99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB2400

Introduced 2/3/2016, by Sen. Pamela J. Althoff and Kyle McCarter

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Procurement Code. Provides that the chief procurement officer and designated procurement officers owe a fiduciary duty to the State. Exempts certain procurements from the Code. Re-enacts and makes changes to a provision concerning the applicability of the Code to public institutions of higher education. Provides that the chief procurement officer shall be the Director of Central Management Services or his or her designee. Provides for designated procurement officers of certain State functions. Includes designated procurement officers in certain responsibilities under the Procurement Code. Transfers certain responsibilities from the Procurement Policy Board to the Department. Provides for competitive procurements from a pre-qualified pool. Requires the Auditor General to perform, no less frequently than biennially, separate performance audits of procurements under the authority of the chief procurement officer and each designated procurement officer. Allows the Auditor General to review a specific procurement or category of procurements at any time. Repeals certain provisions concerning proposed contracts and the Board, independent State purchasing officers, procurement compliance monitors, independent chief procurement officers, methods of source selection, and procurement communications reporting. Makes other changes. Amends the State Employee Indemnification Act; Civil Administrative Code, Architectural, Engineering, and Land Surveying Qualifications Based Selection Act; Illinois State Auditing Act; Criminal Code of 2012; and the Illinois Human Rights Act to make related changes. Effective January 1, 2017.

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FISCAL NOTE ACT MAY APPLY 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 State Employee Indemnification Act is 5 amended by changing Section 1 as follows:

6 (5 ILCS 350/1) (from Ch. 127, par. 1301)

Sec. 1. Definitions. For the purpose of this Act:

(a) The term "State" means the State of Illinois, the 8 9 General Assembly, the court, or any State office, department, division, bureau, board, commission, or committee, the 10 governing boards of the public institutions of higher education 11 created by the State, the Illinois National Guard, the 12 13 Comprehensive Health Insurance Board, any poison control 14 center designated under the Poison Control System Act that receives State funding, or any other agency or instrumentality 15 16 of the State. It does not mean any local public entity as that term is defined in Section 1-206 of the Local Governmental and 17 Governmental Employees Tort Immunity Act or a pension fund. 18

(b) The term "employee" means: any present or former elected or appointed officer, trustee or employee of the State, or of a pension fund; any present or former commissioner or employee of the Executive Ethics Commission or of the Legislative Ethics Commission; any present or former

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1 Legislative, or Auditor General's Executive, Inspector 2 General; any present or former employee of an Office of an 3 Executive, Legislative, or Auditor General's Inspector General; any present or former member of the Illinois National 4 5 Guard while on active duty; individuals or organizations who contract with the Department of Corrections, the Department of 6 7 Juvenile Justice, the Comprehensive Health Insurance Board, or 8 the Department of Veterans' Affairs to provide services; 9 individuals or organizations who contract with the Department 10 of Human Services (as successor to the Department of Mental 11 Health and Developmental Disabilities) to provide services 12 including but not limited to treatment and other services for 13 sexually violent persons; individuals or organizations who contract with the Department of Military Affairs for youth 14 15 programs; individuals or organizations who contract to perform 16 carnival and amusement ride safety inspections for the 17 Department of Labor; individuals who contract with the Office of the State's Attorneys Appellate Prosecutor to provide legal 18 services, but only when performing duties within the scope of 19 20 the Office's prosecutorial activities; individual representatives of or designated organizations authorized to 21 22 represent the Office of State Long-Term Ombudsman for the 23 Aging; individual representatives of Department on or 24 organizations designated by the Department on Aging in the 25 performance of their duties as adult protective services 26 agencies or regional administrative agencies under the Adult

1 Protective Services Act; individuals or organizations 2 appointed as members of a review team or the Advisory Council under the Adult Protective Services Act; 3 individuals or organizations who perform volunteer services for the State 4 5 where such volunteer relationship is reduced to writing; individuals who serve on any public entity (whether created by 6 law or administrative action) described in paragraph (a) of 7 this Section; individuals or not for profit organizations who, 8 9 either as volunteers, where such volunteer relationship is 10 reduced to writing, or pursuant to contract, furnish 11 professional advice or consultation to any agency or 12 instrumentality of the State; an individual or organization 13 contracted with by the State pursuant to item (4) of subsection (b) of Section 1-10 of the Illin<u>ois Procurement Code</u>; 14 15 individuals who serve as foster parents for the Department of 16 Children and Family Services when caring for a Department ward; 17 individuals who serve as members of an independent team of experts under Brian's Law; and individuals who serve as 18 arbitrators pursuant to Part 10A of Article II of the Code of 19 20 Civil Procedure and the rules of the Supreme Court implementing Part 10A, each as now or hereafter amended; 21 the term 22 "employee"does not mean an independent contractor except as 23 provided in this Section. The term includes an individual appointed as an inspector by the Director of State Police when 24 25 performing duties within the scope of the activities of a 26 Metropolitan Enforcement Group or а law enforcement

1 organization established under the Intergovernmental 2 Cooperation Act. An individual who renders professional advice 3 and consultation to the State through an organization which qualifies as an "employee" under the Act is also an employee. 4 The term includes the estate or personal representative of an 5 6 employee.

7 (c) The term "pension fund" means a retirement system or
8 pension fund created under the Illinois Pension Code.
9 (Source: P.A. 98-49, eff. 7-1-13; 98-83, eff. 7-15-13; 98-732,

10 eff. 7-16-14; 98-756, eff. 7-16-14.)

Section 10. The Civil Administrative Code of Illinois is amended by changing Section 5-115 as follows:

13 (20 ILCS 5/5-115) (was 20 ILCS 5/5.13e)

Sec. 5-115. In the Department of Central Management
Services. <u>Three Two</u> Assistant Directors of Central Management
Services. <u>One of these 3 Assistant Directors shall be the</u>
<u>Assistant Director for Procurement.</u>

18 (Source: P.A. 91-239, eff. 1-1-00.)

- Section 15. The Illinois State Auditing Act is amended by changing Sections 3-2 and 3-3 as follows:
- 21 (30 ILCS 5/3-2) (from Ch. 15, par. 303-2)
- 22 Sec. 3-2. Mandatory and directed post audits. The Auditor

General shall conduct a financial audit, a compliance audit, or 1 2 other attestation engagement, as is appropriate to the agency's 3 operations under generally accepted government auditing standards, of each State agency except the Auditor General or 4 5 his office at least once during every biennium, except as is otherwise provided in regulations adopted under Section 3-8. 6 7 The general direction and supervision of the financial audit 8 program may be delegated only to an individual who is a 9 Certified Public Accountant and a payroll employee of the Office of the Auditor General. In the conduct of financial 10 11 audits, compliance audits, and other attestation engagements, 12 the Auditor General may inquire into and report upon matters 13 properly within the scope of a performance audit, provided that such inquiry shall be limited to matters arising during the 14 15 ordinary course of the financial audit.

In any year the Auditor General shall conduct any special audits as may be necessary to form an opinion on the financial statements of this State, as prepared by the Comptroller, and to certify that this presentation is in accordance with generally accepted accounting principles for government.

Simultaneously with the biennial compliance audit of the Department of Human Services, the Auditor General shall conduct a program audit of each facility under the jurisdiction of that Department that is described in Section 4 of the Mental Health and Developmental Disabilities Administrative Act. The program audit shall include an examination of the records of each

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facility concerning (i) reports of suspected abuse or neglect 1 2 of any patient or resident of the facility and (ii) reports of violent acts against facility staff by patients or residents. 3 The Auditor General shall report the findings of the program 4 5 audit to the Governor and the General Assembly, including 6 findings concerning patterns or trends relating to (i) abuse or 7 neglect of facility patients and residents or (ii) violent acts 8 against facility staff by patients or residents. However, for 9 any year for which the Inspector General submits a report to 10 the Governor and General Assembly as required under Section 6.7 11 of the Abused and Neglected Long Term Care Facility Residents 12 Reporting Act, the Auditor General need not conduct the program 13 audit otherwise required under this paragraph.

The Auditor General shall conduct a performance audit of a State agency when so directed by the Commission, or by either house of the General Assembly, in a resolution identifying the subject, parties and scope. Such a directing resolution may:

(a) require the Auditor General to examine and report
upon specific management efficiencies or cost
effectiveness proposals specified therein;

(b) in the case of a program audit, set forth specific program objectives, responsibilities or duties or may specify the program performance standards or program evaluation standards to be the basis of the program audit;

(c) be directed at particular procedures or functions
established by statute, by administrative regulation or by

1 precedent; and

2 (d) require the Auditor General to examine and report
3 upon specific proposals relating to state programs
4 specified in the resolution.

5 The Commission may by resolution clarify, further direct, 6 or limit the scope of any audit directed by a resolution of the 7 House or Senate, provided that any such action by the 8 Commission must be consistent with the terms of the directing 9 resolution.

10The Auditor General shall conduct performance audits as11required under Section 50-80 of the Illinois Procurement Code.12(Source: P.A. 93-630, eff. 12-23-03; 94-347, eff. 7-28-05.)

13 (30 ILCS 5/3-3) (from Ch. 15, par. 303-3)

14 Sec. 3-3. Discretionary audits. The Auditor General may 15 initiate and conduct a special audit whenever he determines it 16 to be in the public interest.

The Auditor General may initiate and conduct an economy and efficiency audit of a State agency or program whenever the findings of a post audit indicate that such an audit is advisable or in the public interest, if he has given the Commission at least 30 days' prior notice of his intention to conduct the audit and the Commission has not disapproved of that audit.

The Auditor General may, at any time, make informal inquiries of any agency concerning its obligation, receipt, expenditure or use of State funds, but such an inquiry may not
 be in the nature of an investigation or post audit.

3 <u>The Auditor General may, by audit or informally, review</u>
4 procurements under Section 50-80 of the Illinois Procurement
5 <u>Code.</u>

6 (Source: P.A. 93-630, eff. 12-23-03.)

7 Section 20. The Illinois Procurement Code is amended by changing Sections 1-5, 1-10, 1-12, 1-13, 1-15.12, 1-15.15, 8 1-15.20, 1-15.70, 1-15.107, 1-15.108, 5-5, 10-5, 15-1, 15-20, 9 10 15-25, 15-30, 15-35, 20-10, 20-20, 20-25, 20-30, 20-35, 20-43, 11 20-45, 20-50, 20-55, 20-60, 20-65, 20-70, 20-75, 20-80, 20-85, 12 20-110, 20-120, 20-155, 20-160, 25-15, 25-30, 25-35, 25-45, 25-65, 30-35, 35-5, 35-10, 35-15, 35-20, 35-25, 35-30, 35-35, 13 35-40, 40-15, 40-20, 40-25, 40-30, 40-35, 40-55, 45-10, 45-15, 14 15 45-30, 45-35, 45-40, 45-45, 45-57, 45-67, 45-70, 50-1, 50-2, 16 50-5, 50-10, 50-10.5, 50-11, 50-12, 50-20, 50-21, 50-30, 50-35, 50-36, 50-37, 50-38, 50-40, 50-45, 50-60, 50-65, and 50-75 and 17 by adding Sections 1-13.1, 1-15.38, 1-15.47, 1-15.56, 1-15.74, 18 10-6, 15-36, 20-16, 20-51, 25-81, and 50-80 as follows: 19

20 (30 ILCS 500/1-5)

Sec. 1-5. Public policy. It is the purpose of this Code and is declared to be the policy of the State that the principles of competitive bidding and economical procurement practices shall be applicable to all purchases and contracts by or for 1 any State agency. The chief procurement officer, the designated 2 procurement officers, and their designees owe a fiduciary duty 3 to the State. (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

5 (30 ILCS 500/1-10)

6 Sec. 1-10. Application.

7 This Code applies only to procurements for which (a) 8 bidders, offerors, potential contractors, or contractors were 9 first solicited on or after July 1, 1998. This Code shall not 10 be construed to affect or impair any contract, or any provision 11 of a contract, entered into based on a solicitation prior to 12 the implementation date of this Code as described in Article 13 99, including but not limited to any covenant entered into with 14 respect to any revenue bonds or similar instruments. All 15 procurements for which contracts are solicited between the 16 effective date of Articles 50 and 99 and July 1, 1998 shall be substantially in accordance with this Code and its intent. 17

18 (b) This Code shall apply regardless of the source of the 19 funds with which the contracts are paid, including federal 20 assistance moneys. This Code shall not apply to:

21 (1) Contracts between the State and its political 22 subdivisions or other governments, or between State 23 governmental bodies except as specifically provided in 24 this Code.

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(2) Grants, except for the filing requirements of

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1 Section 20-80.

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(3) Purchase of care.

3 (4) Hiring of an individual as employee and not as an independent contractor, whether pursuant to an employment 4 5 code or policy or by contract directly with that 6 individual. For the purposes of this paragraph (4), an 7 individual may use an organization wholly owned by the 8 individual to contract with the State provided that the 9 organization functions as an employee and not an 10 independent contractor. No such contract under this item 11 (4) shall constitute a position of employment as 12 contemplated by the Personnel Code.

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(5) Collective bargaining contracts.

14 (6) Purchase of real estate, except that notice of this type of contract with a value of more than \$25,000 must be 15 16 published in the Procurement Bulletin within 10 calendar 17 days after the deed is recorded in the county of jurisdiction. The notice shall identify the real estate 18 19 purchased, the names of all parties to the contract, the 20 value of the contract, and the effective date of the 21 contract.

(7) Contracts necessary to prepare for anticipated
litigation, enforcement actions, or investigations,
provided that the chief legal counsel to the Governor shall
give his or her prior approval when the procuring agency is
one subject to the jurisdiction of the Governor, and

1 provided that the chief legal counsel of any other 2 procuring entity subject to this Code shall give his or her 3 prior approval when the procuring entity is not one subject 4 to the jurisdiction of the Governor.

5 (8) Contracts for services to Northern Illinois 6 University by a person, acting as an independent 7 contractor, who is qualified by education, experience, and 8 technical ability and is selected by negotiation for the 9 purpose of providing non-credit educational service 10 activities or products by means of specialized programs 11 offered by the university.

12 (9) Procurement expenditures by the Illinois13 Conservation Foundation when only private funds are used.

14 (10) Procurement expenditures by the Illinois Health
15 Information Exchange Authority involving private funds
16 from the Health Information Exchange Fund. "Private funds"
17 means gifts, donations, and private grants.

18 (11)Public-private agreements entered into in 19 accordance with any law of this State according to the 20 procurement requirements of Section 20 of the 21 Public-Private Partnerships for Transportation Act and 22 design-build agreements entered into according to the 23 -of Section 25 -requirementsof the procurement 24 Public-Private Partnerships for Transportation Act.

(12) Contracts for legal, financial, and other
 professional and artistic services entered into on or

before December 31, 2018 by the Illinois Finance Authority 1 2 in which the State of Illinois is not obligated. Such 3 contracts shall be awarded through a competitive process authorized by the Board of the Illinois Finance Authority 4 5 and are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code, as well as the final 6 7 approval by the Board of the Illinois Finance Authority of 8 the terms of the contract.

9 <u>(13) Contracts for participation in domestic and</u> 10 <u>international trade shows and exhibitions.</u>

11 (14) Contracts with a railroad or utility that requires 12 the State to reimburse the railroad or utilities for the relocation of utilities for construction or other public 13 14 purpose. Contracts included within this paragraph (14) shall include, but not be limited to, those associated 15 with: relocations, <u>crossings</u>, <u>installations</u>, and 16 maintenance. For the purposes of this paragraph (14), 17 "railroad" means any form of non-highway ground 18 19 transportation that ground transportation that runs on rails or electromagnetic guideways and "utility" means: 20 21 (1) public utilities as defined in Section 3-105 of the 22 Public Utilities Act, (2) telecommunications carriers as 23 defined in Section 13-202 of the Public Utilities Act, (3) 24 electric cooperatives as defined in Section 3.4 of the Electric Supplier Act, (4) telephone or telecommunications 25 cooperatives as defined in Section 13-212 of the Public 26

1	Utilities Act, (5) rural water or waste water systems with
2	10,000 connections or less, (6) a holder as defined in
3	Section 21-201 of the Public Utilities Act, and (7)
4	municipalities owning or operating utility systems
5	consisting of public utilities as that term is defined in
6	Section 11-117-2 of the Illinois Municipal Code.

7 Notwithstanding any other provision of law, contracts 8 entered into under paragraph item (12) of this subsection (b) 9 shall be published in the Procurement Bulletin within 14 10 calendar days after contract execution. The chief procurement 11 officer shall prescribe the form and content of the notice. The 12 Illinois Finance Authority shall provide the chief procurement officer, on a monthly basis, in the form and content prescribed 13 by the chief procurement officer, a report of contracts that 14 15 are related to the procurement of goods and services identified 16 in paragraph item (12) of this subsection (b). At a minimum, 17 this report shall include the name of the contractor, a description of the supply or service provided, the total amount 18 19 of the contract, the term of the contract, and the exception to 20 the Code utilized. A copy of each of these contracts shall be made available to the chief procurement officer immediately 21 22 upon request. The chief procurement officer shall submit a 23 report to the Governor and General Assembly no later than November 1 of each year that shall include, at a minimum, an 24 25 annual summary of the monthly information reported to the chief 26 procurement officer.

1	Notwithstanding any other provision of law, contracts
2	entered into under paragraph (13) of this subsection (b) shall
3	be published in the Illinois Procurement Bulletin within 14
4	calendar days after contract execution. The chief procurement
5	officer shall prescribe the form and content of the notice. The
6	applicable State agency shall provide the chief procurement
7	officer or, if the procurement is under the authority of a
8	designated procurement officer, the applicable designated
9	procurement officer, on a monthly basis, in the form and
10	content prescribed by the chief procurement officer, a report
11	of the contracts that are related to the procurement of goods
12	and services identified in paragraph (13) of this subsection
13	(b). At a minimum, this report shall include the name of the
14	contractor, a description of the supply or service provided,
15	the total amount of the contract, the term of the contract, and
16	the exception to the Code utilized. A copy of any or all of
17	these contracts shall be made available to the chief
18	procurement officer immediately upon request. The chief
19	procurement officer shall submit a report to the Governor and
20	General Assembly no later than November 1 of each year that
21	shall include, at a minimum, an annual summary of the monthly
22	information reported to the chief procurement officer.

(c) This Code does not apply to the electric power procurement process provided for under Section 1-75 of the Illinois Power Agency Act and Section 16-111.5 of the Public Utilities Act.

1 (d) Except for Section 20-160 and Article 50 of this Code, 2 and as expressly required by Section 9.1 of the Illinois 3 Lottery Law, the provisions of this Code do not apply to the 4 procurement process provided for under Section 9.1 of the 5 Illinois Lottery Law.

6 (e) This Code does not apply to the process used by the 7 Capital Development Board to retain a person or entity to 8 assist the Capital Development Board with its duties related to 9 the determination of costs of a clean coal SNG brownfield 10 facility, as defined by Section 1-10 of the Illinois Power 11 Agency Act, as required in subsection (h-3) of Section 9-220 of 12 the Public Utilities Act, including calculating the range of 13 capital costs, the range of operating and maintenance costs, or the sequestration costs or monitoring the construction of clean 14 coal SNG brownfield facility for the full duration of 15 16 construction.

(f) This Code does not apply to the process used by the Illinois Power Agency to retain a mediator to mediate sourcing agreement disputes between gas utilities and the clean coal SNG brownfield facility, as defined in Section 1-10 of the Illinois Power Agency Act, as required under subsection (h-1) of Section 9-220 of the Public Utilities Act.

(g) This Code does not apply to the processes used by the Illinois Power Agency to retain a mediator to mediate contract disputes between gas utilities and the clean coal SNG facility and to retain an expert to assist in the review of contracts under subsection (h) of Section 9-220 of the Public Utilities Act. This Code does not apply to the process used by the Illinois Commerce Commission to retain an expert to assist in determining the actual incurred costs of the clean coal SNG facility and the reasonableness of those costs as required under subsection (h) of Section 9-220 of the Public Utilities Act.

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8 (h) This Code does not apply to the process to procure or 9 contracts entered into in accordance with Sections 11-5.2 and 10 11-5.3 of the Illinois Public Aid Code.

(i) <u>(Blank)</u>. Each chief procurement officer may access records necessary to review whether a contract, purchase, or other expenditure is or is not subject to the provisions of this Code, unless such records would be subject to attorney-client privilege.

16 (j) This Code does not apply to the process used by the 17 Capital Development Board to retain an artist or work or works 18 of art as required in Section 14 of the Capital Development 19 Board Act.

(k) This Code does not apply to the process to procure contracts, or contracts entered into, by the State Board of Elections or the State Electoral Board for hearing officers appointed pursuant to the Election Code.

(1) This Code does not apply to the processes used by the
 Illinois Student Assistance Commission to procure goods and
 services paid for from the private funds of the Illinois

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Prepaid Tuition Trust Fund. "Private funds" means funds derived from deposits paid into the Illinois Prepaid Tuition Trust Fund and the earnings thereon.

4 (Source: P.A. 97-96, eff. 7-13-11; 97-239, eff. 8-2-11; 97-502,
5 eff. 8-23-11; 97-689, eff. 6-14-12; 97-813, eff. 7-13-12;
6 97-895, eff. 8-3-12; 98-90, eff. 7-15-13; 98-463, eff. 8-16-13;
7 98-572, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1076, eff.
8 1-1-15.)

9 (30 ILCS 500/1-12)

10 (Section scheduled to be repealed on December 31, 2016)
11 Sec. 1-12. Applicability to artistic or musical services.
12 (a) This Code shall not apply to procurement expenditures
13 necessary to provide artistic or musical services,
14 performances, or theatrical productions held at a venue
15 operated or leased by a State agency.

16 (b) Notice of each contract entered into by a State agency that is related to the procurement of goods and services 17 18 identified in this Section shall be published in the applicable 19 volume of the Illinois Procurement Bulletin within 14 calendar 20 days after contract execution. The chief procurement officer 21 and each designated procurement officer shall prescribe the 22 form and content of the notice applicable to procurements 23 within their respective authorities. Each State agency shall 24 provide the chief procurement officer or designated procurement officer, whichever is applicable, on a monthly 25

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basis, in the form and content prescribed by the chief 1 procurement officer or designated procurement officer, 2 3 whichever is applicable, a report of contracts that are related to the procurement of supplies goods and services identified in 4 5 this Section. At a minimum, this report shall include the name of the contractor, a description of the supply or service 6 provided, the total amount of the contract, the term of the 7 contract, and the exception to the Code utilized. A copy of any 8 9 or all of these contracts shall be made available to the chief 10 procurement officer or designated procurement officer, 11 whichever is applicable, immediately upon request. The chief 12 procurement officer and designated procurement officers shall 13 submit a joint report to the Governor and General Assembly no later than November 1 of each year that shall include, at a 14 15 minimum, an annual summary of the monthly information reported 16 to the chief procurement officer.

(c) (Blank). This Section is repealed December 31, 2016.
(Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

19 (30 ILCS 500/1-13)

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20 (Section scheduled to be repealed on December 31, 2016)

21 Sec. 1-13. Applicability to public institutions of higher 22 education.

(a) This Code shall apply to public institutions of higher
 education, regardless of the source of the funds with which
 contracts are paid, except as provided in this Section.

- (b) Except as provided in this Section, this Code shall not 1 2 apply to procurements made by or on behalf of public 3 institutions of higher education for any of the following:
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(1) Memberships in professional, academic, research, 5 or athletic organizations on behalf of a public institution of higher education, an employee of a public institution of 6 7 higher education, or a student at a public institution of 8 higher education.

9 (2) Procurement expenditures for events or activities 10 paid for exclusively by revenues generated by the event or 11 activity, gifts or donations for the event or activity, 12 private grants, or any combination thereof.

(3) Procurement expenditures for events or activities 13 14 for which the use of specific potential contractors is 15 mandated or identified by the sponsor of the event or 16 activity, provided that the sponsor is providing a majority 17 of the funding for the event or activity.

18 (4) Procurement expenditures necessary to provide 19 athletic, artistic, or musical services, performances, 20 events, or productions held at a venue operated by or for a 21 public institution of higher education.

