

1 AN ACT concerning State government.

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 45-45 as follows:

6 (30 ILCS 500/45-45)

7 Sec. 45-45. Small businesses.

8 (a) Set-asides. Each chief procurement officer has
9 authority to designate as small business set-asides a fair
10 proportion of construction, supply, and service contracts for
11 award to small businesses in Illinois. Advertisements for bids
12 or offers for those contracts shall specify designation as
13 small business set-asides. In awarding the contracts, only
14 bids or offers from qualified small businesses shall be
15 considered.

16 (b) Small business. "Small business" means a business that
17 is independently owned and operated and that is not dominant
18 in its field of operation. The chief procurement officer shall
19 establish a detailed definition by rule, using in addition to
20 the foregoing criteria other criteria, including the number of
21 employees and the dollar volume of business. When computing
22 the size status of a potential contractor, annual sales and
23 receipts of the potential contractor and all of its affiliates

1 shall be included. The maximum number of employees and the
2 maximum dollar volume that a small business may have under the
3 rules promulgated by the chief procurement officer may vary
4 from industry to industry to the extent necessary to reflect
5 differing characteristics of those industries, subject to the
6 following limitations:

7 (1) No wholesale business is a small business if its
8 annual sales for its most recently completed fiscal year
9 exceed \$13,000,000.

10 (2) No retail business or business selling services is
11 a small business if its annual sales and receipts exceed
12 \$8,000,000.

13 (3) No manufacturing business is a small business if
14 it employs more than 250 persons.

15 (4) No construction business is a small business if
16 its annual sales and receipts exceed \$14,000,000.

17 (c) Fair proportion. For the purpose of subsection (a),
18 for State agencies of the executive branch, a fair proportion
19 of construction contracts shall be no less than 25% nor more
20 than 40% of the annual total contracts for construction.

21 (d) Withdrawal of designation. A small business set-aside
22 designation may be withdrawn by the purchasing agency when
23 deemed in the best interests of the State. Upon withdrawal,
24 all bids or offers shall be rejected, and the bidders or
25 offerors shall be notified of the reason for rejection. The
26 contract shall then be awarded in accordance with this Code

1 without the designation of small business set-aside. Each
2 chief procurement officer shall make the annual report
3 available on his or her official website. Each chief
4 procurement officer shall also issue a press release in
5 conjunction with the small business annual report that
6 includes an executive summary of the annual report and a link
7 to the annual report on the chief procurement officer's
8 website.

9 (e) Small business specialist. Each chief procurement
10 officer shall designate one or more individuals to serve as
11 its small business specialist. The small business specialists
12 shall collectively work together to accomplish the following
13 duties:

14 (1) Compiling and maintaining a comprehensive list of
15 potential small contractors. In this duty, he or she shall
16 cooperate with the Federal Small Business Administration
17 in locating potential sources for various products and
18 services.

19 (2) Assisting small businesses in complying with the
20 procedures for bidding on State contracts.

21 (3) Examining requests from State agencies for the
22 purchase of property or services to help determine which
23 invitations to bid are to be designated small business
24 set-asides.

25 (4) Making recommendations to the chief procurement
26 officer for the simplification of specifications and terms

1 in order to increase the opportunities for small business
2 participation.

3 (5) Assisting in investigations by purchasing agencies
4 to determine the responsibility of bidders or offerors on
5 small business set-asides.

6 (f) Small business annual report. Each small business
7 specialist designated under subsection (e) shall annually
8 before November 1 report in writing to the General Assembly
9 concerning the awarding of contracts to small businesses. The
10 report shall include the total value of awards made in the
11 preceding fiscal year under the designation of small business
12 set-aside. The report shall also include the total value of
13 awards made to businesses owned by minorities, women, and
14 persons with disabilities, as defined in the Business
15 Enterprise for Minorities, Women, and Persons with
16 Disabilities Act, in the preceding fiscal year under the
17 designation of small business set-aside.

18 The requirement for reporting to the General Assembly
19 shall be satisfied by filing copies of the report as required
20 by Section 3.1 of the General Assembly Organization Act.

21 (Source: P.A. 100-43, eff. 8-9-17; 100-391, eff. 8-25-17;
22 100-863, eff. 8-14-18.)

23 Section 10. The Business Enterprise for Minorities, Women,
24 and Persons with Disabilities Act is amended by changing
25 Section 8f as follows:

1 (30 ILCS 575/8f)

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

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

8 (1) a summary detailing expenditures subject to the
9 goals, the actual goals specified, and the goals attained
10 by each State agency and public institution of higher
11 education;

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

15 (3) an analysis of the level of overall goal
16 achievement concerning purchases from minority-owned
17 businesses, women-owned businesses, and businesses owned
18 by persons with disabilities;

19 (4) an analysis of the number of businesses owned by
20 minorities, women, and persons with disabilities that are
21 certified under the program as well as the number of those
22 businesses that received State procurement contracts; and

23 (5) a summary of the number of contracts awarded to
24 businesses with annual gross sales of less than
25 \$1,000,000; of \$1,000,000 or more, but less than

1 \$5,000,000; of \$5,000,000 or more, but less than
2 \$10,000,000; and of \$10,000,000 or more. The Council shall
3 make the annual report available on its official website.
4 The Council shall also issue a press release in
5 conjunction with the annual report that includes an
6 executive summary of the annual report and a link to the
7 annual report on its official website.

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