



Sen. Matt Murphy

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LRB095 11052 NHT 34273 a

1 AMENDMENT TO SENATE BILL 1426

2 AMENDMENT NO. _____. Amend Senate Bill 1426 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The School Code is amended by changing Section
5 10-20.21 as follows:

6 (105 ILCS 5/10-20.21) (from Ch. 122, par. 10-20.21)
7 Sec. 10-20.21. Contracts.

8 (a) To award all contracts for purchase of supplies,
9 materials or work or contracts with private carriers for
10 transportation of pupils involving an expenditure in excess of
11 \$25,000 or a lower amount as required by board policy ~~\$10,000~~
12 to the lowest responsible bidder, considering conformity with
13 specifications, terms of delivery, quality and serviceability,
14 after due advertisement, except the following: (i) contracts
15 for the services of individuals or corporations possessing a
16 high degree of professional skill where the ability or fitness

1 of the individual or corporation plays an important part; (ii)
2 contracts for the printing of finance committee reports and
3 departmental reports; (iii) contracts for the printing or
4 engraving of bonds, tax warrants and other evidences of
5 indebtedness; (iv) contracts for the purchase of perishable
6 foods and perishable beverages, including, but not limited to,
7 food service contracts; (v) contracts for materials and work
8 which have been awarded to the lowest responsible bidder after
9 due advertisement, but due to unforeseen revisions, not the
10 fault of the contractor for materials and work, must be revised
11 causing expenditures not in excess of 10% of the contract
12 price; (vi) contracts for the maintenance or servicing of, or
13 provision of repair parts for, equipment which are made with
14 the manufacturer or authorized service agent of that equipment
15 where the provision of parts, maintenance, or servicing can
16 best be performed by the manufacturer or authorized service
17 agent; (vii) purchases and contracts for the use, purchase,
18 delivery, movement, or installation of data processing
19 equipment, software, or services and telecommunications and
20 interconnect equipment, software, and services; (viii)
21 contracts for duplicating machines and supplies; (ix)
22 contracts for the purchase of natural gas when the cost is less
23 than that offered by a public utility; (x) purchases of
24 equipment previously owned by some entity other than the
25 district itself; (xi) contracts for repair, maintenance,
26 remodeling, renovation, or construction, or a single project

1 involving an expenditure not to exceed \$50,000 ~~\$20,000~~ and not
2 involving a change or increase in the size, type, or extent of
3 an existing facility; (xii) contracts for goods or services
4 procured from another governmental agency or consortia of
5 agencies; (xiii) contracts for goods or services which are
6 economically procurable from only one source, such as for the
7 purchase of magazines, books, periodicals, pamphlets and
8 reports, and for utility services such as water, light, heat,
9 telephone or telegraph; (xiv) where funds are expended in an
10 emergency and such emergency expenditure is approved by 3/4 of
11 the members of the board; ~~and~~ (xv) State master contracts
12 authorized under Article 28A of this Code; and (xvi) contracts
13 for the provision of motor vehicle fuel. A school board must
14 either award electricity contracts involving an expenditure in
15 excess of \$25,000 to the lowest responsible bidder, considering
16 conformity with specifications, terms of delivery, quality,
17 and serviceability, after due advertisement or procure
18 electricity through a request for proposals process similar to
19 the process set forth in Article 19b of this Code. If a school
20 district joins a utility consortium, then that consortium must
21 either award electricity contracts involving an expenditure in
22 excess of \$25,000 to the lowest responsible bidder, considering
23 conformity with specifications, terms of delivery, quality,
24 and serviceability, after due advertisement or procure
25 electricity through a request for proposals process similar to
26 the process set forth in Article 19b of this Code.

1 All competitive bids for contracts involving an
2 expenditure in excess of \$25,000 or a lower amount as required
3 by board policy ~~\$10,000~~ must be sealed by the bidder and must
4 be opened by a member or employee of the school board at a
5 public bid opening at which the contents of the bids must be
6 announced. Each bidder must receive at least 3 days' notice of
7 the time and place of the bid opening. For purposes of this
8 Section due advertisement includes, but is not limited to, at
9 least one public notice at least 10 days before the bid date in
10 a newspaper published in the district, or if no newspaper is
11 published in the district, in a newspaper of general
12 circulation in the area of the district. State master contracts
13 and certified education purchasing contracts, as defined in
14 Article 28A of this Code, are not subject to the requirements
15 of this paragraph.

16 (b) To require, as a condition of any contract for goods
17 and services, that persons bidding for and awarded a contract
18 and all affiliates of the person collect and remit Illinois Use
19 Tax on all sales of tangible personal property into the State
20 of Illinois in accordance with the provisions of the Illinois
21 Use Tax Act regardless of whether the person or affiliate is a
22 "retailer maintaining a place of business within this State" as
23 defined in Section 2 of the Use Tax Act. For purposes of this
24 Section, the term "affiliate" means any entity that (1)
25 directly, indirectly, or constructively controls another
26 entity, (2) is directly, indirectly, or constructively

1 controlled by another entity, or (3) is subject to the control
2 of a common entity. For purposes of this subsection (b), an
3 entity controls another entity if it owns, directly or
4 individually, more than 10% of the voting securities of that
5 entity. As used in this subsection (b), the term "voting
6 security" means a security that (1) confers upon the holder the
7 right to vote for the election of members of the board of
8 directors or similar governing body of the business or (2) is
9 convertible into, or entitles the holder to receive upon its
10 exercise, a security that confers such a right to vote. A
11 general partnership interest is a voting security.

12 To require that bids and contracts include a certification
13 by the bidder or contractor that the bidder or contractor is
14 not barred from bidding for or entering into a contract under
15 this Section and that the bidder or contractor acknowledges
16 that the school board may declare the contract void if the
17 certification completed pursuant to this subsection (b) is
18 false.

19 (b-5) To require all contracts and agreements that pertain
20 to goods and services and that are intended to generate
21 additional revenue and other remunerations for the school
22 district in excess of \$1,000, including without limitation
23 vending machine contracts, sports and other attire, class
24 rings, and photographic services, to be approved by the school
25 board. The school board shall file as an attachment to its
26 annual budget a report, in a form as determined by the State

1 Board of Education, indicating for the prior year the name of
2 the vendor, the product or service provided, and the actual net
3 revenue and non-monetary remuneration from each of the
4 contracts or agreements. In addition, the report shall indicate
5 for what purpose the revenue was used and how and to whom the
6 non-monetary remuneration was distributed.

7 (c) If the State education purchasing entity creates a
8 master contract as defined in Article 28A of this Code, then
9 the State education purchasing entity shall notify school
10 districts of the existence of the master contract.

11 (d) In purchasing supplies, materials, equipment, or
12 services that are not subject to subsection (c) of this
13 Section, before a school district solicits bids or awards a
14 contract, the district may review and consider as a bid under
15 subsection (a) of this Section certified education purchasing
16 contracts that are already available through the State
17 education purchasing entity.

18 (Source: P.A. 93-25, eff. 6-20-03; 93-1036, eff. 9-14-04;
19 94-714, eff. 7-1-06.)

20 Section 99. Effective date. This Act takes effect upon
21 becoming law."