22 (5) Procurement expenditures for periodicals, and books, subscriptions, database licenses, and other 23 publications procured for use by a university library or 24 25 academic department, except for expenditures related to 26 procuring textbooks for student use or materials for resale

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1 or rental. 2 (6) Procurement expenditures for placement of students 3 in externships, practicums, field experiences, and for medical residencies and rotations. 4 5 (7) Blank. Contracts for programming and broadcast 6 license rights for university operated radio and 7 television stations. 8 (8) Procurement expenditures necessary to perform 9 sponsored research and other sponsored activities under 10 grants and contracts funded by the sponsor or by sources 11 other than State appropriations. 12 (9) Procurement expenditures for new and used textbooks offered for resale. 13 14 (10) Procurement expenditures for good and services provided by national and regional higher education 15 consortium groups pursuant to competitive solicitation 16 17 where fair pricing is determined. (11) Contracts with a foreign entity for research or 18 educational activities, provided that the foreign entity 19 20 either does not maintain an office in the United States or 21 is the sole source of the service or product. (12) Procurement <u>expenditures</u> for health care 22 23 professionals and for goods and services for the delivery 24 of care and treatment or education at medical, dental, or 25 veterinary teaching facilities utilized by the University 26 of Illinois or Southern Illinois University.

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1	(13) Procurement of goods and services for
2	university-operated health care centers and dispensaries
3	that provide care, treatment, and medications for
4	students, faculty, and staff.
5	(14) Procurement expenditures for student health
6	insurance programs.
7	(15) Procurement of medical or bio-medical goods and
8	services.
9	(16) Contracts for programming and broadcast license
10	rights for university-operated radio and television
11	stations.
12	(17) Procurement expenditures for used equipment.
13	(18) Procurement of food items for commercial resale.
14	(19) Procurement expenditures for investments,
15	banking, insurance, and debt underwriting.
16	Notice of each contract entered into by a public institution of
17	higher education that is related to the procurement of goods
18	and services identified in items (1) through (19) (7) of this
19	subsection shall be published in the appropriate volume of the
20	<u>Illinois</u> Procurement Bulletin within 14 calendar days after
21	contract execution. The <u>higher education designated</u>
22	procurement officer Chief Procurement Officer shall prescribe
23	the form and content of the notice. Each public institution of
24	higher education shall provide the higher education designated
25	procurement officer Chief Procurement Officer, on a monthly
26	basis, in the form and content prescribed by the <u>higher</u>

education designated procurement officer Chief Procurement 1 2 Officer, an annual a report of contracts that are related to the procurement of goods and services identified in this 3 subsection. At a minimum, this report shall include the name of 4 5 the contractor, a description of the supply or service provided, the total amount of the contract, the term of the 6 7 contract, and the exception to the Code utilized. A copy of any or all of these contracts shall be made available to the higher 8 9 education designated procurement officer Chief Procurement 10 Officer immediately upon request. The higher education 11 designated procurement officer Chief Procurement Officer shall 12 submit a report to the Governor and General Assembly no later than November 1 of each year that shall include, at a minimum, 13 an annual summary of the monthly information reported to the 14 15 Chief Procurement Officer.

16 (b-5) (Blank). Except as provided in this subsection, the 17 provisions of this Code shall not apply to contracts for FDA regulated supplies, and to contracts for medical services 18 19 necessary for the delivery of care and treatment at medical, dental, or veterinary teaching facilities utilized by Southern 20 Illinois University or the University of Illinois. Other 21 22 supplies and services needed for these teaching facilities 23 shall be subject to the jurisdiction of the Chief Procurement Officer for Public Institutions of Higher Education who may 24 25 establish expedited procurement procedures and may waive or modify certification, contract, hearing, process 26 and

- registration requirements required by the Code. All 1 2 procurements made under this subsection shall be documented and may require publication in the Illinois Procurement Bulletin. 3
- (c) (Blank). Procurements made by or on behalf of public 4 5 institutions of higher education for any of the following shall be made in accordance with the requirements of this Code to the 6 7 extent practical as provided in this subsection:
- (1) Contracts with a foreign entity necessary for 8 9 research or educational activities, provided that the foreign entity either does not maintain an office in the 10 11 United States or is the sole source of the service or 12 product.
- 13 (2) (Blank).

14 (3) (Blank).

15

(4) Procurements required for fulfillment of a grant. 16 Upon the written request of a public institution of higher 17 education, the Chief Procurement Officer may waive registration, certification, and hearing requirements of this 18 Code if, based on the item to be procured or the terms of a 19 20 grant, compliance is impractical. The public institution of higher education shall provide the Chief Procurement Officer 21 22 with specific reasons for the waiver, including the necessity 23 of contracting with a particular potential contractor, and shall certify that an effort was made in good faith to comply 24 with the provisions of this Code. The Chief Procurement Officer 25 shall provide written justification for any waivers. By 26

November 1 of each year, the Chief Procurement Officer shall 1 2 file a report with the General Assembly identifying each contract approved with waivers and providing the justification 3 given for any waivers for each of those contracts. Notice of 4 each waiver made under this subsection shall be published in 5 6 the Procurement Bulletin within 14 calendar days after contract execution. The Chief Procurement Officer shall prescribe 7 8 form and content of the notice.

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9 Notwithstanding this Section, a waiver of (d) the 10 registration requirements of Section 20-160 does not permit a business entity and any affiliated entities or affiliated 11 12 persons to make campaign contributions if otherwise prohibited 13 by Section 50-37. The total amount of contracts awarded in accordance with this Section shall be included in determining 14 15 the aggregate amount of contracts or pending bids of a business 16 entity and any affiliated entities or affiliated persons.

17 (e) Notwithstanding subsection (e) of Section 50-10.5 of this Code, the higher education designated procurement officer 18 19 Chief Procurement Officer, with the approval of the chief 20 procurement officer Executive Ethics Commission, may permit a 21 public institution of higher education to accept a bid or enter 22 into a contract with a business that assisted the public 23 institution of higher education in determining whether there is a need for a contract or assisted in reviewing, drafting, or 24 25 preparing documents related to a bid or contract, provided that 26 the bid or contract is essential to research administered by

the public institution of higher education and it is in the 1 2 best interest of the public institution of higher education to accept the bid or contract. For purposes of this subsection, 3 "business" includes all individuals with whom a business is 4 5 affiliated, including, but not limited to, any officer, agent, 6 emplovee, consultant, independent contractor, director, 7 partner, manager, or shareholder of a business. The Executive 8 Ethics Commission may promulgate rules and regulations for the 9 implementation and administration of the provisions of this 10 subsection (e).

11

(f) As used in this Section:

"Grant" means non-appropriated funding provided by a federal or private entity to support a project or program administered by a public institution of higher education and any non-appropriated funding provided to a sub-recipient of the grant.

"Public institution of higher education" means Chicago 17 State University, Eastern Illinois University, Governors State 18 19 University, Illinois State University, Northeastern Illinois 20 University, Northern Illinois University, Southern Illinois 21 University, University of Illinois, Western Illinois 22 University, and, for purposes of this Code only, the Illinois 23 Mathematics and Science Academy.

(g) (Blank). This Section is repealed on December 31, 2016.
(Source: P.A. 97-643, eff. 12-20-11; 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

1	(30 ILCS 500/1-13.1 new)
2	Sec. 1-13.1. Continuation of Section 1-13 of this Code;
3	validation.
4	(a) The General Assembly finds and declares that:
5	(1) Public Act 98-1076, which took effect on January 1,
6	2015, changed the repeal date set for Section 1-13 of this
7	Code from December 31, 2014 to December 31, 2016.
8	(2) The Statute on Statutes sets forth general rules on
9	the repeal of statutes and the construction of multiple
10	amendments, but Section 1 of that Act also states that
11	these rules will not be observed when the result would be
12	"inconsistent with the manifest intent of the General
13	Assembly or repugnant to the context of the statute".
14	(3) This amendatory Act of the 99th General Assembly
15	manifests the intention of the General Assembly to remove
16	the repeal of Section 1-13 of this Code.
17	(4) Section 1-13 of this Code was originally enacted to
18	protect, promote, and preserve the general welfare. Any
19	construction of Section 1-13 of this Code that results in
20	the repeal of that Section on December 31, 2014 would be
21	inconsistent with the manifest intent of the General
22	Assembly and repugnant to the context of this Code.
23	(b) It is hereby declared to have been the intent of the
24	General Assembly that Section 1-13 of this Code not be subject
25	to repeal on December 31, 2014.

1	(c) Section 1-13 of this Code shall be deemed to have been
2	in continuous effect since December 20, 2011 (the effective
3	date of Public Act 97-643), and it shall continue to be in
4	effect henceforward until it is otherwise lawfully repealed.
5	All previously enacted amendments to Section 1-13 of this Code
6	taking effect on or after December 31, 2014, are hereby
7	validated.
8	(d) All actions taken in reliance on or pursuant to Section
9	1-13 of this Code by any public institution of higher
10	education, person, or entity are hereby validated.
11	(e) In order to ensure the continuing effectiveness of
12	Section 1-13 of this Code, it is set forth in full and
13	re-enacted by this amendatory Act of the 99th General Assembly.
14	This re-enactment is intended as a continuation of that
15	Section. It is not intended to supersede any amendment to that
16	Section that is enacted by the 99th General Assembly.
17	(f) In this amendatory Act of the 99th General Assembly,
18	the base text of the reenacted Section is set forth as amended
19	by Public Act 98-1076. Striking and underscoring is used only
20	to show changes being made to the base text by this amendatory
21	Act of the 99th General Assembly.
22	(g) Section 1-13 of this Code applies to all procurements
23	made on or before the effective date of this amendatory Act of
24	the 99th General Assembly.

25 (30 ILCS 500/1-15.12)

1	Sec. 1-15.12. Change order. "Change order" means a change
2	in a contract term, other than as specifically provided for in
3	the contract, that requires which authorizes or necessitates
4	any increase or decrease in the cost of the contract or the
5	time for completion <u>of the contract</u> for procurements subject to
6	the jurisdiction of the chief procurement officers appointed
7	pursuant to Section 10-20.
8	(Source: P.A. 98-1076, eff. 1-1-15.)
9	(30 ILCS 500/1-15.15)
10	Sec. 1-15.15. Chief Procurement Officer. "Chief
11	Procurement Officer" means the Director of Central Management
12	Services or his or her designee or designees. any of the 4
13	persons appointed or approved by a majority of the members of
13	persons appointed or approved by a majority of the members of
13 14	persons appointed or approved by a majority of the members of the Executive Ethics Commission:
13 14 15	persons appointed or approved by a majority of the members of the Executive Ethics Commission: (1) for procurements for construction and
13 14 15 16	persons appointed or approved by a majority of the members of the Executive Ethics Commission: (1) for procurements for construction and construction related services committed by law to the
13 14 15 16 17	persons appointed or approved by a majority of the members of the Executive Ethics Commission: (1) for procurements for construction and construction related services committed by law to the jurisdiction or responsibility of the Capital Development
13 14 15 16 17 18	persons appointed or approved by a majority of the members of the Executive Ethics Commission: (1) for procurements for construction and construction related services committed by law to the jurisdiction or responsibility of the Capital Development Board, the independent chief procurement officer appointed
13 14 15 16 17 18 19	persons appointed or approved by a majority of the members of the Executive Ethics Commission: (1) for procurements for construction and construction related services committed by law to the jurisdiction or responsibility of the Capital Development Board, the independent chief procurement officer appointed by a majority of the members of the Executive Ethics
13 14 15 16 17 18 19 20	persons appointed or approved by a majority of the members of the Executive Ethics Commission: (1) for procurements for construction and construction related services committed by law to the jurisdiction or responsibility of the Capital Development Board, the independent chief procurement officer appointed by a majority of the members of the Executive Ethics Commission.
13 14 15 16 17 18 19 20 21	persons appointed or approved by a majority of the members of the Executive Ethics Commission: (1) for procurements for construction and construction related services committed by law to the jurisdiction or responsibility of the Capital Development Board, the independent chief procurement officer appointed by a majority of the members of the Executive Ethics Commission. (2) for procurements for all construction,
13 14 15 16 17 18 19 20 21 22	<pre>persons appointed or approved by a majority of the members of the Executive Ethics Commission:</pre>

Department of Transportation, including the direct or 1 2 reimbursable expenditure of all federal funds for which the 3 Department of Transportation is responsible or accountable for the use thereof in accordance with federal law, 4 5 regulation, or procedure, the independent chief 6 procurement officer appointed by the Secretary of 7 Transportation with the consent of the majority of the members of the Executive Ethics Commission. 8

9 (3) for all procurements made by a public institution
 10 of higher education, the independent chief procurement
 11 officer appointed by a majority of the members of the
 12 Executive Ethics Commission.

13 (4) (Blank).

14 (5) for all other procurements, the independent chief
 15 procurement officer appointed by a majority of the members
 16 of the Executive Ethics Commission.

17 (Source: P.A. 95-481, eff. 8-28-07; 96-795, eff. 7-1-10 (see 18 Section 5 of P.A. 96-793 for the effective date of changes made 19 by P.A. 96-795); 96-920, eff. 7-1-10.)

20 (30 ILCS 500/1-15.20)

Sec. 1-15.20. Construction, and construction-related, and <u>construction support</u> services. "Construction" means building, altering, repairing, improving, or demolishing any public structure or building, or making improvements of any kind to public real property. Construction does not include the routine operation, routine repair, or routine maintenance of existing
 structures, buildings, or real property.

3 "Construction-related services" means those services 4 including construction design, layout, inspection, support, 5 feasibility or location study, research, development, 6 planning, or other investigative study undertaken by a 7 construction agency concerning construction or potential 8 construction.

9 <u>"Construction support" means all equipment, supplies, and</u> 10 <u>services that are necessary to the operation of a construction</u> 11 <u>agency's construction program.</u>

12 (Source: P.A. 90-572, eff. 2-6-98.)

13 (30 ILCS 500/1-15.38 new)

14 <u>Sec. 1-15.38. Designated procurement officer. "Designated</u> 15 procurement officer" means those individuals or their 16 <u>designees that have been delegated procurement authority</u> 17 pursuant to subsection (b) of Section 10-5 of this Code.

18 (30 ILCS 500/1-15.47 new)
<u>Sec. 1-15.47. Master Contract. "Master contract" means a</u>
20 <u>definite quantity, indefinite quantity, or requirements</u>
21 <u>contract awarded in accordance with Sections 20-10, 20-15,</u>
22 <u>20-16, 20-20, 20-25, 20-30, 20-35, 30-15, 35-17, 45-30, or</u>
23 <u>45-35 of this Code against which subsequent orders may be</u>
24 <u>placed to meet the needs of entities, including, but not</u>

limited to, the purchasing agency. The subsequent orders may be 1 2 placed against a master contract without additional source 3 selection requirements. The terms of a master contract may 4 limit the master contract's usage to a specific agency or 5 agencies, or the terms of a master contract may allow the master contract to be used by other governmental units or 6 7 qualified not-for-profit agencies to the extent permitted by 8 the Governmental Joint Purchasing Act.

9 (30 ILCS 500/1-15.56 new)
 10 Sec. 1-15.56. Procurement. "Procurement" means, unless
 11 otherwise excluded, the solicitation, advertisement, and award
 12 of a contract. For the purposes of this Code, an order for
 13 supplies or services off of a master contract is not a
 14 procurement.

15 (30 ILCS 500/1-15.70)

Sec. 1-15.70. Purchasing agency. "Purchasing agency" means a State agency that <u>is authorized to enter into a contract (1)</u> <u>pursuant to this Code or its rules or (2) by delegation from</u> <u>the chief procurement officer or a designated procurement</u> <u>officer enters into a contract at the direction of a State</u> <u>purchasing officer authorized by a chief procurement officer or</u> <u>a chief procurement officer</u>.

23 (Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793
 24 for the effective date of changes made by P.A. 96-795).)

1	(30 ILCS 500/1-15.74 new)
2	Sec. 1-15.74. Request for qualifications. "Request for
3	qualifications" means the process by which a purchasing agency
4	requests information from offerors, including all documents,
5	whether attached or incorporated by reference, used for
6	soliciting qualifications.

7 (30 ILCS 500/1-15.107)

8 Sec. 1-15.107. Subcontract. "Subcontract" means a contract 9 between a subcontractor person and a contractor person who has 10 a contract subject to this Code, pursuant to which the 11 subcontractor assumes obligation for performing specific work under the contract provides to the contractor, or, if the 12 contract price exceeds \$50,000, another subcontractor, some or 13 14 all of the goods, services, real property, remuneration, or 15 other monetary forms of consideration that are the subject of 16 the primary contract and also includes, among other things, subleases from a lessee of a State agency. For purposes of this 17 Code, a "subcontract" does not include purchases of services 18 goods or supplies that are necessary for incidental to the 19 20 performance of a contract by a contractor person who has a 21 contract subject to this Code.

22 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

23

(30 ILCS 500/1-15.108)

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1	Sec. 1-15.108. Subcontractor. "Subcontractor" means a
2	person or entity that enters into a contractual agreement with
3	a total value of \$50,000 or more with a <u>contractor</u> person or
4	entity who has a contract subject to this Code pursuant to
5	which the person assumes obligation for performing specific
6	work under the contract or entity provides some or all of the
7	goods, services, real property, remuneration, or other
8	monetary forms of consideration that are the subject of the
9	primary State contract, and also includes, but is not limited
10	to, including subleases from a lessee of a State contract. For
11	purposes of this Code, a person or entity is not a
12	"subcontractor" if that person only provides <u>services</u> goods or
13	supplies <u>necessary for</u> that are incidental to the performance
14	of a contract by a <u>contractor</u> person who has a contract subject
15	to this Code.
16	(Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)
17	(30 ILCS 500/5-5)
18	Sec. 5-5. Procurement Policy Board.
19	(a) Creation. There is created a Procurement Policy Board,
20	an agency of the State of Illinois.
21	(b) Authority and duties. The Board shall have the
22	authority and responsibility to review, comment upon, and
23	recommend, consistent with this Code, rules and practices

25 of supplies, services, professional or artistic services,

24 governing the procurement, management, control, and disposal

construction, and real property and capital improvement leases 1 2 procured by the State. The Board shall also have the authority to recommend a program for professional development and provide 3 opportunities for training in procurement practices and 4 5 policies to the chief procurement officer, the designated procurement officers, and their staffs in order to ensure that 6 7 all procurement is conducted in an efficient, professional, and 8 appropriately transparent manner.

9 Upon a three-fifths vote of its members, the Board may 10 review an existing a contract. Upon a three-fifths vote of its 11 members, the Board may recommend propose procurement rules for 12 consideration by the chief procurement officer and designated 13 procurement officers. These proposals shall be published in 14 each volume of the Procurement Bulletin. Except as otherwise 15 provided by law, the Board shall act upon the vote of a 16 majority of its members who have been appointed and are 17 serving.

(b-5) Reviews, studies, and hearings. The Board may review, 18 study, and hold public hearings concerning the implementation 19 20 and administration of this Code. The Each chief procurement officer, designated procurement officers State purchasing 21 22 officer, procurement compliance monitor, and State agencies 23 agency shall cooperate with the Board, provide information to 24 the Board, and be responsive to the Board in the Board's 25 conduct of its reviews, studies, and hearings.

(c) Members. The Board shall consist of 5 members appointed

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1 one each by the 4 legislative leaders and the Governor. Each 2 member shall have demonstrated sufficient business or 3 professional experience in the area of procurement to perform 4 the functions of the Board. No member may be a member of the 5 General Assembly.

(d) Terms. Of the initial appointees, the Governor shall 6 7 designate one member, as Chairman, to serve a one-year term, 8 the President of the Senate and the Speaker of the House shall 9 each appoint one member to serve 3-year terms, and the Minority 10 Leader of the House and the Minority Leader of the Senate shall 11 each appoint one member to serve 2-year terms. Subsequent terms 12 shall be 4 years. Members may be reappointed for succeeding 13 terms.

14 (e) Reimbursement. Members shall receive no compensation
15 but shall be reimbursed for any expenses reasonably incurred in
16 the performance of their duties.

(f) Staff support. Upon a three-fifths vote of its members, the Board may employ an executive director. Subject to appropriation, the Board also may employ a reasonable and necessary number of staff persons.

(g) Meetings. Meetings of the Board may be conducted telephonically, electronically, or through the use of other telecommunications. Written minutes of such meetings shall be created and available for public inspection and copying.

(h) (Blank). Procurement recommendations. Upon a
 three fifths vote of its members, the Board may review a

proposal, bid, or contract and issue a recommendation to void a 1 2 contract or reject a proposal or bid based on any violation of this Code or the existence of a conflict of interest as 3 described in subsections (b) and (d) of Section 50-35. A chief 4 5 procurement officer or State purchasing officer shall notify the Board if an alleged conflict of interest or violation of 6 7 the Code is identified, discovered, or reasonably suspected to exist. Any person or entity may notify the Board of an alleged 8 conflict of interest or violation of the Code. A recommendation 9 10 of the Board shall be delivered to the appropriate chief 11 procurement officer and Executive Ethics Commission within 7 12 calendar days and must be published in the next volume of the Procurement Bulletin. In the event that an alleged conflict of 13 interest or violation of the Code that was not originally 14 disclosed with the bid, offer, or proposal is identified and 15 16 filed with the Board, the Board shall provide written notice of the alleged conflict of interest or violation to the bidder, 17 offeror, potential contractor, contractor, or subcontractor on 18 that contract. If the alleged conflict of interest or violation 19 20 is by the subcontractor, written notice shall also be provided to the bidder, offeror, potential contractor, or contractor. 21 22 The bidder, offeror, potential contractor, contractor, or subcontractor shall have 15 calendar days to provide a written 23 response to the notice, and a hearing before the Board on the 24 25 alleged conflict of interest or violation shall be held upon request by the bidder, offeror, potential contractor, 26

1 contractor, or subcontractor. The requested hearing date and 2 time shall be determined by the Board, but in no event shall 3 the hearing occur later than 15 calendar days after the date of the request. 4 5 (i) (Blank). After providing notice and a hearing as required by subsection (h), the Board shall refer any alleged 6 7 violations of this Code to the Executive Inspector General in addition to or instead of issuing a recommendation 8 9 contract. (j) Response. Each State agency must respond promptly in 10 writing to all inquiries and comments of the Procurement Policy 11 12 Board. (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.) 13 14 (30 ILCS 500/10-5) 15 Sec. 10-5. Exercise of procurement authority. 16 (a) The chief procurement officer or his or her designees shall exercise all procurement authority created by this Code 17 except as such authority is delegated either in this Code or by 18 the chief procurement officer or his or her designees to a 19 20 purchasing agency. The State purchasing officers appointed 21 under this Code shall exercise procurement authority at the 22 direction of their respective chief procurement officer. 23 Decisions of a State purchasing officer are subject to review 24 by the respective chief procurement officer. 25 (b) Procurement authority is delegated as follows:

1	(1) the Executive Director of the Capital Development
2	Board or his or her designee is the designated procurement
3	officer with authority for all procurements for
4	construction, construction-related services, and
5	construction support committed by law to the jurisdiction
6	or responsibility of the Capital Development Board.

7 (2) the Secretary of Transportation or his or her 8 designee is the designated procurement officer with 9 authority for all procurements for all construction, construction-related services, construction support, 10 11 operation of any facility, and the provision of any 12 construction or construction-related service or activity committed by law to the jurisdiction or responsibility of 13 14 the Department of Transportation, including the direct or reimbursable expenditure of all federal funds for which the 15 16 Department of Transportation is responsible or accountable for the use thereof in accordance with federal law, 17 regulation, or procedures. 18

19(3) a representative designated by the Board of Higher20Education is the designated procurement officer for all21procurements made by public institutions of higher22education.

23 <u>(4) the Chairman of the Illinois State Toll Highway</u>
 24 <u>Authority or his or her designee is the designated</u>
 25 <u>procurement officer with authority for all procurements</u>
 26 <u>for all construction, construction-related services,</u>

1	construction support, operation of any facility, and the
Ŧ	construction support, operation of any factifity, and the
2	provision of any construction or construction-related
3	service or activity committed by law to the jurisdiction or
4	responsibility of the Illinois State Toll Highway
5	Authority.
6	(c) The chief procurement officer may limit the authority
7	given under subsection (b) of this Section to procure general
8	services supplies and services and construction support by
9	administrative rulemaking in accordance with the Illinois
10	Administrative Procedure Act.
11	(d) In addition to any other requirement or qualification
12	required by State law, the chief procurement officer or his or
13	her designee and each designated procurement officer or their
14	designees must within 12 months of employment be a Certified
15	Professional Public Buyer or a Certified Public Purchasing

Officer, pursuant to certification by the Universal Public Purchasing Certification Council, and must reside in Illinois. (Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793) for the effective date of changes made by P.A. 96-795).)

