penalty. The Department shall impose on any business
4 that does not obtain an equal pay certificate as required under
5 this Section a civil penalty in an amount equal to 1% of the
6 business's profits for every 1% of wage gap that exists after
7 accounting for differences in job title, experience, and
8 performance.

9 (m) Whistleblower protection. As used in this subsection,
10 "retaliatory action" means the reprimand, discharge,
11 suspension, demotion, denial of promotion or transfer, or
12 change in the terms and conditions of employment of any
13 employee of a facility that is taken in retaliation for the
14 employee's involvement in a protected activity as set forth in
15 paragraphs (1) through (3) of subsection (b).

16 (1) A facility shall not take any retaliatory action
17 against an employee of the facility, including a nursing
18 home administrator, because the employee does any of the
19 following:

20 (A) Discloses or threatens to disclose to a
21 supervisor or to a public body an activity, inaction,
22 policy, or practice implemented by a facility that the
23 employee reasonably believes is in violation of a law,
24 rule, or regulation.

25 (B) Provides information to or testifies before
26 any public body conducting an investigation, hearing,

1 or inquiry into any violation of a law, rule, or
2 regulation by a nursing home administrator.

3 (C) Assists or participates in a proceeding to
4 enforce the provisions of this Act.

5 (2) A violation of this Section may be established only
6 upon a finding that (i) the employee of the facility
7 engaged in conduct described in subsection (b) of this
8 Section and (ii) this conduct was a contributing factor in
9 the retaliatory action alleged by the employee. There is no
10 violation of this Section, however, if the facility
11 demonstrates by clear and convincing evidence that it would
12 have taken the same unfavorable personnel action in the
13 absence of that conduct.

14 (3) The employee of the facility may be awarded all
15 remedies necessary to make the employee whole and to
16 prevent future violations of this Section. Remedies
17 imposed by the court may include, but are not limited to,
18 all of the following:

19 (A) Reinstatement of the employee to either the
20 same position held before the retaliatory action or to
21 an equivalent position.

22 (B) Two times the amount of back pay.

23 (C) Interest on the back pay.

24 (D) Reinstatement of full fringe benefits and
25 seniority rights.

26 (E) Payment of reasonable costs and attorney's

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