

# SB1627



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

SB1627

Introduced 2/26/2021, by Sen. Doris Turner

#### SYNOPSIS AS INTRODUCED:

30 ILCS 500/45-35

Amends the Illinois Procurement Code. Provides that any qualified not-for-profit agency for persons with significant disabilities entering into a contract with the State for supplies and services under specified provisions shall offer a minimum hourly wage to its employees that is set at or above the State minimum wage.

LRB102 16898 RJF 22309 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 5. The Illinois Procurement Code is amended by  
5 changing Section 45-35 as follows:

6 (30 ILCS 500/45-35)

7 Sec. 45-35. Not-for-profit agencies for persons with  
8 significant disabilities.

9 (a) Qualification. Supplies and services may be procured  
10 without advertising or calling for bids from any qualified  
11 not-for-profit agency for persons with significant  
12 disabilities that:

13 (1) complies with Illinois laws governing private  
14 not-for-profit organizations;

15 (2) is certified as a work center by the Wage and Hour  
16 Division of the United States Department of Labor or is an  
17 accredited vocational program that provides transition  
18 services to youth between the ages of 14 1/2 and 22 in  
19 accordance with individualized education plans under  
20 Section 14-8.03 of the School Code and that provides  
21 residential services at a child care institution, as  
22 defined under Section 2.06 of the Child Care Act of 1969,  
23 or at a group home, as defined under Section 2.16 of the

1 Child Care Act of 1969; and

2 (3) is accredited by a nationally-recognized  
3 accrediting organization or certified as a developmental  
4 training provider by the Department of Human Services.

5 Notwithstanding any provision of law to the contrary, any  
6 qualified not-for-profit agency for persons with significant  
7 disabilities entering into a contract for supplies and  
8 services under this Section shall offer a minimum hourly wage  
9 to its employees that is set at or above the State minimum wage  
10 established under Section 4 of the Minimum Wage Law.

11 (b) Participation. To participate, the not-for-profit  
12 agency must have indicated an interest in providing the  
13 supplies and services, must meet the specifications and needs  
14 of the using agency, and must set a fair and reasonable price.

15 (c) Committee. There is created within the Department of  
16 Central Management Services a committee to facilitate the  
17 purchase of products and services of persons with a  
18 significant physical, developmental, or mental disability or a  
19 combination of any of those disabilities who cannot engage in  
20 normal competitive employment due to the significant  
21 disability or combination of those disabilities. This  
22 committee is called the State Use Committee. The State Use  
23 Committee shall consist of the Director of ~~the Department of~~  
24 Central Management Services or his or her designee, the  
25 Secretary ~~Director~~ of ~~the Department of~~ Human Services or his  
26 or her designee, one public member representing private

1 business who is knowledgeable of the employment needs and  
2 concerns of persons with developmental disabilities, one  
3 public member representing private business who is  
4 knowledgeable of the needs and concerns of rehabilitation  
5 facilities, one public member who is knowledgeable of the  
6 employment needs and concerns of persons with developmental  
7 disabilities, one public member who is knowledgeable of the  
8 needs and concerns of rehabilitation facilities, and 2 public  
9 members from a statewide association that represents  
10 community-based rehabilitation facilities, all appointed by  
11 the Governor. The public members shall serve 2 year terms,  
12 commencing upon appointment and every 2 years thereafter. A  
13 public member may be reappointed, and vacancies shall be  
14 filled by appointment for the completion of the term. In the  
15 event there is a vacancy on the State Use Committee, the  
16 Governor must make an appointment to fill that vacancy within  
17 30 calendar days after the notice of vacancy. The members  
18 shall serve without compensation but shall be reimbursed for  
19 expenses at a rate equal to that of State employees on a per  
20 diem basis by the Department of Central Management Services.  
21 All members shall be entitled to vote on issues before the  
22 State Use Committee.

23 The State Use Committee shall have the following powers  
24 and duties:

25 (1) To request from any State agency information as to  
26 product specification and service requirements in order to

1 carry out its purpose.

2 (2) To meet quarterly or more often as necessary to  
3 carry out its purposes.