20	(30 ILCS 500/10-6 new)
21	Sec. 10-6. Rulemaking authority; agency policy.
22	(a) Rulemaking. The chief procurement officer and the
23	designated procurement officers shall form a rulemaking
24	committee that is chaired by the chief procurement officer. The
25	rulemaking committee shall develop and adopt a single set of

1	joint rules to carry out the procurement authority set forth in
2	this Code. The uniform set of rules may contain one or more
3	subparts for various topics, including construction and
4	construction-related services. The rulemaking authority
5	mentioned in specific sections of this Code shall not be
6	construed as prohibiting or limiting rulemaking authority of
7	the chief procurement officer and designated procurement
8	officers on other procurement topics within their authority
9	under this Code.
10	The joint rules shall be adopted in accordance with the
11	Illinois Administrative Procedure Act. Contractual provisions,
12	specifications, and procurement descriptions are not rules and
13	are not subject to the Illinois Administrative Procedure Act.
14	(b) Policy. The chief procurement officer and designated
15	procurement officers shall promptly notify the Procurement
16	Policy Board in writing of any proposed new procurement rule or
17	policy or any proposed change in an existing procurement rule

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19 (30 ILCS 500/15-1)

or policy.

Sec. 15-1. Publisher. <u>The Each</u> chief procurement officer <u>and each designated procurement officer</u>, in consultation with the agencies under his or her jurisdiction, possesses the rights to and is the authority responsible for <u>maintaining and</u> publishing its <u>own separate</u> volume of the Illinois Procurement Bulletin. <u>The chief procurement officer and each designated</u>

procurement officer will provide a description of the agency or types of procurement in the title of the separate volumes of the Illinois Procurement Bulletin.

Each volume of the Illinois Procurement Bulletin shall be available electronically and may be available in print. References in this Code to the publication and distribution of the Illinois Procurement Bulletin include both its print and electronic formats.

9 (Source: P.A. 97-895, eff. 8-3-12.)

10 (30 ILCS 500/15-20)

11 Sec. 15-20. Qualified bidders or offerors. Subscription to 12 <u>any volume of</u> the Illinois Procurement Bulletin shall not be 13 required to qualify as a bidder or offeror under this Code. 14 (Source: P.A. 98-1076, eff. 1-1-15.)

15 (30 ILCS 500/15-25)

16 Sec. 15-25. Bulletin content.

17 (a) Invitations for bids. Notice of each and every contract that is offered, including renegotiated contracts and change 18 19 orders, shall be published in the applicable volume of the 20 Illinois Procurement Bulletin. All businesses listed on the 21 Department of Transportation Disadvantaged Business Enterprise 22 Directory, the Department of Central Management Services 23 Business Enterprise Program, and the Chief Procurement 24 Office's Small Business Vendors Directory shall be furnished

written instructions and information on how to register on each 1 2 Procurement Bulletin maintained by the State. Such information shall be provided to each business within 30 calendar days 3 after the business' notice of certification. The applicable 4 5 chief procurement officer or applicable designated procurement officer may provide by rule an organized format for the 6 7 publication of this information, but in any case it must include at least the date first offered, the date submission of 8 9 offers is due, the location that offers are to be submitted to, 10 the purchasing State agency, the e-mail address and telephone 11 number of the responsible State procurement contact purchasing 12 officer, a brief purchase description, the method of source selection, information of how to obtain a comprehensive 13 purchase description and any disclosure and contract forms, and 14 15 may include encouragement to potential contractors to hire 16 qualified veterans, as defined by Section 45-67 of this Code, 17 and qualified Illinois minorities, women, persons with disabilities, and residents discharged from any Illinois adult 18 correctional center. 19

20 <u>(a-5) All businesses listed on the Illinois Unified</u>
21 <u>Certification Program Disadvantaged Business Enterprise</u>
22 <u>Directory, the Business Enterprise Program of the Department of</u>
23 <u>Central Management Services, and the Small Business Vendors</u>
24 <u>Directory of the Department of Central Management Services</u>
25 <u>shall be furnished written instructions and information on how</u>
26 <u>to register for each volume of the Illinois Procurement</u>

Bulletin. Such information shall be provided to each business within 30 calendar days after the business's notice of certification.

(b) Contracts let. Notice of each and every contract that 4 5 is let, including renegotiated contracts and change orders, posted *issued* electronically to those bidders 6 shall be 7 submitting responses to the solicitations, inclusive of the 8 unsuccessful bidders, immediately upon contract let. Failure 9 of any chief procurement officer to give such notice shall 10 result in tolling the time for filing a bid protest up to 7 11 calendar days.

For purposes of this subsection (b), "contracts let" means a construction agency's act of <u>posting</u> advertising an <u>invitation for</u> bids, after the bid opening, for one or more construction projects.

16 (b-5) Contracts awarded. Notice of each and every contract 17 that is awarded, including renegotiated contracts and change orders, shall be issued electronically to the successful 18 19 responsible bidder, offeror, or contractor and published in the next available subsequent Bulletin. The applicable chief 20 procurement officer or applicable designated procurement 21 22 officer may provide by rule an organized format for the 23 publication of this information, but in any case it must include at least all of the information specified in subsection 24 25 (a) as well as the name of the successful responsible bidder, offeror, or contractor, and the contract price, or, for 26

1 contracts where a group of offerors is qualified as part of a 2 pre-qualified pool in accordance with Article 35 of this Code, an upper limit value shall be published for the entire 3 pre-qualified pool along with unit or hourly pricing for each 4 5 individual offeror, the number of unsuccessful bidders, or offerors, or contractors and any other disclosure specified in 6 7 any Section of this Code. This notice must be posted in the online electronic Bulletin prior to execution of the contract. 8

9 For purposes of this subsection (b-5), "contract award" 10 means the determination that a particular bidder or offeror has 11 been selected from among other bidders or offerors to receive a 12 contract, subject to the successful completion of final 13 negotiations. "Contract award" is evidenced by the posting of a Notice of Award or a Notice of Intent to Award to the 14 applicable respective volume of the Illinois Procurement 15 16 Bulletin.

17 Emergency purchase disclosure. The (C) Any chief procurement officer or, if the procurement is under the 18 19 authority of a designated procurement officer, the applicable 20 designated procurement officer or State purchasing officer 21 exercising emergency purchase authority under this Code shall 22 publish a written description and reasons and the total cost, 23 if known, or an estimate if unknown and the name of the 24 responsible chief procurement officer or designated 25 procurement officer, whichever is applicable and State 26 purchasing officer, and the business or person contracted with

for all emergency purchases in the applicable volume of the 1 2 Illinois Procurement next timely, practicable Bulletin. This notice must be posted in the online electronic Bulletin no 3 later than 5 calendar days after the contract is awarded. 4 5 Notice of a hearing to extend an emergency contract must be posted in the applicable volume of the online electronic 6 Procurement Bulletin no later than 14 calendar days prior to 7 8 the hearing.

9 (c-5) Business Enterprise Program report. Each purchasing 10 agency shall, with the assistance of the applicable chief 11 procurement officer or, if applicable, the designated 12 procurement officer, post in the online electronic Bulletin a 13 copy of its annual report of utilization of businesses owned by 14 minorities, females, and persons with disabilities as 15 submitted to the Business Enterprise Council for Minorities, 16 Females, and Persons with Disabilities pursuant to Section 6(c) 17 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act within 10 calendar days after its 18 19 submission of its report to the Council.

20 (c-10) Renewals. Notice of each contract renewal shall be 21 posted in the <u>applicable volume of the</u> online electronic 22 Bulletin within 14 calendar days of the determination to renew 23 the contract and the next available subsequent Bulletin. The 24 notice shall include at least all of the information required 25 in subsection <u>(a)</u> (b).

26 (c-15) Sole source procurements. Before entering into a

1 sole source contract, the a chief procurement officer or, if 2 the procurement is under the authority of a designated 3 procurement officer, the applicable designated procurement officer exercising sole source procurement authority under 4 5 this Code shall publish a written description of intent to enter into a sole source contract along with a description of 6 7 the item to be procured and the intended sole source 8 contractor. This notice must be posted in the applicable volume 9 of the Illinois online electronic Procurement Bulletin before a 10 sole source contract is awarded and at least 14 calendar days 11 before the hearing if required by Section 20-25.

12 (d) Other required disclosure. The applicable chief 13 procurement officer or, if applicable, designated procurement 14 officer shall provide by rule for the organized publication of 15 all other disclosure required in other Sections of this Code in 16 a timely manner.

(e) The changes to subsections (b), (c), (c-5), (c-10), and (c-15) of this Section made by this amendatory Act of the 96th General Assembly apply to reports submitted, offers made, and notices on contracts executed on or after its effective date.

(f) The chief procurement officer and each designated procurement officer may include any additional information and content in his or her volume of the Illinois Procurement Bulletin as he or she deems necessary. Each chief procurement officer shall, in consultation with the agencies under his or her jurisdiction, provide the Procurement Policy Board with the

1	information and resources necessary, and in a manner, to
2	effectuate the purpose of this amendatory Act of the 96th
3	General Assembly.
4	(Source: P.A. 97-895, eff. 8-3-12; 98-1038, eff. 8-25-14;
5	98-1076, eff. 1-1-15.)

6 (30 ILCS 500/15-30)

7 Sec. 15-30. Electronic Bulletin clearinghouse.

8 (a) The chief procurement officer Procurement Policy Board 9 shall maintain on an its official procurement website a 10 searchable database containing all information required to be 11 included in the volumes of the Illinois Procurement Bulletin 12 under subsections (b), (b-5), (c), (c-10), and (c-15) of Section 15-25 and all information required to be disclosed 13 under Section 50-41. The posting of procurement information on 14 15 the website is subject to the same posting requirements as the 16 online electronic Bulletin.

17 (b) For the purposes of this Section, searchable means 18 searchable and sortable by <u>awarded</u> successful responsible 19 bidder, offeror, potential contractor, or contractor, for 20 emergency purchases, business or person contracted with; the 21 contract price or total cost; the service or good; the 22 purchasing State agency; and the date first offered or 23 announced.

24 (c) <u>Each designated</u> The applicable chief procurement 25 officer shall provide the <u>chief procurement officer</u> Procurement Policy Board the information and resources necessary, and in a manner, to effectuate the purpose of this Section.

4 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

5 (30 ILCS 500/15-35)

Sec. 15-35. Vendor portal. The Each chief procurement 6 7 officer and each designated procurement officer may, in 8 consultation with the agencies under his or her procurement 9 authority jurisdiction and the Procurement Policy Board, 10 establish a vendor portal. The vendor portal shall allow a 11 potential vendor to provide certifications, disclosures, 12 registrations, and other documentation needed to do business 13 with a State agency in advance of any particular procurement. A 14 potential vendor who registers with the vendor portal and 15 provides this information may submit its registration number, 16 with a confirmation that the portal information remains current, as part of its response to a competitive selection or 17 18 a contracting process, rather than submit the same information 19 in full. The One or more chief procurement officer and one or 20 more designated procurement officers may jointly operate a 21 vendor portal if a single portal would better serve the needs 22 of the State agencies and the vendor community. The A chief procurement officer or designated procurement officer may 23 24 accept, for use on procurements and contracts under his or her 25 jurisdiction, the registration from the another chief

1 procurement <u>or a designated procurement</u> officer's vendor 2 portal. This Section applies notwithstanding any laws to the 3 contrary except for later enacted laws that specifically refer 4 to this Section.

5 Nothing in this Section shall preclude a State agency from 6 implementing its own pre-qualification, certification, 7 disclosure, and registration requirements necessary to conduct 8 and manage its program operation.

9 This Section does not apply to any contract for any project 10 as to which federal funds are available for expenditure when 11 its provisions may be in conflict with federal law or federal 12 regulation.

13 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

14 (30 ILCS 500/15-36 new)

15 <u>Sec. 15-36.</u> Subscription to the chief procurement 16 <u>officer's vendor portal.</u>

17 <u>(a) Except as otherwise set forth in this Section, all</u> 18 <u>bidders or offerors must subscribe to the chief procurement</u> 19 <u>officer's online, electronic vendor portal on or before the</u> 20 time of contract execution.

21 (b) This Section shall not apply to bidders or offerors on 22 procurements falling under the authority of a designated 23 procurement officer.

24 (c) This Section is applicable to procurements occurring on
 25 or after the effective date of this amendatory Act of the 99th

1 <u>General Assembly.</u>

2 (30 ILCS 500/20-10)

3 (Text of Section from P.A. 96-159, 96-588, 97-96, 97-895, 4 and 98-1076)

5 Sec. 20-10. Competitive sealed bidding; reverse auction.

6 (a) Conditions for use. All contracts shall be awarded by
7 competitive sealed bidding except as otherwise provided in
8 Section 20-5.

9 (b) Invitation for bids. An invitation for bids shall be 10 issued and shall include a purchase description and the 11 material contractual terms and conditions applicable to the 12 procurement.

13 (c) Public notice. Public notice of the invitation for bids 14 shall be published in the <u>appropriate volume of the</u> Illinois 15 Procurement Bulletin at least 14 calendar days before the date 16 set in the invitation for the opening of bids.

(d) Bid opening. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids. The name of each bidder, the amount of each bid, and other relevant information as may be specified by rule shall be recorded. After the award of the contract, the winning bid and the record of each unsuccessful bid shall be open to public inspection.

(e) Bid acceptance and bid evaluation. Bids shall beunconditionally accepted without alteration or correction,

except as authorized in this Code. Bids shall be evaluated 1 2 based on the requirements set forth in the invitation for bids, 3 which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and 4 5 suitability for a particular purpose. Those criteria that will 6 affect the bid price and be considered in evaluation for award, 7 such as discounts, transportation costs, and total or life cycle costs, shall be objectively measurable. The invitation 8 for bids shall set forth the evaluation criteria to be used. 9

Correction or withdrawal of bids. Correction or 10 (f) 11 withdrawal of inadvertently erroneous bids before or after 12 award, or cancellation of awards of contracts based on bid 13 mistakes, shall be permitted in accordance with rules. After bid opening, no changes in bid prices or other provisions of 14 15 bids prejudicial to the interest of the State or fair 16 competition shall be permitted. All decisions to permit the 17 correction or withdrawal of bids based on bid mistakes shall be the chief 18 supported by written determination made by 19 procurement a State purchasing officer or, if the procurement 20 is under the authority of a designated procurement officer, the 21 applicable designated procurement officer.

(g) Award. The contract shall be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation for bids, except when <u>the chief</u> <u>procurement</u> a <u>State purchasing</u> officer <u>or, if the procurement</u>

is under the authority of a designated procurement officer, the applicable designated procurement officer determines it is not in the best interest of the State and by written explanation determines another bidder shall receive the award. The explanation shall appear in the appropriate volume of the Illinois Procurement Bulletin. The written explanation must include:

8

a description of the agency's needs;

9 (2) a determination that the anticipated cost will be 10 fair and reasonable;

11 (3) a listing of all responsible and responsive12 bidders; and

13 (4) the name of the bidder selected, the total contract14 price, and the reasons for selecting that bidder.

15 Each chief procurement officer may adopt guidelines to 16 implement the requirements of this subsection (g).

The written explanation shall be filed with the Legislative Audit Commission and the Procurement Policy Board, and be made available for inspection by the public, within 30 calendar days after the agency's decision to award the contract.

(h) Multi-step sealed bidding. When it is considered impracticable to initially prepare a purchase description to support an award based on price, an invitation for bids may be issued requesting the submission of unpriced offers to be followed by an invitation for bids limited to those bidders whose offers have been qualified under the criteria set forth

1 in the first solicitation.

2 (i) Alternative procedures. Notwithstanding any other provision of this Act to the contrary, the Director of the 3 Illinois Power Agency may create alternative bidding 4 5 procedures to be used in procuring professional services under subsection (a) of Section 1-75 and subsection (d) of Section 6 1-78 of the Illinois Power Agency Act and Section 16-111.5(c) 7 8 of the Public Utilities Act and to procure renewable energy 9 resources under Section 1-56 of the Illinois Power Agency Act. 10 These alternative procedures shall be set forth together with 11 the other criteria contained in the invitation for bids, and 12 shall appear in the appropriate volume of the Illinois 13 Procurement Bulletin.

(j) Reverse auction. Notwithstanding any other provision 14 15 of this Section, the chief procurement officer or, if the 16 procurement is under the authority of a designated procurement 17 officer, the applicable designated procurement officer and in accordance with rules adopted by the chief procurement officer, 18 19 that chief procurement officer may procure supplies or services 20 through a competitive electronic auction bidding process after chief procurement officer or applicable designated 21 the 22 procurement officer determines that the use of such a process 23 will be in the best interest of the State. The chief 24 procurement officer or applicable designated procurement 25 officer shall publish that determination in his or her next volume of the Illinois Procurement Bulletin. 26

26

An invitation for bids shall be issued and shall include (i) a procurement description, (ii) all contractual terms, whenever practical, and (iii) conditions applicable to the procurement, including a notice that bids will be received in an electronic auction manner.

6 Public notice of the invitation for bids shall be given in 7 the same manner as provided in subsection (c).

Bids shall be accepted electronically at the time and in the manner designated in the invitation for bids. During the auction, a bidder's price shall be disclosed to other bidders. Bidders shall have the opportunity to reduce their bid prices during the auction. At the conclusion of the auction, the record of the bid prices received and the name of each bidder shall be open to public inspection.

After the auction period has terminated, withdrawal of bids shall be permitted as provided in subsection (f).

17 The contract shall be awarded within 60 calendar days after the auction by written notice to the lowest responsible bidder, 18 19 or all bids shall be rejected except as otherwise provided in 20 this Code. Extensions of the date for the award may be made by mutual written consent of the chief procurement State 21 22 purchasing officer or, if the procurement is under the 23 authority of a designated procurement officer, the applicable 24 designated procurement officer and the lowest responsible 25 bidder.

This subsection does not apply to (i) procurements of

professional and artistic services, (ii) telecommunications services, communication services, and information services, and (iii) contracts for construction projects, including design professional services.

5 (Source: P.A. 97-96, eff. 7-13-11; 97-895, eff. 8-3-12; 6 98-1076, eff. 1-1-15.)

7 (Text of Section from P.A. 96-159, 96-795, 97-96, 97-895, 8 and 98-1076)

Sec. 20-10. Competitive sealed bidding; reverse auction.

9

(a) Conditions for use. All contracts shall be awarded by
 competitive sealed bidding except as otherwise provided in
 Section 20-5.

(b) Invitation for bids. An invitation for bids shall be issued and shall include a purchase description and the material contractual terms and conditions applicable to the procurement.

(c) Public notice. Public notice of the invitation for bids shall be published in the <u>appropriate volume of the</u> Illinois Procurement Bulletin at least 14 calendar days before the date set in the invitation for the opening of bids.

(d) Bid opening. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids. The name of each bidder, the amount of each bid, and other relevant information as may be specified by rule shall be recorded. After the award of the contract, the winning bid and the record of each unsuccessful
 bid shall be open to public inspection.

(e) Bid acceptance and bid evaluation. Bids shall be 3 unconditionally accepted without alteration or correction, 4 5 except as authorized in this Code. Bids shall be evaluated based on the requirements set forth in the invitation for bids, 6 7 which may include criteria to determine acceptability such as 8 inspection, testing, quality, workmanship, delivery, and 9 suitability for a particular purpose. Those criteria that will 10 affect the bid price and be considered in evaluation for award, 11 such as discounts, transportation costs, and total or life 12 cycle costs, shall be objectively measurable. The invitation 13 for bids shall set forth the evaluation criteria to be used.

(f) Correction or withdrawal of bids. Correction or 14 15 withdrawal of inadvertently erroneous bids before or after 16 award, or cancellation of awards of contracts based on bid 17 mistakes, shall be permitted in accordance with rules. After bid opening, no changes in bid prices or other provisions of 18 bids prejudicial to the interest of the State or fair 19 20 competition shall be permitted. All decisions to permit the correction or withdrawal of bids based on bid mistakes shall be 21 22 supported by written determination made by the chief procurement a State purchasing officer or, if the procurement 23 24 is under the authority of a designated procurement officer, the 25 applicable designated procurement officer.

26

(g) Award. The contract shall be awarded with reasonable

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promptness by written notice to the lowest responsible and 1 2 responsive bidder whose bid meets the requirements and criteria 3 set forth in the invitation for bids, except when the chief procurement a State purchasing officer or, if the procurement 4 5 is under the authority of a designated procurement officer, the applicable designated procurement officer determines it is not 6 7 in the best interest of the State and by written explanation determines another bidder shall receive the award. 8 The 9 explanation shall appear in the appropriate volume of the 10 Illinois Procurement Bulletin. The written explanation must 11 include:

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(1) a description of the agency's needs;

13 (2) a determination that the anticipated cost will be14 fair and reasonable;

15 (3) a listing of all responsible and responsive16 bidders; and

17 (4) the name of the bidder selected, the total contract18 price, and the reasons for selecting that bidder.

Each chief procurement officer may adopt guidelines to implement the requirements of this subsection (g).

The written explanation shall be filed with the Legislative Audit Commission and the Procurement Policy Board, and be made available for inspection by the public, within 30 days after the agency's decision to award the contract.

(h) Multi-step sealed bidding. When it is considered
 impracticable to initially prepare a purchase description to

support an award based on price, an invitation for bids may be issued requesting the submission of unpriced offers to be followed by an invitation for bids limited to those bidders whose offers have been qualified under the criteria set forth in the first solicitation.

Alternative procedures. Notwithstanding any other 6 (i) 7 provision of this Act to the contrary, the Director of the 8 Illinois Power Agency may create alternative bidding 9 procedures to be used in procuring professional services under subsection (a) of Section 1-75 and subsection (d) of Section 10 11 1-78 of the Illinois Power Agency Act and Section 16-111.5(c) 12 of the Public Utilities Act and to procure renewable energy 13 resources under Section 1-56 of the Illinois Power Agency Act. These alternative procedures shall be set forth together with 14 15 the other criteria contained in the invitation for bids, and 16 shall appear in the appropriate volume of the Illinois 17 Procurement Bulletin.

(j) Reverse auction. Notwithstanding any other provision 18 19 of this Section, the chief procurement officer or, if the 20 procurement is under the authority of a designated procurement officer, the applicable designated procurement officer and in 21 22 accordance with rules adopted by the chief procurement officer, 23 that chief procurement officer may procure supplies or services through a competitive electronic auction bidding process after 24 25 the chief procurement officer or applicable designated 26 procurement officer determines that the use of such a process 1 will be in the best interest of the State. The chief 2 procurement officer <u>or applicable designated procurement</u> 3 <u>officer</u> shall publish that determination in his or her next 4 volume of the Illinois Procurement Bulletin.

5 An invitation for bids shall be issued and shall include 6 (i) a procurement description, (ii) all contractual terms, 7 whenever practical, and (iii) conditions applicable to the 8 procurement, including a notice that bids will be received in 9 an electronic auction manner.

Public notice of the invitation for bids shall be given in the same manner as provided in subsection (c).

Bids shall be accepted electronically at the time and in the manner designated in the invitation for bids. During the auction, a bidder's price shall be disclosed to other bidders. Bidders shall have the opportunity to reduce their bid prices during the auction. At the conclusion of the auction, the record of the bid prices received and the name of each bidder shall be open to public inspection.

After the auction period has terminated, withdrawal of bidsshall be permitted as provided in subsection (f).

The contract shall be awarded within 60 calendar days after the auction by written notice to the lowest responsible bidder, or all bids shall be rejected except as otherwise provided in this Code. Extensions of the date for the award may be made by mutual written consent of the <u>chief procurement</u> State purchasing officer <u>or</u>, if the procurement is under the

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1 <u>authority of a designated procurement officer, the applicable</u> 2 <u>designated procurement officer</u> and the lowest responsible 3 bidder.

This subsection does not apply to (i) procurements of professional and artistic services, (ii) telecommunications services, communication services, and information services, and (iii) contracts for construction projects, including design professional services.

9 (Source: P.A. 97-96, eff. 7-13-11; 97-895, eff. 8-3-12;
10 98-1076, eff. 1-1-15.)

11 (30 ILCS 500/20-16 new)

12 <u>Sec. 20-16. Competitive procurements from a pre-qualified</u> 13 pool.

14 <u>(a) Conditions for use. When provided for under this Code</u> 15 <u>or under its rules, or for the procurement of categories of</u> 16 <u>supplies or services, including information technology or</u> 17 <u>telecommunications supplies or services, contracts may be</u> 18 <u>entered into through a request for gualifications.</u>

19 (b) Request for qualifications. Qualifications for 20 categories of supplies or services shall be solicited through a 21 request for qualifications process.

