

1 AN ACT concerning State procurement.

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 adding Section 50-10.5 and changing Section 50-60 as follows:

6 (30 ILCS 500/50-10.5 new)

7 Sec. 50-10.5. Prohibited bidders and contractors.

8 (a) Unless otherwise provided, no business shall bid or
9 enter into a contract with the State of Illinois or any State
10 agency if the business or any officer, director, partner, or
11 other managerial agent of the business has been convicted of
12 a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or
13 Class 2 felony under the Illinois Securities Law of 1953 for
14 a period of 5 years from the date of conviction.

15 (b) Every bid submitted to and contract executed by the
16 State shall contain a certification by the bidder or
17 contractor that the contractor is not barred from being
18 awarded a contract under this Section and that the contractor
19 acknowledges that the contracting State agency shall declare
20 the contract void if the certification completed pursuant to
21 this subsection (b) is false.

22 (c) If a business is not a natural person, the
23 prohibition in subsection (a) applies only if:

24 (1) the business itself is convicted of a felony
25 referenced in subsection (a); or

26 (2) the business is ordered to pay punitive damages
27 based on the conduct of any officer, director, partner,
28 or other managerial agent who has been convicted of a
29 felony referenced in subsection (a).

30 (d) A natural person who is convicted of a felony
31 referenced in subsection (a) remains subject to Section

1 50-10.

2 (30 ILCS 500/50-60)

3 Sec. 50-60. Voidable contracts.

4 (a) If any contract is entered into or purchase or
5 expenditure of funds is made in violation of this Code or any
6 other law, the contract may be declared void by the chief
7 procurement officer or may be ratified and affirmed, provided
8 the chief procurement officer determines that ratification is
9 in the best interests of the State. If the contract is
10 ratified and affirmed, it shall be without prejudice to the
11 State's rights to any appropriate damages.

12 (b) If, during the term of a contract, the contracting
13 agency determines that the contractor is delinquent in the
14 payment of debt as set forth in Section 50-11 of this Code,
15 the State agency may declare the contract void if it
16 determines that voiding the contract is in the best interests
17 of the State. The Debt Collection Board shall adopt rules
18 for the implementation of this subsection (b).

19 (c) If, during the term of a contract, the contracting
20 agency determines that the contractor is in violation of
21 Section 50-10.5 of this Code, the contracting agency shall
22 declare the contract void.

23 (Source: P.A. 92-404, eff. 7-1-02.)