4 (3) To request a quarterly report from each  
5 participating qualified not-for-profit agency for persons  
6 with significant disabilities describing the volume of  
7 sales for each product or service sold under this Section.

8 (4) To prepare a report for the Governor and General  
9 Assembly no later than December 31 of each year. The  
10 requirement for reporting to the General Assembly shall be  
11 satisfied by following the procedures set forth in Section  
12 3.1 of the General Assembly Organization Act.

13 (5) To prepare a publication that lists all supplies  
14 and services currently available from any qualified  
15 not-for-profit agency for persons with significant  
16 disabilities. This list and any revisions shall be  
17 distributed to all purchasing agencies.

18 (6) To encourage diversity in supplies and services  
19 provided by qualified not-for-profit agencies for persons  
20 with significant disabilities and discourage unnecessary  
21 duplication or competition among not-for-profit agencies.

22 (7) To develop guidelines to be followed by qualifying  
23 agencies for participation under the provisions of this  
24 Section. Guidelines shall include a list of national  
25 accrediting organizations which satisfy the requirements  
26 of item (3) of subsection (a) of this Section. The

1 guidelines shall be developed within 6 months after the  
2 effective date of this Code and made available on a  
3 nondiscriminatory basis to all qualifying agencies. The  
4 new guidelines required under this item (7) by Public Act  
5 100-203 ~~this amendatory Act of the 100th General Assembly~~  
6 shall be developed within 6 months after August 18, 2017  
7 (the effective date of Public Act 100-203) ~~this amendatory~~  
8 ~~Act of the 100th General Assembly~~ and made available on a  
9 non-discriminatory basis to all qualifying not-for-profit  
10 agencies.

11 (8) To review all pricing submitted under the  
12 provisions of this Section and may approve a proposed  
13 agreement for supplies or services where the price  
14 submitted is fair and reasonable.

15 (9) To, not less than every 3 years, adopt a strategic  
16 plan for increasing the number of products and services  
17 purchased from qualified not-for-profit agencies for  
18 persons with significant disabilities, including the  
19 feasibility of developing mandatory set-aside contracts.

20 (c-5) Conditions for Use. Each chief procurement officer  
21 shall, in consultation with the State Use Committee, determine  
22 which articles, materials, services, food stuffs, and supplies  
23 that are produced, manufactured, or provided by persons with  
24 significant disabilities in qualified not-for-profit agencies  
25 shall be given preference by purchasing agencies procuring  
26 those items.

1 (d) (Blank).

2 (e) Subcontracts. Subcontracts shall be permitted for  
3 agreements authorized under this Section. For the purposes of  
4 this subsection (e), "subcontract" means any acquisition from  
5 another source of supplies, not including raw materials, or  
6 services required by a qualified not-for-profit agency to  
7 provide the supplies or services that are the subject of the  
8 contract between the State and the qualified not-for-profit  
9 agency.

10 The State Use Committee shall develop guidelines to be  
11 followed by qualified not-for-profit agencies when seeking and  
12 establishing subcontracts with other persons or not-for-profit  
13 agencies in order to fulfill State contract requirements.  
14 These guidelines shall include the following:

15 (i) The State Use Committee must approve all  
16 subcontracts and substantive amendments to subcontracts  
17 prior to execution or amendment of the subcontract.

18 (ii) A qualified not-for-profit agency shall not enter  
19 into a subcontract, or any combination of subcontracts, to  
20 fulfill an entire requirement, contract, or order without  
21 written State Use Committee approval.

22 (iii) A qualified not-for-profit agency shall make  
23 reasonable efforts to utilize subcontracts with other  
24 not-for-profit agencies for persons with significant  
25 disabilities.

26 (iv) For any subcontract not currently performed by a

1 qualified not-for-profit agency, the primary qualified  
2 not-for-profit agency must provide to the State Use  
3 Committee the following: (A) a written explanation as to  
4 why the subcontract is not performed by a qualified  
5 not-for-profit agency, and (B) a written plan to transfer  
6 the subcontract to a qualified not-for-profit agency, as  
7 reasonable.

8 (Source: P.A. 100-203, eff. 8-18-17; revised 7-18-19.)