(c) Public notice. Public notice of the request for qualifications shall be published in the Illinois Procurement Bulletin at least 14 days before the date set in the invitation for the opening of qualifications.

1	(d) Receipt of qualifications. A record of qualifications
2	shall be prepared and shall be open for public inspection after
3	creation of the pre-qualified pool.
4	(e) Evaluation factors. The request for qualifications
5	shall contain the factors to be used in determining if an
6	offeror is pre-qualified to provide the category of supplies or
7	services. These factors include, but are not limited to, any
8	necessary experience, any necessary technical knowledge, any
9	required certification or accreditation, and financial
10	stability.
11	(f) Discussion with responsible offerors and revisions of
12	qualifications. As provided in the request for qualifications
13	and under adopted rules, discussions may be conducted with
14	responsible offerors who submit qualifications determined to
15	be reasonably susceptible of being pre-qualified for the
16	purpose of clarifying and assuring full understanding of and
17	responsiveness for pre-qualification. Those offerors shall be
18	accorded fair and equal treatment with respect to any
19	opportunity for discussion and revision of qualifications.
20	Revisions may be permitted after submission and before
21	pre-qualification. In conducting discussions, there shall be
22	no disclosure of any information derived from qualifications
23	submitted by other offerors. If information is provided to any
24	offeror by the State, it shall be provided to all offerors.
25	(g) Pre-qualified pool. Multiple offerors may be deemed
26	pre-qualified in response to the request for qualifications.

Offerors shall be deemed pre-qualified in writing taking into
 consideration the evaluation factors set forth in the request
 for qualifications. The contract file shall contain the basis
 on which each offeror is determined to be pre-qualified.

5 (h) Submissions to the pre-qualified pool. Each time a purchasing agency procures supplies or services from the 6 pre-qualified pool, the purchasing agency shall provide a 7 8 written submission to each member of the pre-qualified pool 9 that describes in detail the supplies or services the State 10 desires to procure and the selection criteria the State will 11 use to make an award. The pre-qualified pool shall have at 12 least 3 calendar days to provide a proposal, which shall include the price for the supplies or services described in the 13 14 submission, in response to the written submission.

15 (i) Discussion with the pre-qualified pool and revisions to 16 proposals. As provided in the request for qualifications, the written submission to the pre-qualified pool, and under adopted 17 rules, discussions may be conducted with members of the 18 19 pre-qualified pool for the purpose of clarifying and assuring 20 full understanding of and responsiveness to the written 21 submission. Each member of the pre-qualified pool shall be 22 accorded fair and equal treatment with respect to any 23 opportunity for discussion and revision of proposals. 24 Revisions may be permitted after submission and before award 25 for the purpose of obtaining best and final offers. In 26 conducting discussions there shall be no disclosure of any

information derived from proposals submitted by competitors in the pre-qualified pool. If any other information is disclosed to any member of the pre-qualified pool, it shall be provided to all members of the pre-qualified pool.

5 (j) Award. Award shall be made to the responsible pre-qualified member of the pool whose proposal is determined 6 7 in writing to be the most advantageous to the State, taking into consideration the selection criteria set forth in the 8 9 written submission to the pre-qualified pool. The contract file 10 shall contain the basis on which each award is made. If an 11 offeror other than the lowest price offeror is awarded the 12 contract, the State shall publish in the Illinois Procurement Bulletin the reason for awarding to other than the lowest price 13 14 offeror.

15 <u>(k) Rules. Rules to effectuate this Section shall be</u> 16 <u>adopted in accordance with Section 10-6 of this Code and shall</u> 17 <u>set forth when a pre-qualified pool expires and a method for</u> 18 <u>allowing additional offerors to become part of the</u> 19 <u>pre-qualified pool after its creation, which shall include</u> 20 <u>additions to the prequalified pool at least annually.</u>

21 (1) This Section shall not apply to a construction agency 22 in the procurement of construction or construction-related 23 materials.

24 (30 ILCS 500/20-20)

25 Sec. 20-20. Small purchases.

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1 (a) Amount. Any individual procurement of supplies or 2 services other than professional or artistic services, not 3 exceeding \$10,000 and any procurement of construction not 4 exceeding \$30,000 may be made without competitive sealed 5 bidding. Procurements shall not be artificially divided so as 6 to constitute a small purchase under this Section.

7 (b) Adjustment. Each July 1, the small purchase maximum 8 established in subsection (a) shall be adjusted for inflation 9 as determined by the Consumer Price Index for All Urban 10 Consumers as determined by the United States Department of 11 Labor and rounded to the nearest \$100.

12 (c) <u>The</u> Based upon rules proposed by the Board and rules 13 promulgated by the chief procurement officers, the small 14 purchase maximum established in subsection (a) may be <u>increased</u> 15 <u>by rule</u> modified.

16 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

17 (30 ILCS 500/20-25)

18 Sec. 20-25. Sole source procurements.

(a) In accordance with standards set by rule, contracts may be awarded without use of the specified method of source selection when there is only one economically feasible source for the item. <u>At least 14 calendar days before entering into</u> the sole source contract, the purchasing agency shall arrange to be published in the Illinois Procurement Bulletin a notice of intent to do so along with a description of the item to be

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1 procured and the intended sole source contractor. The A State 2 contract may be awarded as a sole source procurement unless an 3 interested party submits a written request for a public hearing at which the chief procurement officer or, if the procurement 4 5 is within the authority of a designated procurement officer, the applicable designated procurement officer and purchasing 6 agency present written justification for the procurement 7 8 method. Any interested party may present testimony. A sole 9 source contract where a hearing was requested by an interested 10 party may be awarded after the hearing is conducted with the 11 approval of the chief procurement officer.

12 (b) <u>(Blank)</u>. This Section may not be used as a basis for 13 amending a contract for professional or artistic services if 14 the amendment would result in an increase in the amount paid 15 under the contract of more than 5% of the initial award, or 16 would extend the contract term beyond the time reasonably 17 needed for a competitive procurement, not to exceed 2 months.

(c) Notice of intent to enter into a sole source contract 18 19 shall be provided to the Procurement Policy Board and published in the appropriate volume of the Illinois Procurement online 20 electronic Bulletin at least 14 calendar days before the public 21 22 hearing required in subsection (a). The notice shall include 23 the sole source procurement justification form prescribed by 24 the chief procurement officer Board, a description of the item 25 to be procured, the intended sole source contractor, and the 26 date, time, and location of the public hearing. A copy of the

notice and all documents provided at the hearing shall be
 included in the subsequent Procurement Bulletin.

(d) By August 1 each year, <u>the each chief procurement</u> officer <u>and designated procurement officers</u> shall file <u>reports</u> a report with the General Assembly identifying each contract the officer sought under the sole source procurement method and providing the justification given for seeking sole source as the procurement method for each of those contracts.

9 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

10 (30 ILCS 500/20-30)

11 Sec. 20-30. Emergency purchases.

12 (a) Conditions for use. In accordance with standards set by 13 rule, a purchasing agency may make emergency procurements 14 without competitive sealed bidding or prior notice when there exists a threat to public health or public safety, or when 15 16 immediate expenditure is necessary for repairs to State property in order to protect against further loss of or damage 17 to State property, to prevent or minimize serious disruption in 18 critical State services that affect health, safety, or 19 collection of substantial State revenues, or to ensure the 20 21 integrity of State records; provided, however, that the term of 22 the emergency purchase shall be limited to the time reasonably 23 needed for a competitive procurement, not to exceed 90 calendar 24 days. A contract, other than a construction emergency contract, 25 may be extended beyond 90 calendar days if the chief

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procurement officer or, if the procurement is within the 1 2 authority of a designated procurement officer, the applicable designated procurement officer determines additional time is 3 necessary and that the contract scope and duration are limited 4 5 to the emergency. Prior to execution of the extension, the 6 chief procurement officer or applicable designated procurement 7 officer must hold a public hearing and provide written 8 justification for all emergency contracts. Members of the 9 public may present testimony. Emergency procurements shall be 10 made with as much competition as is practicable under the 11 circumstances. A written description of the basis for the 12 emergency and reasons for the selection of the particular 13 contractor shall be included in the contract file. For 14 construction, construction-related, and construction support procurements, the 90 calendar day term and provisions for 15 16 contracts are not applicable.

17 (b) Notice. Notice of all emergency procurements shall be provided to the Procurement Policy Board and published in the 18 19 applicable volume of the Illinois Procurement online 20 electronic Bulletin no later than 5 calendar days after the contract is awarded. Notice of intent to extend an emergency 21 22 contract shall be provided to the Procurement Policy Board and 23 published in the applicable volume of the Illinois Procurement online electronic Bulletin at least 14 calendar days before the 24 25 public hearing. Notice shall include at least a description of 26 the need for the emergency purchase, the contractor, and if

applicable, the date, time, and location of the public hearing. 1 2 A copy of this notice and all documents provided at the hearing 3 shall be included in the subsequent applicable volume of the Illinois Procurement Bulletin. Before the next appropriate 4 5 volume of the Illinois Procurement Bulletin, the purchasing 6 agency shall publish in the Illinois Procurement Bulletin a 7 copy of each written description and reasons and the total cost 8 of each emergency procurement made during the previous month. 9 When only an estimate of the total cost is known at the time of 10 publication, the estimate shall be identified as an estimate 11 and published. When the actual total cost is determined, it 12 shall also be published in like manner before the 10th day of 13 the next succeeding month.

14 (c) Affidavits. The A chief procurement officer or, if the procurement is within the authority of a designated procurement 15 16 officer, the applicable designated procurement officer making 17 a procurement under this Section shall file affidavits with the Procurement Policy Board and the Auditor General within 10 18 19 calendar days after the procurement setting forth the amount 20 expended, the name of the contractor involved, and the 21 conditions and circumstances requiring the emergency 22 procurement. When only an estimate of the cost is available 23 within 10 calendar days after the procurement, the actual cost 24 shall be reported immediately after it is determined. At the 25 end of each fiscal quarter, the Auditor General shall file with 26 the Legislative Audit Commission and the Governor a complete

listing of all emergency procurements reported during that fiscal quarter. The Legislative Audit Commission shall review the emergency procurements so reported and, in its annual reports, advise the General Assembly of procurements that appear to constitute an abuse of this Section.

6 (d) Quick purchases. <u>Rules may be adopted pursuant to</u> 7 <u>Section 10-6 of this Code that extend</u> The chief procurement 8 officer may promulgate rules extending the circumstances by 9 which a purchasing agency may make purchases under this 10 Section, including but not limited to the procurement of items 11 available at a discount for a limited period of time.

(e) The changes to this Section made by this amendatory Act
of the 96th General Assembly apply to procurements executed on
or after its effective date.

15 (Source: P.A. 98-1076, eff. 1-1-15.)

16

(30 ILCS 500/20-35)

17 Sec. 20-35. Competitive selection procedures.

(a) Conditions for use. The services specified in Article
35 shall be procured in accordance with this Section, except as
authorized under Sections 20-25 and 20-30 of this Article.

(b) Statement of qualifications. Respondents shall submit statements of qualifications and expressions of interest. The chief procurement officer <u>or</u>, <u>if the procurement is under the</u> <u>authority of a designated procurement officer</u>, <u>the applicable</u> <u>designated procurement officer</u> shall specify a uniform format

for statements of qualifications. Persons may amend these
 statements at any time by filing a new statement.

3 (c) Public announcement and form of request for proposals. Public notice of the need for the procurement shall be given in 4 5 the form of a request for proposals and published in the Illinois Procurement Bulletin at least 14 calendar days before 6 7 the date set in the request for proposals for the opening of 8 proposals. The request for proposals shall describe the 9 services required, list the type of information and data 10 required of each respondent, and state the relative importance 11 of particular qualifications.

(d) Discussions. The purchasing agency may conduct discussions with any respondent who has submitted a response to determine the respondent's qualifications for further consideration. Discussions shall not disclose any information derived from proposals submitted by other respondents.

(e) Award. Award shall be made to the respondent determined in writing by the purchasing agency to be best qualified based on the evaluation factors set forth in the request for proposals and negotiation of compensation determined to be fair and reasonable.

22 (Source: P.A. 98-1076, eff. 1-1-15.)

23 (30 ILCS 500/20-43)

24 Sec. 20-43. <u>Authorized</u> Bidder or offeror authorized to do 25 business in Illinois. In addition to meeting any other

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requirement of law or rule, a person (other than an individual 1 2 acting as a sole proprietor) shall be may qualify as a bidder 3 or offeror under this Code only if the person is a legal entity authorized to transact business or conduct affairs in Illinois 4 prior to the contract award. This Section shall not apply to 5 6 construction contracts that are subject to the requirements of Sections 30-20 and 33-10 of this Code. The pre-qualification 7 requirements of Sections 30-20 and 33-10 of this Code shall 8 9 include the requirement that the bidder be registered with the 10 Secretary of State submitting the bid, offer, or proposal.

11 (Source: P.A. 98-1076, eff. 1-1-15.)

12 (30 ILCS 500/20-45)

Sec. 20-45. Prequalification of suppliers. <u>Rules shall be</u> adopted in accordance with Section 10-6 of this Code The chief procurement officer shall promulgate rules for the development of prequalified supplier lists for appropriate categories of purchases and the annual updating of those lists.

18 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

19 (30 ILCS 500/20-50)

Sec. 20-50. Specifications. Specifications shall be prepared in accordance with consistent standards that are <u>developed by the purchasing agency. All specifications shall</u> <u>seek to promote overall economy for the purposes intended and</u> <u>encourage competition in satisfying the purchasing agency's</u>

needs and shall not be unduly restrictive promulgated by the 1 2 chief procurement officer and reviewed by the Board and the Joint Committee on Administrative Rules. Those standards shall 3 include a prohibition against the use of brand-name only 4 5 products, except for products intended for retail sale or as specified by rule. All specifications shall seek to promote 6 7 overall economy for the purposes intended and encourage 8 competition in satisfying the State's needs and shall 9 unduly restrictive.

10 <u>Rules related to use of brand-name only products shall be</u> 11 adopted in accordance with Section 10-6 of this Code.

12 A solicitation or specification for a contract or a 13 contract, including but not limited to of a college, university, or institution under the jurisdiction of 14 а governing board listed in Section 1-15.100, may not require, 15 16 stipulate, suggest, or encourage a monetary or other financial 17 contribution or donation, cash bonus or incentive, economic investment, or other prohibited conduct as an explicit or 18 implied term or condition for awarding or completing the 19 20 contract. The contract, solicitation, or specification also may not include a requirement that an individual or individuals 21 22 employed by such a college, university, or institution receive 23 a consulting contract for professional services.

As used in this Section, "prohibited conduct" includes requested payments or other consideration by a third party to the university or State agency that is not part of the

1 solicitation or that is unrelated to the subject matter or 2 purpose of the solicitation. "Prohibited conduct" does not 3 include a payment from the vendor that is supported by 4 additional consideration (such as exclusive rights to sell 5 items or rights to advertise), other than the consideration of 6 the State's awarding a contract to purchase of goods and 7 services.

8 (Source: P.A. 98-1076, eff. 1-1-15.)

9 (30 ILCS 500/20-51 new)

10 <u>Sec. 20-51. Construction specifications.</u>

11 (a) Construction agencies may develop specifications for 12 construction contracts, construction-related contracts, and 13 construction support contracts that may require the delivery of 14 material or products that will be used to satisfy the needs of 15 a construction agency. 16 (b) Material and product specifications. Material and

17 product specifications describe the technical or performance 18 requirements necessary to complete the contemplated work.

19 (c) Brand-name only product specifications, including 20 patented or proprietary products, will not be used unless a 21 determination is made by the construction agency that:

(1) such products may be procured competitively with
 equally suitable non-brand-name products;
 (2) such products are necessary for compatibility with

1	(3) no equally suitable alternative exists;
2	(4) such products are to be used for research or for a
3	distinctive type of application for experimental purposes;
4	or
5	(5) such products will create operational savings for a
6	facility.
7	(d) When more than one product will fulfill the
8	requirements for an item of work and the products are judged by
9	the construction agency to be of satisfactory quality and
10	equally acceptable on the basis of engineering analysis and
11	estimated price, the contract specifications may contain or
12	include by reference a qualified product list.

13 (30 ILCS 500/20-55)

Sec. 20-55. Types of contracts. Subject to the limitations 14 15 of this Section and unless otherwise authorized by law, any 16 type of contract that will promote the best interests of the 17 State may be used, except that cost-plus-a-percentage-of-cost contracts are prohibited. A cost-reimbursement contract may be 18 19 used only when a determination is made in writing that a 20 cost-reimbursement contract is likely to be less costly to the 21 State than any other type or that it is impracticable to obtain 22 the item required except under that type of contract. The 23 general form of contracts shall be determined by the chief procurement officer or, if the procurement is under the 24 25 authority of a designated procurement officer, the applicable - 75 - LRB099 20210 MLM 44674 b

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- 1 <u>designated procurement officer</u>.
- 2 (Source: P.A. 90-572, eff. date See Sec. 99-5.)
- 3 (30 ILCS 500/20-60)

4 Sec. 20-60. Duration of contracts.

(a) Maximum duration. A contract, other than a contract 5 6 entered into pursuant to the State University Certificates of 7 Participation Act or pursuant to other express statutory authority permitting a longer duration, may be entered into for 8 9 any period of time deemed to be in the best interests of the 10 State but not exceeding 10 years inclusive, beginning January 11 1, 2010, of proposed contract renewals. The length of a lease 12 for real property or capital improvements shall be in accordance with the provisions of Section 40-25. A contract for 13 14 bond or mortgage insurance awarded by the Illinois Housing Development Authority, however, may be entered into for any 15 16 period of time less than or equal to the maximum period of time that the subject bond or mortgage may remain outstanding. 17

(b) Subject to appropriation. All contracts made or entered into shall recite that they are subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation to make payments under the terms of the contract.

(c) (Blank). The chief procurement officer shall file a
 proposed extension or renewal of a contract with the
 Procurement Policy Board prior to entering into any extension

or renewal if the cost associated with the extension or renewal 1 2 exceeds \$249,999. The Procurement Policy Board may object to the proposed extension or renewal within 30 calendar days and 3 require a hearing before the Board prior to entering into the 4 5 extension or renewal. If the Procurement Policy Board does not object within 30 calendar days or takes affirmative action to 6 7 recommend the extension or renewal, the chief procurement officer may enter into the extension or renewal of a contract. 8 9 This subsection does not apply to any emergency procurement, 10 any procurement under Article 40, or any procurement exempted 11 by Section 1-10(b) of this Code. If any State agency contract 12 is paid for in whole or in part with federal-aid funds, grants, loans and the provisions of this subsection would result in 13 or the loss of those federal-aid funds, grants, or loans, then the 14 contract is exempt from the provisions of this subsection in 15 16 order to remain eligible for those federal aid funds, grants, 17 or loans, and the State agency shall file notice of this exemption with the Procurement Policy Board prior to entering 18 into the proposed extension or renewal. Nothing in this 19 20 subsection permits a chief procurement officer to enter into an 21 extension or renewal in violation of subsection (a). By August 22 1 each year, the Procurement Policy Board shall file a report 23 with the General Assembly identifying for the previous fiscal year (i) the proposed extensions or renewals that were filed 24 with the Board and whether the Board objected and (ii) the 25 26 contracts exempt from this subsection.

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1 (Source: P.A. 95-344, eff. 8-21-07; 96-15, eff. 6-22-09; 2 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the 3 effective date of changes made by P.A. 96-795); 96-920, eff. 4 7-1-10; 96-1478, eff. 8-23-10.)

5 (30 ILCS 500/20-65)

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6 Sec. 20-65. Right to audit records.

7 (a) Maintenance of books and records. Every contract and 8 subcontract shall require the contractor or subcontractor, as 9 applicable, to maintain books and records relating to the 10 performance of the contract or subcontract and necessary to 11 support amounts charged to the State under the contract or 12 subcontract. The books and records shall be maintained by the contractor for a period of 3 years from the later of the date 13 14 of final payment under the contract or completion of the 15 contract and by the subcontractor for a period of 3 years from 16 the later of the date of final payment under the subcontract or completion of the subcontract. However, the 3-year period shall 17 be extended for the duration of any audit in progress at the 18 time of that period's expiration. 19

(b) Audit. Every contract and subcontract shall provide that all books and records required to be maintained under subsection (a) shall be available for review and audit by the Auditor General, <u>the</u> chief procurement officer, <u>the applicable</u> <u>designated procurement officer</u>, <u>if any</u>, internal auditor, and the purchasing agency. Every contract and subcontract shall require the contractor and subcontractor, as applicable, to
 cooperate fully with any audit.

3 (c) Failure to maintain books and records. Failure to 4 maintain the books and records required by this Section shall 5 establish a presumption in favor of the State for the recovery 6 of any funds paid by the State for which required books and 7 records are not available.

8 (Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793
9 for the effective date of changes made by P.A. 96-795).)

10 (30 ILCS 500/20-70)

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11 20-70. Finality of determinations. Except Sec. as 12 otherwise provided in this Code, determinations made by a chief 13 procurement officer or, if the procurement is within the authority of a designated procurement officer, the applicable 14 15 designated procurement officer, State purchasing officer, or a 16 purchasing agency under this Code are final and conclusive unless they are clearly erroneous, arbitrary, capricious, or 17 18 contrary to law.

19 (Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793
20 for the effective date of changes made by P.A. 96-795).)

21 (30 ILCS 500/20-75)

22 Sec. 20-75. Disputes and protests. The chief procurement 23 <u>officer and the designated procurement</u> officers shall jointly 24 by rule establish <u>rules</u> procedures to be followed in resolving protested solicitations and awards and contract controversies,
 for debarment or suspension of contractors, and for resolving
 other procurement-related disputes.

4 (Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793
5 for the effective date of changes made by P.A. 96-795).)

6 (30 ILCS 500/20-80)

7 Sec. 20-80. Contract files.

8 (a) Written determinations. All written determinations 9 required under this Article shall be placed in the contract 10 file maintained by the chief procurement officer <u>or, if the</u> 11 <u>procurement is under the authority of a designated procurement</u> 12 <u>officer, the applicable designated procurement officer</u>.

13 (b) Filing with Comptroller. Whenever a grant, defined 14 pursuant to accounting standards established by the 15 Comptroller, or a contract liability, except for: (1) contracts 16 paid from personal services, or (2) contracts between the State and its employees to defer compensation in accordance with 17 18 Article 24 of the Illinois Pension Code, or (3) contracts that are not paid by the Comptroller, exceeding \$20,000 is incurred 19 by any State agency, a copy of the contract, purchase order, 20 21 grant, or lease shall be filed electronically with the 22 Comptroller within 30 calendar days thereafter. Beginning 23 January 1, 2013, the Comptroller may require that contracts and 24 grants required to be filed with the Comptroller under this 25 Section shall be filed electronically, unless the agency

incapable of filing the contract or grant electronically 1 2 because it does not possess the necessary technology or 3 equipment. Any State agency that is incapable of electronically filing its contracts or grants shall submit a written statement 4 5 to the Governor and to the Comptroller attesting to the reasons 6 for its inability to comply. This statement shall include a 7 discussion of what the State agency needs in order to 8 effectively comply with this Section. Prior to requiring 9 electronic filing, the Comptroller shall consult with the 10 Governor as to the feasibility of establishing mutually 11 agreeable technical standards for the electronic document 12 imaging, storage, and transfer of contracts and grants, taking 13 into consideration the technology available to that agency, 14 best practices, and the technological capabilities of State 15 agencies. Nothing in this amendatory Act of the 97th General 16 Assembly shall be construed to impede the implementation of an 17 Enterprise Resource Planning (ERP) system. For each State contract for $\frac{1}{9000s_{7}}$ supplies $\frac{1}{7}$ or services awarded on or after 18 19 July 1, 2010, the contracting agency shall provide the 20 or services on the contract obligation document as required by 21 22 the Comptroller. If the contract obligation document that is 23 submitted to the Comptroller contains the rate and unit of 24 measurement of the goods, supplies, or services, the 25 Comptroller shall provide that information on his or her 26 official website. Any cancellation or modification to any such

contract liability shall be filed with the Comptroller within
 30 calendar days of its execution.

