

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 45-105 as follows:

6 (30 ILCS 500/45-105)

7 Sec. 45-105. Bid preference for Illinois businesses.

8 (a) (Blank).

9 (b) It is hereby declared to be the public policy of the
10 State of Illinois to promote the economy of Illinois through
11 the use of Illinois businesses for all State construction
12 contracts.

13 (c) Construction agencies procuring construction and
14 construction-related professional services shall make
15 reasonable efforts to contract with Illinois businesses.

16 (d) Beginning in 2022, each construction agency shall
17 submit a report to the Governor and the General Assembly by
18 September 1 of each year that identifies the Illinois
19 businesses procured by the construction agency, the primary
20 location of the construction project, the percentage of the
21 construction agency's utilization of Illinois businesses on
22 the project as a whole, and the actions that the construction
23 agency has undertaken to increase the use of Illinois

1 businesses.

2 (e) In procuring construction and construction-related
3 professional services for projects with a total value that
4 exceeds the small purchase maximum established by Section
5 20-20 of this Code, construction agencies shall provide a bid
6 preference to a responsive and responsible bidder that is an
7 Illinois business as defined in this Section. The construction
8 agency shall allocate to the lowest bid by an Illinois
9 business that is responsible and responsive a bid preference
10 of 4% of the contract base bid. This subsection applies only to
11 projects where a business that is not an Illinois business
12 submits a bid.

13 (e-5) The chief procurement officer shall require at the
14 time of submission of a bid, and may require at the chief
15 procurement officer's option at any time during the term of
16 the contract, that the bidder or contractor submit an
17 affidavit and other supporting documents demonstrating that
18 the bidder or contractor is an Illinois business and, if
19 applicable, submit an affidavit and other supporting documents
20 demonstrating that the bidder or contractor is eligible for a
21 4% bid preference under this Section.

22 (e-10) If a contractor who is awarded a contract through
23 the use of a preference for Illinois businesses provided false
24 information in order to obtain that preference, then the
25 contractor is subject to disciplinary procedures as identified
26 in Section 50-65 of this Act.

1 (f) This Section does not apply to any contract for any
2 project for which federal funds are available for expenditure
3 when its provisions may be in conflict with federal law or
4 federal regulation.

5 (g) As used in this Section, "Illinois business" means a
6 contractor that is, for at least one year prior, operating and
7 headquartered in Illinois, subject to applicable State taxes,
8 and providing, at the time that an invitation for a bid or
9 notice of contract opportunity is first advertised,
10 construction or construction-related professional services.
11 "Illinois business" includes a foreign corporation duly
12 authorized to transact business in this State that has a bona
13 fide establishment for transacting business within this State
14 where it is operating, headquartered, and performing
15 construction or construction-related professional services at
16 least one year before an invitation for a bid or notice of
17 contract opportunity is first advertised. , and is operating
18 ~~as:~~

19 ~~(1) a sole proprietor whose primary residence is in~~
20 ~~Illinois;~~

21 ~~(2) a business incorporated or organized as a domestic~~
22 ~~corporation under the Business Corporation Act of 1983;~~

23 ~~(3) a business organized as a domestic partnership~~
24 ~~under the Uniform Partnership Act of 1997;~~

25 ~~(4) a business organized as a domestic limited~~
26 ~~partnership under the Uniform Limited Partnership Act of~~

1 ~~2001;~~

2 ~~(5) a business organized under the Limited Liability~~
3 ~~Company Act; or~~

4 ~~(6) a business organized under the Professional~~
5 ~~Limited Liability Company Act.~~

6 "Illinois business" does not include any subcontractors or
7 businesses headquartered outside of the State that have an
8 affiliated entity operating in the State.

9 (Source: P.A. 102-721, eff. 1-1-23; 103-570, eff. 1-1-24.)