3 (c) Late filing affidavit. When a contract, purchase order, grant, or lease required to be filed by this Section has not 4 5 been filed within 30 calendar days of execution, the Comptroller shall refuse to issue a warrant for payment 6 7 thereunder until the agency files with the Comptroller the 8 contract, purchase order, grant, or lease and an affidavit, 9 signed by the chief executive officer of the agency or his or 10 her designee, setting forth an explanation of why the contract 11 liability was not filed within 30 calendar days of execution. A 12 copy of this affidavit shall be filed with the Auditor General.

13 (d) Timely execution of contracts. Except as set forth in 14 subsection (b) of Section 20-80 of this Code, no No voucher 15 shall be submitted to the Comptroller for a warrant to be drawn 16 for the payment of money from the State treasury or from other 17 funds held by the State Treasurer on account of any contract unless the contract is reduced to writing before the services 18 19 are performed and filed with the Comptroller. Contractors 20 Vendors shall not be paid for any supplies goods that were received or services that were rendered before the contract was 21 22 reduced to writing and signed by all necessary parties. A chief 23 procurement officer or, if the procurement falls under the 24 authority of a designated procurement officer, the applicable designated procurement officer shall may request an exception 25 26 to this subsection by submitting a written statement to the

Comptroller and Treasurer setting forth the circumstances and 1 2 reasons why the contract could not be reduced to writing before 3 the supplies were received or services were performed. A waiver of this subsection must be approved by the Comptroller and 4 5 Treasurer and such approval shall not be unreasonably withheld. This Section shall not apply to emergency purchases if notice 6 7 of the emergency purchase is filed with the Procurement Policy 8 Board and published in the appropriate volume of the Bulletin 9 as required by this Code.

10 (e) Method of source selection. When a contract is filed 11 with the Comptroller under this Section, the Comptroller's file 12 shall identify the method of source selection used in obtaining 13 the contract.

14 (Source: P.A. 97-932, eff. 8-10-12; 98-1076, eff. 1-1-15.)

15 (30 ILCS 500/20-85)

16 Sec. 20-85. Federal requirements. A State agency receiving federal-aid funds, grants, or loans shall have authority to 17 18 adopt its procedures, rules, project statements, drawings, 19 maps, surveys, plans, specifications, contract terms, estimates, bid forms, bond forms, and other documents or 20 21 practices to comply with the regulations, policies, and 22 procedures of the designated authority, administration, or 23 department of the United States, in order to remain eligible 24 for such federal-aid funds, grants, or loans. The chief 25 procurement officer, designated procurement officers, and

Board shall not exercise authority or adopt rules preempting
 federal requirements.

3 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

4 (30 ILCS 500/20-110)

5 Sec. 20-110. Printing cost offsets. Rules may be adopted in 6 accordance with Section 10-6 of this Code The chief procurement 7 officer may promulgate rules permitting the exchange of advertising rights in or receipt of free copies of printed 8 9 products procured under this Article as a means of reducing 10 printing costs. The rules shall specify the appropriate method 11 of source selection to be used to competitively acquire 12 printing cost offsets.

13 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

14 (30 ILCS 500/20-120)

15 Sec. 20-120. Subcontractors.

Any contract granted under this Code shall state 16 (a) whether the services of a subcontractor will be used. The 17 contract shall include the names and addresses of all known 18 subcontractors with subcontracts with an annual value of more 19 20 than \$50,000, the general type of work to be performed by these 21 subcontractors, and the expected amount of money each will 22 receive under the contract. Upon the request of the chief procurement officer or, if the procurement is under the 23 24 authority of a designated procurement officer, the applicable

1 designated procurement officer appointed pursuant to paragraph 2 (2) of subsection (a) of Section 10-20, the contractor shall 3 provide the chief procurement officer or applicable designated procurement officer a copy of a subcontract so identified 4 5 within 15 calendar days after the request is made. A subcontractor, or contractor on behalf of a subcontractor, may 6 information that 7 identify is deemed proprietary or 8 confidential. If the chief procurement officer or applicable 9 designated procurement officer determines the information is 10 not relevant to the primary contract, the chief procurement 11 officer or applicable designated procurement officer may 12 excuse the inclusion of the information. If the chief procurement officer or applicable designated procurement 13 officer determines the information is proprietary or could harm 14 15 the business interest of the subcontractor, the chief 16 procurement officer or applicable designated procurement 17 officer may, in his or her discretion, redact the information. Redacted information shall not become part of the public 18 19 record.

(b) If at any time during the term of a contract, a contractor adds or changes any subcontractors, he or she shall promptly notify, in writing, the chief procurement officer, <u>or</u>, <u>if the procurement is under the authority of a designated</u> <u>procurement officer</u>, the applicable designated procurement <u>officer</u> State purchasing officer, or their designee of the names and addresses of each new or replaced subcontractor and the general type of work to be performed. Upon the request of the chief procurement officer appointed pursuant to paragraph (2) of subsection (a) of Section 10-20, the contractor shall provide the chief procurement officer a copy of any new or amended subcontract so identified within 15 calendar days after the request is made.

7 (c) In addition to any other requirements of this Code, a 8 subcontract subject to this Section must include all of the 9 subcontractor's certifications required by Article 50 of the 10 Code.

(d) This Section applies to procurements solicited on or after the effective date of this amendatory Act of the 96th General Assembly. The changes made to this Section by this amendatory Act of the 97th General Assembly apply to procurements solicited on or after the effective date of this amendatory Act of the 97th General Assembly.

17 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

18

(30 ILCS 500/20-155)

19 Sec. 20-155. Solicitation and contract documents.

(a) <u>The Each</u> chief procurement officer <u>and designated</u>
 <u>procurement officers are responsible for developing appointed</u>
 pursuant to Section 10-20 shall have the sole authority in
 their respective jurisdiction to develop and <u>distributing</u>
 distribute uniform documents for the solicitation, review, and
 acceptance of all bids, offers, and responses and the award of

contracts pursuant to this Code <u>for those procurements within</u> <u>their respective procurement authority</u>. <u>Purchasing agencies</u> If a chief procurement officer appointed pursuant to Section 10-20 exercises the authority to develop and distribute uniform documents for the solicitation, review and acceptance of all bids, offers and responses and the award of contracts, then the State agency shall use the uniform documents.

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8 (b) After award of a contract and subject to provisions of 9 the Freedom of Information Act, the <u>purchasing procuring</u> agency 10 shall make available for public inspection and copying all 11 pre-award, post-award, administration, and close-out documents 12 relating to that particular contract.

13 (c) A procurement file shall be maintained for all 14 contracts, regardless of the method of procurement. The 15 procurement file shall contain the basis on which the award is 16 made, all submitted bids and proposals, all evaluation 17 materials, score sheets and all other documentation related to or prepared in conjunction with evaluation, negotiation, and 18 19 the award process. The procurement file shall contain a written 20 determination, signed by the chief procurement officer or the 21 designated procurement State purchasing officer, setting forth 22 the reasoning for the contract award decision. The procurement 23 file shall not include trade secrets or other competitively sensitive, confidential, or proprietary information. 24 The 25 procurement file shall be open to public inspection within 7 26 calendar days following award of the contract.

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1 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

(30 ILCS 500/20-160)

3 Sec. 20-160. Business entities; certification;
4 registration with the State Board of Elections.

5 (a) For purposes of this Section, the terms "business 6 entity", "contract", "State contract", "contract with a State 7 agency", "State agency", "affiliated entity", and "affiliated 8 person" have the meanings ascribed to those terms in Section 9 50-37.

10 (b) Every bid and offer submitted to and every contract 11 executed by the State on or after January 1, 2009 (the 12 effective date of Public Act 95-971) and every submission to a vendor portal shall contain (1) a certification by the bidder, 13 14 offeror, vendor, or contractor that either (i) the bidder, 15 offeror, vendor, or contractor is not required to register as a 16 business entity with the State Board of Elections pursuant to this Section or (ii) the bidder, offeror, vendor, or contractor 17 has registered as a business entity with the State Board of 18 Elections and acknowledges a continuing duty to update the 19 20 registration and (2) a statement that the contract is voidable 21 under Section 50-60 for the bidder's, offeror's, vendor's, or 22 contractor's failure to comply with this Section.

(c) Each business entity (i) whose aggregate bids and
proposals on State contracts annually total more than \$50,000,
(ii) whose aggregate bids and proposals on State contracts

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combined with the business entity's aggregate annual total 1 2 value of State contracts exceed \$50,000, or (iii) whose 3 contracts with State agencies, in the aggregate, annually total more than \$50,000 shall register with the State Board of 4 5 Elections in accordance with Section 9-35 of the Election Code. A business entity required to register under this subsection 6 7 due to item (i) or (ii) has a continuing duty to ensure that 8 the registration is accurate during the period beginning on the 9 date of registration and ending on the day after the date the 10 contract is awarded; any change in information must be reported 11 to the State Board of Elections 5 business days following such 12 change or no later than a day before the contract is awarded, 13 whichever date is earlier. A business entity required to 14 register under this subsection due to item (iii) has a 15 continuing duty to ensure that the registration is accurate in 16 accordance with subsection (e).

17 (d) Any business entity, not required under subsection (c) to register, whose aggregate bids and proposals on State 18 contracts annually total more than \$50,000, or whose aggregate 19 bids and proposals on State contracts combined with the 20 business entity's aggregate annual total value of State 21 22 contracts exceed \$50,000, shall register with the State Board 23 of Elections in accordance with Section 9-35 of the Election Code prior to submitting to a State agency the bid or proposal 24 whose value causes the business entity to fall within the 25 monetary description of this subsection. A business entity 26

1 required to register under this subsection has a continuing 2 duty to ensure that the registration is accurate during the 3 period beginning on the date of registration and ending on the 4 day after the date the contract is awarded. Any change in 5 information must be reported to the State Board of Elections 6 within 5 business days following such change or no later than a 7 day before the contract is awarded, whichever date is earlier.

8 (e) A business entity whose contracts with State agencies, 9 in the aggregate, annually total more than \$50,000 must 10 maintain its registration under this Section and has a 11 continuing duty to ensure that the registration is accurate for 12 the duration of the term of office of the incumbent 13 officeholder awarding the contracts or for a period of 2 years 14 following the expiration or termination of the contracts, 15 whichever is longer. A business entity, required to register 16 under this subsection, has a continuing duty to report any 17 changes on a quarterly basis to the State Board of Elections within 14 calendar days following the last day of January, 18 19 April, July, and October of each year. Any update pursuant to 20 this paragraph that is received beyond that date is presumed late and the civil penalty authorized by subsection (e) of 21 22 Section 9-35 of the Election Code (10 ILCS 5/9-35) may be 23 assessed.

Also, if a business entity required to register under this subsection has a pending bid or offer, any change in information shall be reported to the State Board of Elections

1 2 within 7 calendar days following such change or no later than a day before the contract is awarded, whichever date is earlier.

3 (f) A business entity's continuing duty under this Section 4 to ensure the accuracy of its registration includes the 5 requirement that the business entity notify the State Board of 6 Elections of any change in information, including but not 7 limited to changes of affiliated entities or affiliated 8 persons.

9 (g) For any bid or offer for a contract with a State agency 10 by a business entity required to register under this Section, 11 the chief procurement officer shall verify that the business 12 entity is required to register under this Section and is in compliance with the registration requirements on or prior to 13 the date the contract is awarded bid or offer is due. A State 14 15 agency chief procurement officer shall not enter into a 16 contract with accept a bid or offer if the business entity that 17 is not in compliance with these the registration requirements as of the date bids or offers are due. 18

(h) A registration, and any changes to a registration, must include the business entity's verification of accuracy and subjects the business entity to the penalties of the laws of this State for perjury.

In addition to any penalty under Section 9-35 of the Election Code, intentional, willful, or material failure to disclose information required for registration shall render the contract, bid, offer, or other procurement relationship voidable by the chief procurement officer if he or she deems it
 to be in the best interest of the State of Illinois.

3 (i) This Section applies regardless of the method of source4 selection used in awarding the contract.

5 (Source: P.A. 97-333, eff. 8-12-11; 97-895, eff. 8-3-12; 6 98-1076, eff. 1-1-15.)

7 (30 ILCS 500/25-15)

8 Sec. 25-15. Method of source selection.

9 (a) Competitive sealed bidding. Except as provided in 10 subsection (b) and Sections <u>20-15, 20-16,</u> 20-20, 20-25, and 11 20-30, <u>20-35, 30-15, and 40-20,</u> all State contracts for 12 supplies and services shall be awarded by competitive sealed 13 bidding in accordance with Section 20-10.

(b) Other methods. The chief procurement officer, in conjunction with the designated procurement officers, may establish by rule (i) categories of purchases, including non-governmental joint purchases, that may be made without competitive sealed bidding and (ii) the most competitive alternate method of source selection that shall be used for each category of purchase.

21 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

22 (30 ILCS 500/25-30)

23 Sec. 25-30. More favorable terms. A supply or service 24 contract may include, if determined by <u>the chief procurement</u> - 92 - LRB099 20210 MLM 44674 b

officer a State purchasing officer to be in the best interests of the State, a clause requiring that if more favorable terms are granted by the contractor to any similar state or local governmental agency in any state in a contemporaneous agreement let under the same or similar financial terms and circumstances for comparable supplies or services, the more favorable terms shall be applicable under the contract.

8 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

9 (30 ILCS 500/25-35)

10 Sec. 25-35. Purchase of coal and postage stamps.

11 (a) Delivery of necessary supplies. To avoid interruption 12 or impediment of delivery of necessary supplies, commodities, 13 and coal, the chief procurement officer State purchasing 14 officers may make purchases of or contracts for supplies and 15 commodities after April 30 of a fiscal year when delivery of 16 the supplies and commodities is to be made after June 30 of that fiscal year and payment for which is to be made from 17 18 appropriations for the next fiscal year.

(b) Postage. All postage stamps purchased from State funds must be perforated for identification purposes. A General Assembly member may furnish the U.S. Post Office with a warrant so as to allow for the creation or continuation of a bulk rate mailing fund in the name of the General Assembly member or may furnish a postage meter company or post office with a warrant so as to facilitate the purchase of a postage meter and its

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1	stamps. Any postage meter so purchased must also contain a
2	stamp that shall state "Official State Mail".
3	(Source: P.A. 90-572, eff. date - See Sec. 99-5.)
4	(30 ILCS 500/25-45)
5	Sec. 25-45. Executive agency energy conservation and
6	saving measures Energy conservation program.
7	(a) Definitions. As used in this Section:
8	"Board" means the Capital Development Board.
9	"Contracting authority" means the Department, the Board,
10	or other such agencies as may be delegated to execute certain
11	of its statutory procurement functions through
12	intergovernmental agreements specifically developed for the
13	purpose of securing energy conservation services.
14	"Department" means the Department of Central Management
15	Services acting in its capacity as the statutory owner and
16	manager of all properties owned and operated by the State of
17	Illinois on behalf of agencies, boards, and commissions
18	functioning under the executive authority of the Governor.
19	"Energy conservation measure" means any improvement,
20	repair, alteration, or betterment of any executive agency
21	facility or any equipment, fixture, or furnishing to be added
22	to or used in an executive agency facility, that is designed to
23	reduce energy consumption or operating costs, and may include,
24	but is not limited to, one or more of the following:
25	(1) Insulation of the building structure or systems

1	within the building.
2	(2) Storm windows or doors, caulking or weather
3	stripping, multiglazed windows or doors, heat-absorbing or
4	heat-reflective glazed and coated window or door systems,
5	additional glazing, reductions in glass area, or other
6	window and door system modifications that reduce energy
7	consumption.
8	(3) Automated or computerized energy control systems.
9	(4) Heating, ventilating, or air conditioning system,
10	modifications, or replacements.
11	(5) Replacement or modification of lighting fixtures
12	to increase the energy efficiency of the lighting system
13	without increasing the overall illumination of a building,
14	unless an increase in illumination is necessary to conform
15	to the applicable State or local building code for the
16	lighting system after the proposed modifications are made.
17	(6) Energy recovery systems.
18	(7) Energy conservation measures that provide
19	long-term operating cost reductions.
20	"Executive agency facility" means a building owned and
21	operated by the State of Illinois through an agency, board, or
22	commission statutorily functioning under the executive
23	authority of the Governor and under the general property
24	management authority of the Department of Central Management
25	Services.
26	"Guaranteed energy savings contract" means a contract for:

1	(i) the implementation of an energy audit, data collection, and
2	other related analyses preliminary to the undertaking of energy
3	conservation measures; (ii) the evaluation and recommendation
4	of energy conservation measures; (iii) the implementation of
5	one or more energy conservation measures; or (iv) the
6	implementation of project monitoring and data collection to
7	verify post installation energy consumption and energy related
8	operating costs. The contract shall provide that all payments,
9	except obligations on termination of the contract before its
10	expiration, are to be made over time and that the savings are
11	guaranteed to the extent necessary to pay the costs of the
12	energy conservation measures. "Energy savings" may include
13	energy reduction and offsetting sources of renewable energy
14	funds, including renewable energy credits and carbon credits.
15	"Qualified provider" means a person whose employees are
16	experienced and trained in the design, implementation, or
17	installation of energy conservation measures. The minimum
18	training required for any person or employee under this Section
19	shall be the satisfactory completion of at least 40 hours of
20	course instruction dealing with energy conservation measures.
21	A qualified provider to whom the contract is awarded shall give
22	a sufficient bond to the executive agency or for its faithful
23	performance.
24	(b) Before entering into a guaranteed energy savings
25	contract, the contracting authority shall issue a request for

26 proposals in accordance with Article 30 of this Code requesting

1	competitive sealed offers for innovative solutions and
2	conservation measures. A request for proposals shall be
3	published in the appropriate volume of the Illinois Procurement
4	Bulletin under the authority of the designated procurement
5	officer for the Capital Development Board under Section 10-5 of
6	this Code for at least 30 days before offers are due. The
7	request for proposals shall, at a minimum, include all of the
8	following:
9	(1) The name and address of the executive agency.
10	(2) The name, address, title, and phone number of an
11	executive agency contact person who will respond to
12	questions regarding the request for proposals.
13	(3) Notice indicating that the contracting authority
14	is requesting qualified providers to propose energy
15	conservation measures through a guaranteed energy savings
16	<u>contract.</u>
17	(4) The date, time, and place where offers must be
18	received.
19	(5) The evaluation criteria for evaluating offers.
20	(6) Any other stipulations and clarifications the
21	contracting authority or executive agency facility may
22	<u>require.</u>
23	(7) A written disclosure that identifies any energy
24	services contractor that participated in the preparation
25	of specifications. If no energy services contractor
26	participated in the preparation of specifications, then

1	the request for proposals must include a disclosure that no
2	energy services contractor participated in the preparation
3	of the specifications.
4	(c) The evaluation of offers shall analyze the estimates of
5	all costs of installations, modifications, or remodeling,
6	including, but not limited to, costs of a pre-installation
7	energy audit or analysis, design, engineering, installation,
8	maintenance, repairs, debt service, conversions to a different
9	energy or fuel source, or post-installation project
10	monitoring, data collection, and reporting. The evaluation
11	shall include a detailed analysis of whether either the energy
12	consumed or the operating costs, or both, will be reduced. If a
13	licensed architect or registered professional engineer on the
14	executive agency's or contracting authority's staff is
15	unavailable to serve as an evaluator, then the evaluation shall
16	include a registered professional engineer or architect, who is
17	retained by the executive agency or contracting authority. A
18	licensed architect or registered professional engineer
19	participating on an evaluation team under this Section must not
20	have any financial or contractual relationship with an offeror
21	or other source that would constitute a conflict of interest.
22	The contracting authority or executive agency facility may pay
23	a reasonable fee for evaluation of the proposal or include the
24	fee as part of the payments made under subsection (f).
25	(d) Any contracting agency shall coordinate with the Board
26	to ensure that there are no conflicts with the proposals and

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1 current or upcoming Board projects.

2 (e) After evaluating the proposals, a contracting 3 authority for an executive agency facility may enter into a 4 guaranteed energy savings contract with the best-qualified 5 offeror if the contracting authority finds that the amount it would spend on the energy conservation measures recommended in 6 7 the proposal would not exceed the amount to be saved in either energy or operational costs, or both, within a 20-year period 8 9 from the date of installation if the recommendations in the 10 proposal are followed. Contracts let or awarded must be 11 published in the volume of the Illinois Procurement Bulletin 12 under the authority of the chief procurement officer for the Capital Development Board or as otherwise prescribed by 13 14 agreement between the Capital Development Board and the 15 contracting authority. 16 (f) The guaranteed energy savings contract shall include 17 the contractor's guarantee that either the energy or

operational cost savings, or both, will meet or exceed within 18 19 20 years the costs of the energy conservation measures. The 20 contractor shall reimburse the State for any shortfall of 21 quaranteed energy savings projected in the contract. A 22 contractor shall provide a sufficient bond, as determined by 23 the State, to the contracting authority for the installation 24 and the faithful performance of all the measures included in 25 the contract. The guaranteed energy savings contract may 26 provide for payments over a period of time, not to exceed 20

1 years from the date of final installation of the energy 2 conservation measures.

3 (g) The contracting authority may enter into an installment payment contract or lease purchase agreement with a contractor 4 5 for services solicited under this Section or with a third party, as authorized by law, for the funding or financing of 6 7 the purchase and installation of energy conservation measures. 8 The State of Illinois may issue certificates evidencing the 9 indebtedness incurred pursuant to the contracts. Each contract 10 or agreement entered into by a contracting authority pursuant 11 to this Section shall be authorized by official action of the 12 contracting authority. The authority granted in this Section is in addition to any other authority granted by law. If an energy 13 14 audit is performed by an energy services contractor for an executive agency facility within the 3 years immediately 15 preceding the request for proposals, then the contracting 16 17 authority must publish as a reference document in the 18 solicitation for energy conservation measures:

19(1) an executive summary of the energy audit, provided20that the contracting authority and executive agency21facility may exclude any proprietary or trademarked22information or practices; or

(2) the energy audit, provided that the contracting
 authority and executive agency facility may redact any
 proprietary or trademarked information or practices.
 An executive agency facility or contracting authority may

not withhold the disclosure of information related to: (i) the executive agency facility's consumption of energy, (ii) the physical condition of the executive agency's facilities, and (iii) any limitations prescribed by the executive agency facility or contracting authority.

6 <u>(h) Guaranteed energy savings contracts may extend beyond</u> 7 <u>the fiscal year in which they become effective. The agency</u> 8 <u>responsible for payments under such a contract shall include in</u> 9 <u>its annual budget and appropriations measures for each</u> 10 <u>subsequent fiscal year any amounts payable under guaranteed</u> 11 <u>energy savings contracts during that fiscal year.</u>

12 (i) In cooperation with the contracting authority, the executive agency facility shall document the operational and 13 14 energy cost savings specified in the guaranteed energy savings 15 contract and designate and appropriate that amount for an annual payment of the contract. If the annual energy savings 16 17 are less than projected under the guaranteed energy savings 18 contract the contractor shall pay the difference as provided in 19 subsection (f) of this Section.

20 (j) An executive agency facility or contracting authority 21 may use funds designated for operating or capital expenditures 22 for any guaranteed energy savings contract including purchases 23 using installment payment contracts or lease purchase 24 agreements. An executive agency facility or contracting 25 authority that enters into such a contract or agreement may 26 covenant in the contract or agreement that payments made under

3 <u>(k) Operating and maintenance funds and other amounts</u> 4 <u>appropriated for distribution to or reimbursement of an</u> 5 <u>executive agency facility or contracting authority shall not be</u> 6 <u>reduced as a result of energy savings realized from a</u> 7 <u>guaranteed energy savings contract or a lease purchase</u> 8 <u>agreement for the purchase and installation of energy</u> 9 <u>conservation measures.</u>

10 Other State laws and related administrative (1) 11 requirements apply to this Article, including, but not limited 12 to, the following laws and related administrative requirements: the Illinois Human Rights Act, the Prevailing 13 14 Wage Act, the Public Construction Bond Act, the Employment of Illinois Workers on Public Works Act, the Freedom of 15 16 Information Act, the Open Meetings Act, the Illinois 17 Architecture Practice Act of 1989, the Professional Engineering Practice Act of 1989, the Structural Engineering 18 19 Practice Act of 1989, the Local Government Professional 20 Services Selection Act, and the Contractor Unified License and 21 Permit Bond Act.

(m) In order to protect the integrity of historic buildings, no provision of this Section shall be interpreted to require the implementation of energy conservation measures that conflict with respect to any property eligible for, nominated to, or entered on the National Register of Historic Places, pursuant to the federal National Historic Preservation
 Act of 1966, or the Illinois Register of Historic Places,
 pursuant to the Illinois Historic Preservation Act.

State purchasing officers may enter into energy conservation program contracts that provide for utility cost savings. The chief procurement officer shall promulgate and adopt rules for the implementation of this Section.

8 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

9 (30 ILCS 500/25-65)

10 Sec. 25-65. Contracts performed outside the United States. 11 Prior to contracting or as a requirement of solicitation of any 12 State contracts for services as defined in Section 1-15.90, 13 whichever is appropriate, potential contractors shall disclose 14 in a statement of work where services will be performed under 15 that contract, including any subcontracts, and whether any 16 services under that contract, including any subcontracts, are anticipated to be performed outside the United States. 17

In awarding the contract or evaluating the bid or offer, the chief procurement <u>officer or, if the procurement is under</u> the authority of a designated procurement officer, the <u>applicable designated procurement</u> officer may consider such disclosure and the economic impact to the State of Illinois and its residents.

24 If the chief procurement officer <u>or applicable designated</u> 25 <u>procurement officer</u> awards a contract to a vendor based upon

disclosure that work will be performed in the United States and 1 2 during the term of the contract the contractor or a subcontractor proceeds to shift work outside of the United 3 States, the contractor shall be deemed in breach of contract, 4 5 unless the chief procurement officer or applicable designated procurement officer shall have first determined in writing that 6 7 circumstances require the shift of work or that termination of the contract would not be in the State's best interest. 8

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9 Nothing in this Section is intended to contravene any
10 existing treaty, law, agreement, or regulation of the United
11 States.

12 chief procurement officer appointed pursuant to The 13 paragraph (4) of subsection (a) of Section 10-20 shall prepare 14 and deliver to the General Assembly, no later than September 1, 15 2015, a report on the impact of outsourcing services for State 16 agencies subject to the jurisdiction of the chief procurement 17 The report shall include the State's cost of officer. procurement and shall identify those contracts where it was 18 disclosed that services were provided outside of the United 19 20 States, including a description and value of those services. Each State agency subject to the jurisdiction of the chief 21 22 procurement officer appointed pursuant to paragraph (4) of 23 subsection (a) of Section 10-20 must provide the chief procurement officer the information necessary to comply with 24 25 this Section on or before June 1, 2015. The requirement for 26 reporting to the General Assembly shall be satisfied by filing

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1	copies of the report in the manner provided by Section 3.1 o
2	the General Assembly Organization Act.
3	(Source: P.A. 98-1076, eff. 1-1-15.)
4	(30 ILCS 500/25-81 new)
5	Sec. 25-81. Governmental contracts. The chief procuremen
6	officer or, if the procurement is under the authority of
7	designated procurement officer, the designated procuremen
8	officer may authorize, when in the best interest of the State
9	a State agency to procure supplies and services without an
10	method of source selection otherwise required by this Code fro
11	a vendor with a current contract with any other governmenta
12	unit as defined in Section 1 of the Governmental Join
13	Purchasing Act or from a governmental procurement cooperativ
14	or procurement consortium. The intended contract must have bee
15	procured pursuant to competitive selection procedures whic
16	meet the approval of the chief procurement officer or, if th
17	procurement is under the authority of a designated procuremen
18	officer, the applicable designated procurement officer
19	Details of the determination and intent to use a federa
20	government contract shall be published in the appropriat
21	volume of the Illinois Procurement Bulletin for a period of 1
22	days prior to execution of the new contract. Contract
23	resulting from this process shall contain all statutor
24	provisions required by Illinois law.

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(30 ILCS 500/30-35)

Sec. 30-35. Expenditure in excess of contract price.

(a) Germaneness. No funds in excess of the contract price 3 may be obligated or expended unless the additional work to be 4 5 performed or materials to be furnished is germane to the 6 original contract. If germane to the contract Even if germane 7 to the original contract, no additional expenditures -or 8 obligations may, in their total combined amounts, be in excess 9 of the percentages of the original contract amount set forth in 10 subsection (b) unless they have received the prior written 11 approval of the construction agency. In the event that the 12 total of the combined additional expenditures or obligations 13 exceeds the percentages of the original contract amount set forth in subsection (b), the construction agency shall 14 15 investigate all the additional expenditures or obligations in 16 excess of the original contract amount and shall in writing 17 approve or disapprove subsequent expenditures or obligations state in detail the reasons for the approval or 18 and 19 disapproval.

(b) <u>(Blank).</u> Written determination required. When the contract amount is no more than \$75,000, the percentage shall be 9% (maximum \$6,750). When the contract amount is between \$75,001 and \$200,000, the percentage shall be 7% of the amount above \$75,000 plus \$6,750, but not to exceed 7% of \$200,000 (maximum \$14,000). When the contract amount is between \$200,001 and \$500,000, the percentage shall be 5% of the amount above

1	\$200,000 plus \$14,000, but not to exceed 5% of \$500,000
2	(maximum \$25,000). When the contract amount is in excess of
3	\$500,000, the percentage shall be 3% of the amount above
4	\$500,000 plus \$25,000.
5	(Source: P.A. 90-572, eff. date - See Sec. 99-5.)
6	(30 ILCS 500/35-5)
7	Sec. 35-5. Application. All professional and artistic
8	services <u>authorized under a separate Act may</u> shall be procured
9	in accordance with the provisions of this Article.
10	(Source: P.A. 90-572, eff. date - See Sec. 99-5.)
11	(30 ILCS 500/35-10)
12	Sec. 35-10. Authority. The chief procurement officer and
	Sec. 35-10. Authority. <u>The chief procurement officer and</u> each designated procurement officer Each State purchasing
12	
12 13	each designated procurement officer Each State purchasing
12 13 14	each designated procurement officer Each State purchasing officer, under the supervision of his or her respective chief
12 13 14 15	each designated procurement officer Each State purchasing officer, under the supervision of his or her respective chief procurement officer, has the authority to select, according to
12 13 14 15 16	each designated procurement officer Each State purchasing officer, under the supervision of his or her respective chief procurement officer, has the authority to select, according to the provisions of this Article, his or her own professional and
12 13 14 15 16 17	each designated procurement officer Each State purchasing officer, under the supervision of his or her respective chief procurement officer, has the authority to select, according to the provisions of this Article, his or her own professional and artistic services.
12 13 14 15 16 17 18	each designated procurement officer Each State purchasing officer, under the supervision of his or her respective chief procurement officer, has the authority to select, according to the provisions of this Article, his or her own professional and artistic services. (Source: P.A. 90-572, eff. date - See Sec. 99-5.)
12 13 14 15 16 17 18	<pre>each designated procurement officer Each State purchasing officer, under the supervision of his or her respective chief procurement officer, has the authority to select, according to the provisions of this Article, his or her own professional and artistic services. (Source: P.A. 90-572, eff. date - See Sec. 99-5.) (30 ILCS 500/35-15)</pre>
12 13 14 15 16 17 18 19 20	<pre>each designated procurement officer Each State purchasing officer, under the supervision of his or her respective chief procurement officer, has the authority to select, according to the provisions of this Article, his or her own professional and artistic services. (Source: P.A. 90-572, eff. date - See Sec. 99-5.) (30 ILCS 500/35-15) Sec. 35-15. Prequalification.</pre>

than construction and the higher education chief procurement efficient shall each develop appropriate and reasonable prequalification standards and categories of professional and artistic services.

5 (b) The prequalifications and categorizations shall be 6 submitted to the Procurement Policy Board and published for 7 public comment prior to their submission to the Joint Committee 8 on Administrative Rules for approval.

9 (c) The chief procurement officer <u>or, if the procurement is</u> 10 <u>under the authority of a designated procurement officer, the</u> 11 <u>applicable designated procurement</u> for matters other than 12 construction and the higher education chief procurement 13 officer shall each also assemble and maintain a comprehensive 14 list of prequalified and categorized businesses and persons.

(d) Prequalification shall not be used to bar or prevent
any qualified business or person <u>from</u> for bidding or responding
to invitations for bid or proposal.

18 (Source: P.A. 95-481, eff. 8-28-07; 96-920, eff. 7-1-10.)

19 (30 ILCS 500/35-20)

20 Sec. 35-20. Uniformity in procurement.

(a) The chief procurement officer <u>and each designated</u>
 <u>procurement officer</u> for matters other than construction and the
 higher education chief procurement officer shall <u>utilize</u> each
 <u>develop</u>, cause to be printed, and distribute uniform documents
 for the solicitation, review, and acceptance of all

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1	professional and artistic services that are procured under
2	their respective procurement authority.
3	(b) <u>The</u> All chief procurement <u>officer and each designated</u>
4	procurement officer officers, State purchasing officers, and
5	their designees shall use the appropriate uniform procedures
6	and forms <u>to procure</u> specified in this Code for all
7	professional and artistic services pursuant to this Article.
8	(c) These forms shall include in detail, in writing, at
9	least:
10	(1) a description of the goal to be achieved;
11	(2) the services to be performed;
12	(3) the need for the service;
13	(4) the qualifications that are necessary; and
14	(5) a plan for post-performance review.
15	(Source: P.A. 95-481, eff. 8-28-07; 96-920, eff. 7-1-10.)
16	(30 ILCS 500/35-25)
17	Sec. 35-25. Uniformity in contract.
18	(a) The chief procurement officer <u>and each designated</u> for
19	matters other than construction and the higher education chief
20	procurement officer shall <u>utilize</u> each develop, cause to be
21	printed, and distribute uniform documents for the contracting
22	of professional and artistic services that are procured under
23	their respective procurement authority.
24	(b) All chief procurement officers, and each designated
25	procurement officer, State purchasing officers, and their

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1	designees shall use the appropriate uniform contracts and forms
2	in contracting for all professional and artistic services.
3	(c) These contracts and forms shall include in detail, in
4	writing, at least:
5	(1) the detail listed in subsection (c) of Section
6	35-20;
7	(2) the duration of the contract, with a schedule of
8	delivery, when applicable;
9	(3) the method for charging and measuring cost (hourly,
10	per day, etc.);
11	(4) the rate of remuneration; and
12	(5) the maximum price <u>or, for contracts where a group</u>
13	of offerors is qualified as part of prequalified pool, unit
14	or hourly pricing for the individual offerors.
15	(Source: P.A. 95-481, eff. 8-28-07; 96-920, eff. 7-1-10.)
16	(30 ILCS 500/35-30)
17	Sec. 35-30. Awards.
18	(a) Except as otherwise provided in this Section, all All
19	State contracts for professional and artistic services that are
20	entered into pursuant to this Article , except as provided in
21	this Section, shall be awarded using the competitive request
22	for proposal process outlined in this Section.
23	(b) <u>(Blank).</u> For each contract offered, the chief
24	procurement officer, State purchasing officer, or his or her
25	designee shall use the appropriate standard solicitation forms

1 available from the chief procurement officer for matters other 2 than construction or the higher education chief procurement 3 officer.

(c) Prepared forms shall be submitted to the chief 4 5 procurement officer or, if the procurement is under the authority of a designated procurement officer, the applicable 6 7 designated procurement officer for matters other than 8 construction or the higher education chief procurement 9 officer, whichever is appropriate, for publication in its 10 volume of the Illinois Procurement Bulletin and circulation to 11 the applicable chief procurement officer for matters other than 12 construction or the higher education chief procurement officer's list of prequalified vendors. Notice of the offer or 13 request for proposal shall appear at least 14 calendar days 14 15 before the response to the offer is due.

16 (d) All interested respondents shall return their 17 responses to the chief procurement officer or, if the procurement is under the authority of a designated procurement 18 19 officer, the applicable designated procurement officer for 20 matters other than construction or the higher education chief procurement officer, whichever is appropriate, which shall 21 22 open and record them. The chief procurement officer or, if the 23 procurement is under the authority of a designated procurement officer, the applicable designated procurement officer for 24 25 matters other than construction or higher education chief 26 procurement officer then shall forward the responses, together

with any information it has available about the qualifications
 and other State work of the respondents <u>for evaluation by the</u>
 purchasing agency.

(e) After evaluation, ranking, and selection, 4 the 5 responsible chief procurement officer or, if the procurement is under the authority of a designated procurement officer, the 6 applicable designated procurement officer, State purchasing 7 8 officer, or his or her designee shall notify the chief procurement officer for matters other than construction or the 9 10 higher education chief procurement officer, whichever is 11 appropriate, of the successful respondent and shall forward a 12 copy of the signed contract for the chief procurement officer for matters other than construction or higher education chief 13 procurement officer's file. The chief procurement officer for 14 15 matters other than construction or higher education chief 16 procurement officer shall publish the names of the responsible 17 procurement decision-maker, the agency letting the contract, successful respondent or respondents, 18 а contract the reference, and value of the let contract in the next 19 20 appropriate volume of the applicable Illinois Procurement Bulletin. 21

(f) For all professional and artistic contracts <u>that are</u> procured in accordance with this Section with annualized value that exceeds \$25,000, evaluation and ranking by price <u>is</u> are required. <u>The</u> Any chief procurement officer <u>or, if the</u> procurement is under the authority of a designated procurement

officer, the applicable designated procurement officer or 1 State purchasing officer, but not their designees, may select a 2 respondent other than the respondent with the lowest lowest 3 respondent by price. In any case, when the contract exceeds the 4 5 \$25,000 threshold and the lowest price respondent is not selected, the chief procurement officer or, if the procurement 6 is under the authority of a designated procurement officer, the 7 applicable designated procurement or the State purchasing 8 9 officer shall forward together with the contract notice, which 10 shall contain the name of the respondent with the lowest price 11 who the low respondent by price was and a written decision as 12 to why another respondent was selected to the chief procurement officer for matters other than construction or the higher 13 14 education chief procurement officer, whichever is appropriate. 15 The chief procurement officer or, if the procurement is under 16 the authority of a designated procurement officer, the 17 applicable designated procurement officer, whichever is appropriate, for matters other than construction or higher 18 19 education chief procurement officer shall publish as provided in subsection (e) of Section 35-30, but shall also include in 20 21 the publication notice of the chief procurement officer's or 22 designated procurement or State purchasing officer's written 23 decision.

(g) The chief procurement officer or, if the procurement is
 under the authority of a designated procurement officer, the
 applicable designated procurement officer for matters other

1 than construction and higher education chief procurement 2 officer may each refine, but not contradict, this Section by 3 promulgating rules in accordance with Section 10-6 of this Code for submission to the Procurement Policy Board and then to the 4 5 Joint Committee on Administrative Rules. Any refinement shall be based on the principles and procedures of the federal 6 7 Architect-Engineer Selection Law, Public Law 92-582 Brooks 8 Act, and the Architectural, Engineering, and Land Surveying 9 Qualifications Based Selection Act; except that pricing shall 10 be an integral part of the selection process.

11 (Source: P.A. 98-1076, eff. 1-1-15.)

12 (30 ILCS 500/35-35)

13 Sec. 35-35. Exceptions.

14 (a) Exceptions to Section 35-30 are allowed for sole source 15 procurements, emergency procurements, and at the discretion of 16 the chief procurement officer or, if the procurement is under the authority of a designated procurement officer, the 17 18 applicable designated procurement officer the State purchasing 19 officer, but not their designees, for professional and artistic 20 contracts that are nonrenewable, one year or less in duration, 21 and have a value of less than \$20,000.

(b) All exceptions granted under this Article must still be submitted to the chief procurement officer <u>or</u>, <u>if</u> the procurement is under the authority of a designated procurement officer, the applicable designated procurement officer for 1 matters other than construction or the higher education chief 2 procurement officer, whichever is appropriate, and published as provided for in subsection (f) of Section 35-30, shall name 3 authorizing chief procurement officer or, if the 4 the 5 procurement is under the authority of a designated procurement officer, the applicable designated procurement officer State 6 7 purchasing officer, and shall include a brief explanation of 8 the reason for the exception.

9 (Source: P.A. 95-481, eff. 8-28-07; 96-920, eff. 7-1-10.)

10 (30 ILCS 500/35-40)

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11 Sec. 35-40. Subcontractors.

12 (a) Any contract granted under this Article shall state whether the services of a subcontractor will be used. 13 The 14 contract shall include the names and addresses of all 15 subcontractors with an annual value of more than \$50,000, the 16 general type of work to be performed by these subcontractors, and the expected amount of money each will receive under the 17 18 contract. Upon the request of the chief procurement officer or, if the procurement is under the authority of a designated 19 procurement officer, the applicable designated procurement 20 21 officer appointed pursuant to paragraph (2) of subsection (a) 22 of Section 10-20, the contractor shall provide the chief 23 procurement officer or applicable designated procurement 24 officer a copy of a subcontract so identified within 15 25 calendar days after the request is made. A subcontractor, or - 115 - LRB099 20210 MLM 44674 b

1 contractor on behalf of a subcontractor, may identify 2 information that is deemed proprietary or confidential. If the 3 chief procurement officer or applicable designated procurement officer determines the information is not relevant to the 4 5 primary contract, the chief procurement officer or applicable designated procurement officer may excuse the inclusion of the 6 7 information. If the chief procurement officer or applicable designated procurement officer determines the information is 8 9 proprietary or could harm the business interest of the 10 subcontractor, the chief procurement officer or applicable designated procurement officer may, in his or her discretion, 11 12 redact the information. Redacted information shall not become part of the public record. 13

(b) If at any time during the term of a contract, a 14 15 contractor adds or changes any subcontractors, he or she shall 16 promptly notify, in writing, the chief procurement officer for 17 matters other than construction or applicable designated the higher education chief procurement officer, whichever is 18 19 appropriate, and the responsible State purchasing officer, or 20 their designee of the names and addresses and the expected 21 amount of money each new or replaced subcontractor will 22 receive. Upon request of the chief procurement officer or 23 applicable designated procurement officer appointed pursuant to paragraph (2) of subsection (a) of Section 10-20, the 24 25 contractor shall provide the chief procurement officer or 26 applicable designated procurement officer a copy of any new or

1 amended subcontract so identified within 15 calendar days after 2 the request is made.

3 (c) In addition to any other requirements of this Code, a 4 subcontract subject to this Section must include all of the 5 subcontractor's certifications required by Article 50 of this 6 Code.

7 (d) For purposes of this Section, the changes made by this 8 amendatory Act of the 98th General Assembly apply to 9 procurements solicited on or after the effective date of this 10 amendatory Act of the 98th General Assembly.

11 (Source: P.A. 98-1076, eff. 1-1-15.)

12 (30 ILCS 500/40-15)

13 Sec. 40-15. Method of source selection.

14 (a) Request for information. Except as provided in
15 subsections (b) and (c), all State contracts for leases of real
16 property or capital improvements shall be awarded by a request
17 for information process in accordance with Section 40-20.

18 (b) Other methods. A request for information process need19 not be used in procuring any of the following leases:

20 (1) Property of less than 10,000 square feet with rent
21 of less than \$100,000 per year.

(2) (Blank).

23 (3) Duration of less than one year that cannot be24 renewed.

25

22

(4) Specialized space available at only one location.

1 (5) Renewal or extension of a lease; provided that: (i) 2 the chief procurement officer or, if the procurement is 3 under the authority of a designated procurement officer, the applicable designated procurement officer determines 4 5 in writing that the renewal or extension is in the best interest of the State; (ii) (blank); the chief procurement 6 7 officer submits his or her written determination and the 8 renewal or extension to the Board; (iii) (blank); or the 9 Board does not object in writing to the renewal or 10 extension within 30 calendar days after its submission; and 11 (iv) the chief procurement officer or applicable 12 designated procurement officer publishes the renewal or 13 extension in the appropriate volume of the Procurement 14 Bulletin.

15 (c) Leases with governmental units. Leases with other 16 governmental units may be negotiated without using the request 17 for information process when deemed by the chief procurement 18 officer <u>or, if the procurement is under the authority of a</u> 19 <u>designated procurement officer, the applicable designated</u> 20 <u>procurement officer</u> to be in the best interest of the State.

21 (Source: P.A. 98-1076, eff. 1-1-15.)

22 (30 ILCS 500/40-20)

23 Sec. 40-20. Request for information.

(a) Conditions for use. Leases shall be procured by request
 for information except as otherwise provided in Section 40-15.

desired.

8

1 (b) Form. A request for information shall be issued and 2 shall include:

3 (1) the type of property to be leased;
4 (2) the proposed uses of the property;
5 (3) the duration of the lease;
6 (4) the preferred location of the property; and
7 (5) a general description of the configuration

9 (c) Public notice. Public notice of the request for 10 information for the availability of real property to lease 11 shall be published in the appropriate volume of the Illinois 12 Procurement Bulletin at least 14 calendar days before the date 13 set forth in the request for receipt of responses and shall also be published in similar manner in a newspaper of general 14 15 circulation in the community or communities where the using 16 agency is seeking space.

17 (d) Response. The request for information response shall consist of written information sufficient to show that the 18 19 respondent can meet minimum criteria set forth in the request. 20 The chief procurement officer or, if the procurement is under the authority of a designated procurement officer, the 21 22 applicable designated procurement officer State purchasing 23 officers may enter into discussions with respondents for the 24 purpose of clarifying State needs and the information supplied 25 by the respondents. On the basis of the information supplied 26 and discussions, if any, the chief procurement officer or, if

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the procurement is under the authority of a designated 1 2 procurement officer, the applicable designated procurement a State purchasing officer shall make a written determination 3 identifying the responses that meet the minimum criteria set 4 5 forth in the request for information. Negotiations shall be 6 entered into with all qualified respondents for the purpose of securing a lease that is in the best interest of the State. A 7 written report of the negotiations shall be retained in the 8 lease files and shall include the reasons for the final 9 10 selection. All leases shall be reduced to writing; one copy 11 shall be filed with the Comptroller in accordance with the 12 provisions of Section 20-80, and one copy shall be filed with 13 the Board.

When the lowest response by price is not selected, the 14 State purchasing officer shall forward to the chief procurement 15 16 officer, along with the lease, notice of the identity of the 17 lowest respondent by price and written reasons for the selection of a different response. The chief procurement 18 19 officer or, if the procurement is under the authority of a designated procurement officer, the applicable designated 20 21 procurement officer shall publish the written reasons for the 22 selection of a different response in the next volume of the 23 applicable Illinois Procurement Bulletin.

(e) <u>(Blank)</u>. Board review. Upon receipt of (1) any proposed
 lease of real property of 10,000 or more square feet or (2) any
 proposed lease of real property with annual rent payments of

\$100,000 or more, the Procurement Policy Board shall have 30
calendar days to review the proposed lease. If the Board does
not object in writing within 30 calendar days, then the
proposed lease shall become effective according to its terms as
submitted. The leasing agency shall make any and all materials
available to the Board to assist in the review process.

7 (Source: P.A. 98-1076, eff. 1-1-15.)

8 (30 ILCS 500/40-25)

9 Sec. 40-25. Length of leases.

10 (a) Maximum term. Leases shall be for a term not to exceed 11 10 years inclusive, beginning January, 1, 2010, of proposed 12 contract renewals and shall include a termination option in 13 favor of the State after 5 years.

14 (b) Renewal. Leases may include a renewal option. An option 15 to renew may be exercised only when the chief procurement 16 officer or, if the procurement is under the authority of a designated procurement officer, the applicable designated 17 18 procurement a State purchasing officer determines in writing that renewal is in the best interest of the State and notice of 19 the exercise of the option is published in the appropriate 20 21 volume of the Procurement Bulletin at least 60 calendar days 22 prior to the exercise of the option.

(c) Subject to appropriation. All leases shall recite that
 they are subject to termination and cancellation in any year
 for which the General Assembly fails to make an appropriation

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1 to make payments under the terms of the lease.

2 (d) Holdover. Beginning January 1, 2010, no lease may 3 continue on a month-to-month or other holdover basis for a 4 total of more than 6 months. Beginning July 1, 2010, the 5 Comptroller shall withhold payment of leases beyond this 6 holdover period.

7 (Source: P.A. 98-1076, eff. 1-1-15.)

8 (30 ILCS 500/40-30)

9 Sec. 40-30. Purchase option. Leases Initial leases of all 10 space in entire, free-standing buildings shall include an 11 option to purchase exerciseable by the State, unless the 12 purchasing officer determines that inclusion of such purchase option is not in the State's best interest and makes that 13 14 determination in writing along with the reasons for making that 15 determination and publishes the written determination in the 16 appropriate volume of the Procurement Bulletin. Leases from governmental units and not-for-profit entities are exempt from 17 the requirements of this Section. 18

19 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

20 (30 ILCS 500/40-35)
21 Sec. 40-35. Rent without occupancy. Except when deemed by
22 the chief procurement officer or, if the procurement is under
23 the authority of a designated procurement officer, the
24 applicable designated procurement officer Board to be in the

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best interest of the State, no State agency may incur rental
 obligations before occupying the space rented.

3 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

4 (30 ILCS 500/40-55)

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5 Sec. 40-55. Lessor's failure to make improvements. Each 6 lease must provide for actual or liquidated damages upon the 7 lessor's failure to make improvements agreed upon in the lease. 8 The actual or liquidated damages shall consist of a reduction 9 in lease payments equal to the corresponding percentage of the 10 improvement value to the lease value. The actual or liquidated 11 damages shall continue until the lessor complies with the lease 12 and the improvements are certified by the chief procurement 13 officer or, if the procurement is under the authority of a designated procurement officer, the applicable designated 14 15 procurement officer and the leasing State agency.

16 (Source: P.A. 98-1076, eff. 1-1-15.)

17 (30 ILCS 500/45-10)

18 Sec. 45-10. Resident preference bidders and offerors.

(a) <u>(Blank)</u>. Amount of preference. When a contract is to be awarded to the lowest responsible bidder or offeror, a resident bidder or offeror shall be allowed a preference as against a non-resident bidder or offeror from any state that gives or requires a preference to bidders or offerors from that state. The preference shall be equal to the preference given or

required by the state of the non-resident bidder or offeror. 1 2 Further, if only non-resident bidders or offerors are bidding, the purchasing agency is within its right to specify that 3 Illinois labor and manufacturing locations be used as a part of 4 5 the manufacturing process, if applicable. This specification may be negotiated as part of the solicitation process. 6 (a-5) As used in this Section, "Illinois business" means 7 any of the following: 8 9 (1) a business whose principal place of business is 10 located in Illinois; 11 (2) a business that pays a majority of its payroll in 12 dollar volume to Illinois residents; or 13 (3) a business that employs Illinois residents as a majority of its employees. 14 (b) (Blank). Residency. A resident bidder or offeror is a 15 16 person authorized to transact business in this State and having 17 a bona fide establishment for transacting business within this State where it was actually transacting business on the date 18 when any bid for a public contract is first advertised or 19 announced. A resident bidder or offeror includes a foreign 20 corporation duly authorized to transact business in this State 21 22 that has a bona fide establishment for transacting business within this State where it was actually transacting business on 23 the date when any bid for a public contract is first advertised 24 25 or announced. 26 (b-5) Invitation for bids.

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1	(1) When a purchasing agency issues an invitation for
2	bids pursuant to Section 20-10 of this Code, the chief
3	procurement officer or, if the procurement is under the
4	authority of a designated procurement officer, the
5	applicable designated procurement officer shall award the
6	contract to the lowest responsive and responsible bidder
7	after the following preferences are applied to an Illinois
8	business:
9	(A) a decrease of 5% of the total proposed price by
10	the vendor, resulting in a lower final price for a
11	purchase expected by the purchasing agency to be less
12	<u>than \$100,000;</u>
13	(B) a decrease of 3% of the total proposed price by
14	the vendor, resulting in a lower final price for a
15	purchase expected by the purchasing agency to be at
16	least \$100,000, but less than \$500,000; and
17	(C) a decrease of 1% of the total proposed price by
18	the vendor, resulting in a lower final price for a
19	purchase expected by the purchasing agency to be at
20	<u>least \$500,000.</u>
21	(2) If a bidder qualifies as an Illinois business under
22	this Section, and meets the responsiveness and
23	responsibility requirements of the invitation for bids,
24	the preference shall be applied to the Illinois business's
25	bid.
26	(3) If, after applying the preference, the Illinois

business proposal becomes the lowest bidder, the chief procurement officer or, if the procurement is under the authority of a designated procurement officer, the applicable designated procurement officer shall award the contract to that bidder.

6 (c) Federal funds. This Section does not apply to any 7 contract for any project as to which federal funds are 8 available for expenditure when its provisions may be in 9 conflict with federal law or federal regulation.

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(c-5) Request for proposals.

11 <u>(1) Pursuant to subsection (b-5) of this Section, when</u> 12 <u>a purchasing agency issues a request for proposals pursuant</u> 13 <u>to Section 20-15, 5% of the total scoring points shall be</u> 14 <u>awarded to an offeror that qualifies as an Illinois</u> 15 <u>business.</u>

16 (2) If an offeror qualifies as an Illinois business 17 under this Section and meets the responsiveness and 18 responsibility requirements of the request for proposals, 19 the additional preference shall be applied to the Illinois 20 business's proposal.

21 <u>(3) If after applying the preference, the Illinois</u> 22 <u>business's proposal becomes the highest ranked proposal,</u> 23 <u>the chief procurement officer or, if the procurement is</u> 24 <u>under the authority of a designated procurement officer,</u> 25 <u>the applicable designated procurement officer, shall award</u> 26 <u>the contract to that offeror.</u>

1	(d) A business that wants to claim a preference provided
2	under this Section must perform the following:
3	(1) State in the business's bid or proposal that the
4	business claims the preference provided by this Section.
5	(2) Provide the following information in response to
6	the invitation for bids or the request for proposals:
7	(A) The location of the business's principal place
8	of business. If the business claims the preference as
9	an Illinois business as described in item (1) of
10	subsection (a-5) of this Section, a statement
11	explaining the reasons the business considers the
12	location named as the business's principal place of
13	business.
14	(B) If the business claims the preference as an
15	Illinois business as described in item (2) of
16	subsection (a-5) of this Section, the business must
17	provide proof of the amount of the business's total
18	payroll and the amount of the business's payroll paid
19	to Illinois residents.
20	(C) If the business claims the preference as an
21	Illinois business as described in item (3) of
22	subsection (a-5) of this Section, the business must
23	provide proof of the number of the business's employees
24	and the number of the business's employees who are
25	Illinois residents.
26	(Source: P.A. 98-1076, eff. 1-1-15.)

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(30 ILCS 500/45-15)

2 Sec. 45-15. Soybean oil-based ink. Contracts requiring the 3 procurement of printing services shall specify the use of 4 soybean oil-based ink unless the chief procurement officer or, 5 if the procurement is under the authority of a designated procurement officer, the applicable designated procurement 6 7 officer a State purchasing officer determines that another type 8 of ink is required to assure high quality and reasonable 9 pricing of the printed product.

10 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

11 (30 ILCS 500/45-30)

Tllinois 12 Sec. 45-30. Correctional Industries. 13 Notwithstanding anything to the contrary in other law, the 14 chief procurement officer or, if a procurement is under the 15 authority of a designated procurement officer, the applicable designated procurement officer appointed pursuant to paragraph 16 (4) of subsection (a) of Section 10 20 shall, in consultation 17 with Illinois Correctional Industries, a division of the 18 Department of Corrections (referred to as 19 Illinois the 20 "Illinois Correctional Industries" or "ICI") determine for all 21 State agencies which articles, materials, industry related services, food stuffs, and finished goods that are produced or 22 23 manufactured by persons confined in institutions and facilities of the 24 Department of Corrections who are

participating in Illinois Correctional Industries programs shall be purchased from Illinois Correctional Industries. The chief procurement officer appointed pursuant to paragraph (4) of subsection (a) of Section 10-20 shall develop and distribute to the various purchasing and using agencies a listing of all Illinois Correctional Industries products and procedures for implementing this Section.

8 (Source: P.A. 98-1076, eff. 1-1-15.)

9 (30 ILCS 500/45-35)

Sec. 45-35. Facilities for persons with severe disabilities.

12 (a) Qualification. Supplies and services may be procured 13 without advertising or calling for bids from any qualified 14 not-for-profit agency for persons with severe disabilities 15 that:

16 17 (1) complies with Illinois laws governing private not-for-profit organizations;

18 (2) is certified as a sheltered workshop by the Wage 19 and Hour Division of the United States Department of Labor 20 or is an accredited vocational program that provides 21 transition services to youth between the ages of $14 \ 1/2$ and 22 22 in accordance with individualized education plans under 23 Section 14-8.03 of the School Code and that provides 24 residential services at a child care institution, as 25 defined under Section 2.06 of the Child Care Act of 1969,

- 1 or at a group home, as defined under Section 2.16 of the
- 2 Child Care Act of 1969; and
- 3 (3) meets the applicable Illinois Department of Human
 4 Services just standards.

5 (b) Participation. To participate, the not-for-profit 6 agency must have indicated an interest in providing the 7 supplies and services, must meet the specifications and needs 8 of the using agency, and must set a fair market price.

9 (c) Committee. There is created within the Department of 10 Central Management Services a committee to facilitate the 11 purchase of products and services of persons so severely 12 disabled by a physical, developmental, or mental disability or a combination of any of those disabilities that they cannot 13 14 engage in normal competitive employment. This committee is 15 called the State Use Committee. The committee shall consist of 16 the Director of the Department of Central Management Services 17 or his or her designee, the Director of the Department of Human Services or his or her designee, one public member representing 18 19 private business who is knowledgeable of the employment needs 20 and concerns of persons with developmental disabilities, one 21 public member representing private business who is 22 knowledgeable of the needs and concerns of rehabilitation 23 facilities, one public member who is knowledgeable of the 24 employment needs and concerns of persons with developmental 25 disabilities, one public member who is knowledgeable of the 26 needs and concerns of rehabilitation facilities, and 2 public

association 1 members from а statewide that represents 2 community-based rehabilitation facilities, all appointed by 3 the Governor. The public members shall serve 2 year terms, commencing upon appointment and every 2 years thereafter. A 4 5 public member may be reappointed, and vacancies shall be filled by appointment for the completion of the term. In the event 6 7 there is a vacancy on the Committee, the Governor must make an 8 appointment to fill that vacancy within 30 calendar days after 9 the notice of vacancy. The members shall serve without 10 compensation but shall be reimbursed for expenses at a rate 11 equal to that of State employees on a per diem basis by the 12 Department of Central Management Services. All members shall be 13 entitled to vote on issues before the committee.

14 The committee shall have the following powers and duties:

(1) To request from any State agency information as to
 product specification and service requirements in order to
 carry out its purpose.

18 (2) To meet quarterly or more often as necessary to19 carry out its purposes.

20 (3) To request a quarterly report from each
21 participating qualified not-for-profit agency for persons
22 with severe disabilities describing the volume of sales for
23 each product or service sold under this Section.

(4) To prepare a report for the Governor and General
 Assembly no later than December 31 of each year. The
 requirement for reporting to the General Assembly shall be

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satisfied by following the procedures set forth in Section 3.1 of the General Assembly Organization Act.

3 (5) To prepare a publication that lists all supplies services currently available from any qualified 4 and 5 not-for-profit agency for persons with severe list 6 disabilities. This and any revisions shall be 7 distributed to all purchasing agencies.

8 (6) To encourage diversity in supplies and services 9 provided by qualified not-for-profit agencies for persons 10 with severe disabilities and discourage unnecessary 11 duplication or competition among facilities.

12 (7) To develop guidelines to be followed by qualifying 13 agencies for participation under the provisions of this 14 Section. The guidelines shall be developed within 6 months 15 after the effective date of this Code and made available on 16 a nondiscriminatory basis to all qualifying agencies.

17 (8) To review all bids submitted under the provisions
18 of this Section and reject any bid for any purchase that is
19 determined to be substantially more than the purchase would
20 have cost had it been competitively bid.

21 (9) To develop a 5-year plan for increasing the number 22 products and services purchased from qualified of 23 not-for-profit agencies for persons with severe 24 disabilities, including the feasibility of developing 25 mandatory set-aside contracts. This 5-year plan must be 26 developed no later than 180 calendar days after the

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- effective date of this amendatory Act of the 96th General
 Assembly.

3 (c-5) Conditions for Use. The Each chief procurement officer or, if the procurement is under the authority of a 4 designated procurement officer, the applicable designated 5 procurement officer shall, in consultation with the State Use 6 Committee, determine which articles, materials, services, food 7 8 stuffs, and supplies that are produced, manufactured, or 9 provided by persons with severe disabilities in qualified 10 not-for-profit agencies shall be given preference by 11 purchasing agencies procuring those items.

12 (d) Former committee. The committee created under 13 subsection (c) shall replace the committee created under 14 Section 7-2 of the Illinois Purchasing Act, which shall 15 continue to operate until the appointments under subsection (c) 16 are made.

17 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

18 (30 ILCS 500/45-40)

19 Sec. 45-40. Gas mileage.

(a) Specification. Contracts for the purchase or lease of
new passenger automobiles, other than station wagons, vans,
four-wheel drive vehicles, emergency vehicles, and police and
fire vehicles, shall specify the procurement of a model that,
according to the most current mileage study published by the
U.S. Environmental Protection Agency, can achieve at least the

1 minimum average fuel economy in miles per gallon imposed upon 2 manufacturers of vehicles under Title V of The Motor Vehicle 3 Information and Cost Savings Act.

(b) Exemptions. The chief procurement officer or, if the 4 5 procurement is under the authority of a designated procurement 6 officer, the designated procurement State purchasing officer 7 may exempt procurements from the requirement of subsection (a) 8 when there is a demonstrated need, submitted in writing, for an 9 automobile that does not meet the minimum average fuel economy 10 standards. Rules The chief procurement officer shall 11 promulgate rules for determining need consistent with the 12 intent of this Section shall be adopted in accordance with 13 Section 10-6 of this Code.

14 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

15 (30 ILCS 500/45-45)

16 Sec. 45-45. Small businesses.

(a) Set-asides. The Each chief procurement officer and each 17 18 designated procurement officer for those procurements that are under their respective authority have has authority to 19 20 designate as small business set-asides a fair proportion of 21 construction, supply, and service contracts for award to small 22 businesses in Illinois. Advertisements for bids or offers for those contracts shall specify designation as small business 23 24 set-asides. In awarding the contracts, only bids or offers from 25 qualified small businesses shall be considered.

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(b) Small business. "Small business" means a business that 1 2 is independently owned and operated and that is not dominant in 3 its field of operation. The chief procurement officer and each designated procurement officer shall establish a detailed 4 5 definition by rule, using in addition to the foregoing criteria other criteria, including the number of employees and the 6 7 dollar volume of business. When computing the size status of a 8 potential contractor, annual sales and receipts of the 9 potential contractor and all of its affiliates shall be 10 included. The maximum number of employees and the maximum 11 dollar volume that a small business may have under the rules 12 promulgated under Section 10-6 of this Code by the chief 13 procurement officer may vary from industry to industry to the 14 extent necessary to reflect differing characteristics of those 15 industries, subject to the following limitations:

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

19 (2) No retail business or business selling services is
20 a small business if its annual sales and receipts exceed
21 \$8,000,000.

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

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

26 (c) Fair proportion. For the purpose of subsection (a), for

State agencies of the executive branch, a fair proportion of
 construction contracts shall be no less than 25% nor more than
 40% of the annual total contracts for construction.

(d) Withdrawal of designation. A small business set-aside designation may be withdrawn by the purchasing agency when deemed in the best interests of the State. Upon withdrawal, all bids or offers shall be rejected, and the bidders or offerors shall be notified of the reason for rejection. The contract shall then be awarded in accordance with this Code without the designation of small business set-aside.

11 (e) Small business specialist. The chief procurement 12 officer and each designated procurement officer shall designate an individual a State purchasing officer who will be 13 14 responsible for engaging an experienced contract negotiator to serve as its small business specialist. The small business 15 16 specialists shall collectively work together to accomplish the 17 following duties , whose duties shall include:

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

(2) Assisting small businesses in complying with theprocedures for bidding on State contracts.

(3) Examining requests from State agencies for the
 purchase of property or services to help determine which

invitations to bid are to be designated small business
 set-asides.

3 (4) Making recommendations to the chief procurement 4 officer for the simplification of specifications and terms 5 in order to increase the opportunities for small business 6 participation.

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

(f) Small business annual report. Each small business 10 11 specialist The State purchasing officer designated under 12 subsection (e) shall annually before December 1 report in writing to the General Assembly concerning the awarding of 13 14 contracts to small businesses. The report shall include the 15 total value of awards made in the preceding fiscal year under 16 the designation of small business set-aside. The report shall 17 also include the total value of awards made to businesses owned by minorities, females, and persons with disabilities, as 18 19 defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, in the preceding fiscal year 20 under the designation of small business set-aside. 21

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

25 (Source: P.A. 98-1076, eff. 1-1-15.)

1 (30 ILCS 500/45-57)

2 Sec. 45-57. Veterans.

(a) Set-aside goal. It is the goal of the State to promote 3 and encourage the continued economic development of small 4 5 businesses owned and controlled by qualified veterans and that qualified service-disabled veteran-owned small 6 businesses (referred to as SDVOSB) and veteran-owned small businesses 7 8 (referred to as VOSB) participate in the State's procurement 9 process as both prime contractors and subcontractors. Not less 10 than 3% of the total dollar amount of State contracts, as 11 defined by the Director of Central Management Services, shall 12 be established as a goal to be awarded to SDVOSB and VOSB. That 13 portion of a contract under which the contractor subcontracts 14 with a SDVOSB or VOSB may be counted toward the goal of this 15 subsection. The Department of Central Management Services 16 shall adopt rules to implement compliance with this subsection 17 by all State agencies.

Fiscal year reports. By each September 1, 18 (b) each 19 designated procurement chief procurement officer shall report to the chief procurement officer Department of Central 20 21 Management Services on all of the following for the immediately 22 preceding fiscal year, and by each March 1 the Department of 23 Central Management Services shall compile and report that 24 information to the General Assembly:

(1) The total number of VOSB, and the number of SDVOSB,
who submitted bids for contracts under this Code.

(2) The total number of VOSB, and the number of SDVOSB,
 who entered into contracts with the State under this Code
 and the total value of those contracts.

(c) Yearly review and recommendations. Each year, the each 4 5 chief procurement officer and each designated procurement officer shall review the progress of all State agencies under 6 7 its jurisdiction in meeting the goal described in subsection (a), with input from statewide veterans' service organizations 8 9 and from the business community, including businesses owned by 10 gualified veterans, and shall make recommendations to be 11 included in the Department of Central Management Services' 12 General Assembly regarding continuation, report to the 13 decreases of increases, or the percentage qoal. The 14 recommendations shall be based upon the number of businesses 15 that are owned by qualified veterans and on the continued need 16 to encourage and promote businesses owned by qualified 17 veterans.

(d) Governor's recommendations. To assist the State in reaching the goal described in subsection (a), the Governor shall recommend to the General Assembly changes in programs to assist businesses owned by qualified veterans.

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(e) Definitions. As used in this Section:

23 "Armed forces of the United States" means the United States
24 Army, Navy, Air Force, Marine Corps, Coast Guard, or service in
25 active duty as defined under 38 U.S.C. Section 101. Service in
26 the Merchant Marine that constitutes active duty under Section

401 of federal Public Act 95-202 shall also be considered
 service in the armed forces for purposes of this Section.

"Certification" means a determination made by the Illinois 3 Department of Veterans' Affairs and the Department of Central 4 5 Management Services that a business entity is a qualified 6 service-disabled veteran-owned small business or a qualified 7 veteran-owned small business for whatever purpose. A SDVOSB or 8 VOSB owned and controlled by females, minorities, or persons 9 with disabilities, as those terms are defined in Section 2 of 10 the Business Enterprise for Minorities, Females, and Persons 11 with Disabilities Act, may also select and designate whether 12 that business is to be certified as a "female-owned business", "minority-owned business", or "business owned by a person with 13 a disability", as defined in Section 2 of the Business 14 15 Enterprise for Minorities, Females, and Persons with 16 Disabilities Act.

17 "Control" means the exclusive, ultimate, majority, or sole control of the business, including but not limited to capital 18 19 investment and all other financial matters, property, 20 acquisitions, contract negotiations, legal matters, 21 officer-director-employee selection and comprehensive hiring, 22 operation responsibilities, cost-control matters, income and 23 dividend matters, financial transactions, and rights of other 24 shareholders or joint partners. Control shall be real, substantial, and continuing, not pro forma. Control shall 25 26 include the power to direct or cause the direction of the

1 management and policies of the business and to make the 2 day-to-day as well as major decisions in matters of policy, 3 management, and operations. Control shall be exemplified by 4 possessing the requisite knowledge and expertise to run the 5 particular business, and control shall not include simple 6 majority or absentee ownership.

7 "Qualified service-disabled veteran" means a veteran who
8 has been found to have 10% or more service-connected disability
9 by the United States Department of Veterans Affairs or the
10 United States Department of Defense.

11 "Qualified service-disabled veteran-owned small business" or "SDVOSB" means a small business (i) that is at least 51% 12 13 owned by one or more qualified service-disabled veterans living 14 in Illinois or, in the case of a corporation, at least 51% of 15 the stock of which is owned by one or more qualified 16 service-disabled veterans living in Illinois; (ii) that has its 17 home office in Illinois; and (iii) for which items (i) and (ii) are factually verified annually by the Department of Central 18 19 Management Services.

20 "Qualified veteran-owned small business" or "VOSB" means a 21 small business (i) that is at least 51% owned by one or more 22 qualified veterans living in Illinois or, in the case of a 23 corporation, at least 51% of the stock of which is owned by one 24 or more qualified veterans living in Illinois; (ii) that has 25 its home office in Illinois; and (iii) for which items (i) and 26 (ii) are factually verified annually by the Department of

1 Central Management Services.

2 "Service-connected disability" means a disability incurred 3 in the line of duty in the active military, naval, or air 4 service as described in 38 U.S.C. 101(16).

5 "Small business" means a business that has annual gross sales of less than \$75,000,000 as evidenced by the federal 6 income tax return of the business. A firm with gross sales in 7 8 excess of this cap may apply to the Department of Central 9 Management Services for certification for а particular 10 contract if the firm can demonstrate that the contract would 11 have significant impact on SDVOSB or VOSB as suppliers or 12 subcontractors or in employment of veterans or 13 service-disabled veterans.

14 "State agency" has the same meaning as in Section 2 of the 15 Business Enterprise for Minorities, Females, and Persons with 16 Disabilities Act.

17 "Time of hostilities with a foreign country" means any period of time in the past, present, or future during which a 18 declaration of war by the United States Congress has been or is 19 20 in effect or during which an emergency condition has been or is in effect that is recognized by the issuance of a Presidential 21 22 proclamation or a Presidential executive order and in which the 23 armed forces expeditionary medal or other campaign service medals are awarded according to Presidential executive order. 24

25 "Veteran" means a person who (i) has been a member of the 26 armed forces of the United States or, while a citizen of the

United States, was a member of the armed forces of allies of 1 2 the United States in time of hostilities with a foreign country 3 and (ii) has served under one or more of the following conditions: (a) the veteran served a total of at least 6 4 5 months; (b) the veteran served for the duration of hostilities 6 regardless of the length of the engagement; (c) the veteran was 7 discharged on the basis of hardship; or (d) the veteran was 8 released from active duty because of a service connected 9 disability and was discharged under honorable conditions.

10 (f) Certification program. The Illinois Department of 11 Veterans' Affairs and the Department of Central Management 12 Services shall work together to devise a certification procedure to assure that businesses taking advantage of this 13 14 Section legitimately classified qualified are as 15 service-disabled veteran-owned small businesses or qualified 16 veteran-owned small businesses.

17 (g) Penalties.

(1) Administrative penalties. The chief procurement 18 19 officers appointed pursuant to Section 10-20 shall suspend 20 any person who commits a violation of Section 17-10.3 or subsection (d) of Section 33E-6 of the Criminal Code of 21 22 2012 relating to this Section from bidding on, or 23 participating as a contractor, subcontractor, or supplier 24 in, any State contract or project for a period of not less 25 than 3 years, and, if the person is certified as a 26 service-disabled veteran-owned small business or а

veteran-owned small business, then the Department shall 1 2 revoke the business's certification for a period of not 3 less than 3 years. An additional or subsequent violation shall extend the periods of suspension and revocation for a 4 5 period of not less than 5 years. The suspension and 6 revocation shall apply to the principals of the business 7 and any subsequent business formed or financed by, or 8 affiliated with, those principals.

9 (2) Reports of violations. Each State agency shall 10 report any alleged violation of Section 17-10.3 or 11 subsection (d) of Section 33E-6 of the Criminal Code of 12 2012 relating to this Section to the chief procurement 13 officers or a designated procurement officer appointed 14 pursuant to Section 10-20. The chief procurement officer or 15 designated procurement officer officers appointed pursuant 16 to Section 10 20 shall subsequently report all such alleged 17 violations to the Attorney General, who shall determine whether to bring a civil action against any person for the 18 19 violation.

(3) List of suspended persons. The chief procurement
officer and designated procurement officers appointed
pursuant to Section 10-20 shall monitor the status of all
reported violations of Section 17-10.3 or subsection (d) of
Section 33E-6 of the Criminal Code of 1961 or the Criminal
Code of 2012 relating to this Section and shall maintain
and make available to all State agencies a central listing

1 of all persons that committed violations resulting in 2 suspension.

3 (4) Use of suspended persons. During the period of a suspension under paragraph (1)of 4 person's this 5 subsection, a State agency shall not enter into any contract with that person or with any contractor using the 6 7 services of that person as a subcontractor.

8 (5) Duty to check list. Each State agency shall check 9 the central listing provided by the chief procurement officer and designated procurement officers appointed 10 11 pursuant to Section 10-20 under paragraph (3) of this 12 subsection to verify that a person being awarded a contract 13 by that State agency, or to be used as a subcontractor or supplier on a contract being awarded by that State agency, 14 15 is not under suspension pursuant to paragraph (1) of this 16 subsection.

17 (Source: P.A. 97-260, eff. 8-5-11; 97-1150, eff. 1-25-13;
18 98-307, eff. 8-12-13; 98-1076, eff. 1-1-15.)

19 (30 ILCS 500/45-67)

20 Sec. 45-67. Encouragement to hire qualified veterans. The A 21 chief procurement officer or, if the procurement is under the 22 authority of a designated procurement officer, the applicable 23 designated procurement officer may, part as of anv 24 solicitation, encourage potential contractors to consider 25 hiring qualified veterans and to notify them of any available

1 financial incentives or other advantages associated with 2 hiring such persons. In establishing internal guidelines in 3 furtherance of this Section, the Department of Central Management Services may work with an interagency advisory 4 5 committee consisting of representatives from the Department of 6 Veterans Affairs, the Department of Employment Security, the 7 Department of Commerce and Economic Opportunity, and the 8 Department of Revenue and consisting of 8 members of the 9 General Assembly, 2 of whom are appointed by the Speaker of the 10 House of Representatives, 2 of whom are appointed by the 11 President of the Senate, 2 of whom are appointed by the 12 Minority Leader of the House of Representatives, and 2 of whom 13 are appointed by the Minority Leader of the Senate.

For the purposes of this Section, "qualified veteran" means 14 15 an Illinois resident who: (i) was a member of the Armed Forces 16 of the United States, a member of the Illinois National Guard, 17 or a member of any reserve component of the Armed Forces of the United States; (ii) served on active duty in connection with 18 19 Operation Desert Storm, Operation Enduring Freedom, or 20 Operation Iraqi Freedom; and (iii) was honorably discharged.

The Department of Central Management Services must report to the Governor and to the General Assembly by December 31 of each year on the activities undertaken by <u>the</u> chief procurement <u>officer, designated procurement officer, officers</u> and the Department of Central Management Services to encourage potential contractors to consider hiring qualified veterans.

1 The report must include the number of vendors who have hired 2 qualified veterans. <u>Each designated procurement officer must</u> 3 <u>provide the Department of Central Management Services with the</u> 4 <u>information needed to provide the report to the Governor and</u> 5 <u>the General Assembly.</u>

6 (Source: P.A. 98-1076, eff. 1-1-15.)

7 (30 ILCS 500/45-70)

8 Sec. 45-70. Encouragement to hire ex-offenders. The A chief 9 procurement officer or, if the procurement is under the 10 authority of a designated procurement officer, the applicable 11 designated procurement officer may, as part of any 12 solicitation, encourage potential contractors to consider hiring Illinois residents discharged from any Illinois adult 13 14 correctional center, in appropriate circumstances, and to 15 notify them of any available financial incentives or other 16 associated with hiring advantages such persons. In establishing internal guidelines in furtherance of 17 this 18 Section, the Department of Central Management Services may work interagency advisory committee consisting 19 with an of representatives from the Department of Corrections, the 20 21 Department of Employment Security, the Department of Juvenile 22 Justice, the Department of Commerce and Economic Opportunity, and the Department of Revenue and consisting of 8 members of 23 24 the General Assembly, 2 of whom are appointed by the Speaker of the House of Representatives, 2 of whom are appointed by the 25

President of the Senate, 2 of whom are appointed by the
 Minority Leader of the House of Representatives, and 2 of whom
 are appointed by the Minority Leader of the Senate.

The Department of Central Management Services must report 4 5 to the Governor and to the General Assembly by December 31 of each year on the activities undertaken by chief procurement 6 7 officers and each designated procurement officers and the 8 Department of Central Management Services to encourage 9 potential contractors to consider hiring Illinois residents 10 who have been discharged from an Illinois adult correctional 11 center. The report must include the number of vendors who have 12 hired Illinois residents who have been discharged from any 13 adult correctional Illinois center. Each designated 14 procurement officer must provide the Department of Central Management Services with the information needed to provide the 15 16 report to the Governor and the General Assembly.

17 (Source: P.A. 98-1076, eff. 1-1-15.)

18 (30 ILCS 500/50-1)

19 Sec. 50-1. Purpose. It is the express duty of <u>the</u> all chief 20 procurement officers, <u>designated procurement</u> State purchasing 21 officers, and their designees to maximize the value of the 22 expenditure of public moneys in procuring goods, services, and 23 contracts for the State of Illinois and to act in a manner that 24 maintains the integrity and public trust of State government. 25 In discharging this duty, they are charged to use all available

SB2400 - 148 - LRB099 20210 MLM 44674 b information, reasonable efforts, and reasonable actions to 1 2 protect, safeguard, and maintain the procurement process of the State of Illinois. 3 (Source: P.A. 90-572, eff. 2-6-98.) 4 5 (30 ILCS 500/50-2) 6 Sec. 50-2. Continuing disclosure; false certification. 7 Every person that has entered into a multi year contract for 8 more than one year in duration for the initial term or for any 9 renewal term and every subcontractor with a multi year 10 subcontract shall certify, by January July 1 of each fiscal 11 year covered by the contract after the initial fiscal year, to 12 responsible chief procurement officer or, if the the 13 procurement is under the authority of a designated procurement 14 officer, the applicable designated procurement officer of any 15 changes that affect its ability whether it continues to satisfy 16 the requirements of this Article pertaining to eligibility for a contract award. If a contractor or subcontractor continues to 17 18 meet all requirements of this Article, it shall not be required to submit any certification or if the work under the contract 19 20 has been substantially completed before contract expiration 21 but the contract has not yet expired. If a contractor or 22 subcontractor is not able to truthfully certify that it 23 continues to meet all requirements, it shall provide with its certification a detailed explanation of the circumstances 24 25 leading to the change in certification status. A contractor or

subcontractor that makes a false statement material to any given certification required under this Article is, in addition to any other penalties or consequences prescribed by law, subject to liability under the Illinois False Claims Act for submission of a false claim.

6 (Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793
7 for the effective date of P.A. 96-795); 96-1304, eff. 7-27-10.)

8 (30 ILCS 500/50-5)

9 Sec. 50-5. Bribery.

(a) Prohibition. No person or business shall be awarded acontract or subcontract under this Code who:

(1) has been convicted under the laws of Illinois or
any other state of bribery or attempting to bribe an
officer or employee of the State of Illinois or any other
state in that officer's or employee's official capacity; or
(2) has made an admission of guilt of that conduct that
is a matter of record but has not been prosecuted for that

conduct.

business 19 (b) Businesses. No shall be barred from 20 contracting with any unit of State or local government, or 21 subcontracting under such a contract, as a result of a 22 conviction under this Section of any employee or agent of the 23 business if the employee or agent is no longer employed by the 24 business and:

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(1) the business has been finally adjudicated not

1 guilty; or

2 (2) the business demonstrates to the governmental entity with which it seeks to contract or which is a 3 signatory to the contract to which the subcontract relates, 4 5 and that entity finds that the commission of the offense was not authorized, requested, commanded, or performed by a 6 director, officer, or high managerial agent on behalf of 7 the business as provided in paragraph (2) of subsection (a) 8 of Section 5-4 of the Criminal Code of 2012. 9

10 (c) Conduct on behalf of business. For purposes of this 11 Section, when an official, agent, or employee of a business 12 committed the bribery or attempted bribery on behalf of the 13 business and in accordance with the direction or authorization 14 of a responsible official of the business, the business shall 15 be chargeable with the conduct.

16 (d) Certification. Every bid or offer submitted to every 17 contract executed by the State, every subcontract subject to Section 20-120 of this Code, and every vendor's submission to a 18 vendor portal shall contain a certification by the bidder, 19 20 offeror, potential contractor, contractor, or the 21 subcontractor, respectively, that the bidder, offeror, 22 potential contractor, contractor or subcontractor is not 23 barred from being awarded a contract or subcontract under this 24 Section and acknowledges that the chief procurement officer or, 25 if the procurement is under the authority of a designated procurement officer, the applicable designated procurement 26

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officer may declare the related contract void if 1 anv 2 certifications required by this Section are false. If the false 3 certification is made by a subcontractor, then the contractor's submitted bid or offer and the executed contract may not be 4 5 declared void, unless the contractor refuses to terminate the 6 subcontract upon the State's request after a finding that the 7 subcontract's certification was false. A bidder, offeror, 8 potential contractor, contractor, or subcontractor who makes a 9 false statement, material to the certification, commits a Class 10 3 felony.

11 (Source: P.A. 97-895, eff. 8-3-12; 97-1150, eff. 1-25-13; 12 98-1076, eff. 1-1-15.)

13 (30 ILCS 500/50-10)

14 Sec. 50-10. Felons.

15 (a) Unless otherwise provided, no person or business 16 convicted of a felony shall do business with the State of Illinois or any State agency, or enter into a subcontract, from 17 the date of conviction until 5 years after the date of 18 19 completion of the sentence for that felony, unless no person 20 held responsible by a prosecutorial office for the facts upon 21 which the conviction was based continues to have anv 22 involvement with the business. For the purposes of this 23 subsection (a), "completion of sentence" means completion of 24 all sentencing requirements related to the felony conviction or admission and includes, but is not limited to, the following: 25

incarceration, mandatory supervised release, probation, court supervision, work release, house arrest, or commitment to a mental facility.

(b) Every bid or offer submitted to the State, every 4 contract executed by the State, every subcontract subject to 5 Section 20-120 of this Code, and every vendor's submission to a 6 7 vendor portal shall contain a certification by the bidder, 8 offeror, potential contractor, contractor, or subcontractor, 9 respectively, that the bidder, offeror, potential contractor, 10 contractor, or subcontractor is not barred from being awarded a 11 contract or subcontract under this Section and acknowledges 12 that the chief procurement officer or, if the procurement is under the authority of a designated procurement officer, the 13 14 applicable designated procurement officer may declare the 15 related contract void if any of the certifications required by 16 this Section are false. If the false certification is made by a 17 subcontractor, then the contractor's submitted bid or offer and the executed contract may not be declared void, unless the 18 19 contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's 20 certification was false. 21

22 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

23 (30 ILCS 500/50-10.5)

24 Sec. 50-10.5. Prohibited bidders, offerors, potential 25 contractors, and contractors.

(a) Unless otherwise provided, no business shall bid, 1 2 offer, enter into a contract or subcontract under this Code, or make a submission to a vendor portal if the business or any 3 officer, director, partner, or other managerial agent of the 4 5 business has been convicted of а felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under 6 7 the Illinois Securities Law of 1953 for a period of 5 years from the date of conviction. 8

9 (b) Every bid and offer submitted to the State, every 10 contract executed by the State, every vendor's submission to a 11 vendor portal, and every subcontract subject to Section 20-120 12 of this Code shall contain a certification by the bidder, offeror, potential contractor, contractor, or subcontractor, 13 14 respectively, that the bidder, offeror, potential contractor, 15 contractor, or subcontractor is not barred from being awarded a 16 contract or subcontract under this Section and acknowledges 17 that the chief procurement officer or, if the procurement is under the authority of a designated procurement officer, the 18 19 applicable designated procurement officer shall declare the 20 related contract void if any of the certifications completed pursuant to this subsection (b) are false. If the false 21 22 certification is made by a subcontractor, then the contractor's 23 submitted bid or offer and the executed contract may not be declared void, unless the contractor refuses to terminate the 24 25 subcontract upon the State's request after a finding that the subcontract's certification was false. 26

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- (c) If a business is not a natural person, the prohibition
 in subsection (a) applies only if:
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(1) the business itself is convicted of a felony referenced in subsection (a); or

5 (2) the business is ordered to pay punitive damages 6 based on the conduct of any officer, director, partner, or 7 other managerial agent who has been convicted of a felony 8 referenced in subsection (a).

9 (d) A natural person who is convicted of a felony 10 referenced in subsection (a) remains subject to Section 50-10.

11 (e) No person or business shall bid, offer, make a 12 submission to a vendor portal, or enter into a contract under this Code if the person or business assisted an employee of the 13 14 State of Illinois, who, by the nature of his or her duties, has 15 the authority to participate personally and substantially in 16 the decision to award a State contract, by reviewing, drafting, 17 directing, or preparing any invitation for bids, a request for proposal, or request for information or provided similar 18 19 assistance except as part of a publicly issued opportunity to 20 review drafts of all or part of these documents.

This subsection does not prohibit a person or business from submitting a bid or offer or entering into a contract if the person or business: (i) initiates a communication with an employee to provide general information about products, services, or industry best practices<u>, and, if applicable, that</u> communication is documented in accordance with Section 50–39 or (ii) responds to a communication initiated by an employee of the State for the purposes of providing information to evaluate new products, trends, services, or technologies, or (iii) asks for clarification regarding a contract solicitation so long as there is no competitive advantage to the person or business.

6 Nothing in this Section prohibits a vendor developing 7 technology, goods, or services from bidding or offering to 8 supply that technology or those goods or services if the 9 subject demonstrated to the State represents industry trends 10 and innovation and is not specifically designed to meet the 11 State's needs.

12 <u>Nothing in this Section prohibits a person performing</u> 13 <u>construction related services from initiating contact with a</u> 14 <u>business that performs construction for the purpose of</u> 15 <u>obtaining market costs or production time to determine the</u> 16 <u>estimated cost to complete the construction project.</u>

For purposes of this subsection (e), "business" includes all individuals with whom a business is affiliated, including, but not limited to, any officer, agent, employee, consultant, independent contractor, director, partner, or manager of a business.

No person or business shall submit specifications to a State agency unless requested to do so by an employee of the State. No person or business who contracts with a State agency to write specifications for a particular procurement need shall submit a bid or proposal or receive a contract for that

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1 procurement need.

2 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

- 3 (30 ILCS 500/50-11)
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Sec. 50-11. Debt delinquency.

5 (a) No person shall submit a bid or offer for, enter into a contract or subcontract under this Code, or make a submission 6 7 to a vendor portal if that person knows or should know that he or she or any affiliate is delinquent in the payment of any 8 9 debt to the State, unless the person or affiliate has entered 10 into a deferred payment plan to pay off the debt. For purposes 11 of this Section, the phrase "delinquent in the payment of any 12 debt" shall be determined by the Debt Collection Bureau. For purposes of this Section, the term "affiliate" means any entity 13 that (1) directly, indirectly, or constructively controls 14 15 another entity, (2) is directly, indirectly, or constructively 16 controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this subsection (a), a 17 18 person controls an entity if the person owns, directly or individually, more than 10% of the voting securities of that 19 entity. As used in this subsection (a), the term "voting 20 21 security" means a security that (1) confers upon the holder the 22 right to vote for the election of members of the board of directors or similar governing body of the business or (2) is 23 24 convertible into, or entitles the holder to receive upon its 25 exercise, a security that confers such a right to vote. A

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general partnership interest is a voting security.

(b) Every bid and offer submitted to the State, every 2 3 vendor's submission to a vendor portal, every contract executed by the State and every subcontract subject to Section 20-120 of 4 5 this Code shall contain a certification by the bidder, offeror, 6 potential contractor, contractor, or subcontractor, 7 respectively, that the bidder, offeror, respondent, potential 8 contractor, contractor or the subcontractor and its affiliate 9 is not barred from being awarded a contract or subcontract 10 under this Section and acknowledges that the chief procurement 11 officer or, if the procurement is under the authority of a 12 designated procurement officer, the applicable designated 13 procurement officer may declare the related contract void if 14 any of the certifications completed pursuant to this subsection (b) are false. If the false certification is made by a 15 16 subcontractor, then the contractor's submitted bid or offer and 17 the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the 18 19 State's request after a finding that the subcontract's 20 certification was false.

21 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

22 (30 ILCS 500/50-12)

Sec. 50-12. Collection and remittance of Illinois Use Tax.
(a) No person shall enter into a contract with a State
agency or enter into a subcontract under this Code unless the

person and all affiliates of the person collect and remit 1 2 Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of 3 the Illinois Use Tax Act regardless of whether the person or 4 5 affiliate is a "retailer maintaining a place of business within this State" as defined in Section 2 of the Use Tax Act. For 6 7 purposes of this Section, the term "affiliate" means any entity 8 that (1) directly, indirectly, or constructively controls 9 another entity, (2) is directly, indirectly, or constructively 10 controlled by another entity, or (3) is subject to the control 11 of a common entity. For purposes of this subsection (a), an 12 entity controls another entity if it owns, directly or individually, more than 10% of the voting securities of that 13 14 entity. As used in this subsection (a), the term "voting 15 security" means a security that (1) confers upon the holder the 16 right to vote for the election of members of the board of 17 directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its 18 19 exercise, a security that confers such a right to vote. A 20 general partnership interest is a voting security.

(b) Every bid and offer submitted to the State, every submission to a vendor portal, every contract executed by the State and every subcontract subject to Section 20-120 of this Code shall contain a certification by the bidder, offeror, potential contractor, contractor, or subcontractor, respectively, that the bidder, offeror, respondent, potential

contractor, contractor, or subcontractor is not barred from 1 2 bidding for or entering into a contract under subsection (a) of 3 this Section and acknowledges that the chief procurement officer or, if the procurement is under the authority of a 4 designated procurement officer, the applicable designated 5 procurement officer may declare the related contract void if 6 7 any of the certifications completed pursuant to this subsection (b) are false. If the false certification is made by a 8 9 subcontractor, then the contractor's submitted bid or offer and 10 the executed contract may not be declared void, unless the 11 contractor refuses to terminate the subcontract upon the 12 State's request after a finding that the subcontract's 13 certification was false.

14 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

15 (30 ILCS 500/50-20)

16 Sec. 50-20. Exemptions. The appropriate chief procurement officer or, if the procurement is under the authority of a 17 designated procurement officer, the applicable designated 18 19 procurement officer may file a request with the Executive 20 Ethics Commission to exempt named individuals from the 21 prohibitions of Section 50-13 when, in his or her judgment, the 22 public interest in having the individual in the service of the State outweighs the public policy evidenced in that Section. 23 24 The Executive Ethics Commission may grant an exemption after a 25 public hearing at which any person may present testimony. The

1 chief procurement officer or, if the procurement is under the 2 authority of a designated procurement officer, the applicable 3 designated procurement officer shall publish notice of the date, time, and location of the hearing in the online 4 5 electronic Bulletin at least 14 calendar days prior to the hearing and provide notice to the individual subject to the 6 7 waiver and the Procurement Policy Board. The Executive Ethics 8 Commission shall also provide public notice of the date, time, 9 and location of the hearing on its website. If the Commission 10 grants an exemption, the exemption is effective only if it is 11 filed with the Secretary of State and the Comptroller prior to 12 the execution of any contract and includes a statement setting 13 forth the name of the individual and all the pertinent facts 14 that would make that Section applicable, setting forth the 15 reason for the exemption, and declaring the individual exempted 16 from that Section. Notice of each exemption shall be published 17 in the Illinois Procurement Bulletin. A contract for which a waiver has been issued but has not been filed in accordance 18 19 with this Section is voidable by the State. The changes to this 20 Section made by this amendatory Act of the 96th General 21 Assembly shall apply to exemptions granted on or after its 22 effective date.

23 (Source: P.A. 98-1076, eff. 1-1-15.)

24 (30 ILCS 500/50-21)

25 Sec. 50-21. Bond issuances.

1 (a) A State agency shall not enter into a contract with 2 respect to the issuance of bonds or other securities by the 3 State or a State agency with any entity that uses an 4 independent consultant.

5 As used in this subsection, "independent consultant" means a person used by the entity to obtain or retain securities 6 7 business through direct or indirect communication by the person 8 with a State official or employee on behalf of the entity when 9 the communication is undertaken by the person in exchange for 10 or with the understanding of receiving payment from the entity 11 or another person. "Independent consultant" does not include 12 (i) a finance professional employed by the entity or (ii) a person whose sole basis of compensation from the entity is the 13 actual provision of legal, accounting, or engineering advice, 14 services, or assistance in connection with the securities 15 16 business that the entity seeks to obtain or retain.

17 (b) Prior to entering into a contract with a State agency with respect to the issuance of bonds or other securities by 18 19 the State or a State agency, a contracting party subject to the 20 Municipal Securities Rulemaking Board's Rule G-37, or a successor rule, shall include a certification that the 21 22 contracting entity is and shall remain for the duration of the 23 contract in compliance with the Rule's requirements for reporting political contributions. Subsequent failure 24 to 25 remain in compliance shall make the contract voidable by the 26 State.

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(c) If a federal agency finds that an entity has knowingly 1 2 violated in Illinois the Municipal Securities Rulemaking Board's Rule G-37 (or any successor rule) with respect to the 3 making of prohibited political contributions or payments, then 4 5 the chief procurement officer or, if the procurement is under 6 the authority of a designated procurement officer, the 7 applicable designated procurement officer shall impose a 8 penalty that is at least twice the fine assessed against that 9 entity by the federal agency. The chief procurement officer or 10 designated procurement officer shall also bar that entity from 11 participating in any State agency contract with respect to the 12 issuance of bonds or other securities for a period of one year. 13 The one-year period shall begin upon the expiration of any debarment period imposed by a federal agency. If no debarment 14 15 is imposed by a federal agency, then the one-year period shall 16 begin on the date the chief procurement officer or applicable 17 designated procurement officer is advised of the violation.

If a federal agency finds that an entity has knowingly 18 violated in Illinois the Municipal Securities Rulemaking 19 20 Board's Rule G-38 (or any successor rule) with respect to the prohibition on obtaining or retaining municipal securities 21 22 business, then the chief procurement officer or applicable 23 designated procurement officer shall bar that entity from participating in any State agency contract with respect to the 24 25 issuance of bonds or other securities for a period of one year. 26 The one-year period shall begin upon the expiration of any

debarment period imposed by a federal agency. If no debarment is imposed by a federal agency, then the one-year period shall begin on the date the chief procurement officer <u>or designated</u> procurement officer is advised of the violation.

5 (d) Nothing in this Section shall be construed to apply 6 retroactively, but shall apply prospectively on and after the 7 effective date of this amendatory Act of the 96th General 8 Assembly.

9 (Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793
10 for the effective date of P.A. 96-795).)

11 (30 ILCS 500/50-30)

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12 Sec. 50-30. Revolving door prohibition.

13 (a) Chief procurement officers and designated 14 procurement officers , State purchasing officers, procurement 15 compliance monitors, their designees whose principal duties 16 are directly related to State procurement, and executive officers confirmed by the Senate are expressly prohibited for a 17 period of 2 years after terminating an affected position from 18 19 engaging in any procurement activity relating to the State 20 agency most recently employing them in an affected position for 21 a period of at least 6 months. The prohibition includes but is 22 not limited to: lobbying the procurement process; specifying; bidding; proposing bid, proposal, or contract documents; on 23 their own behalf or on behalf of any firm, partnership, 24 25 association, or corporation. This subsection applies only to

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persons who terminate an affected position on or after January
 15, 1999.

3 (b) In addition to any other provisions of this Code,
4 employment of former State employees is subject to the State
5 Officials and Employees Ethics Act.

6 (Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793
7 for the effective date of changes made by P.A. 96-795).)

8 (30 ILCS 500/50-35)

9 Sec. 50-35. Financial disclosure and potential conflicts 10 of interest.

11 (a) All bids and offers from responsive bidders, offerors, 12 vendors, or contractors with an annual value of more than \$50,000, and all submissions to a vendor portal, shall be 13 14 accompanied by disclosure of the financial interests of the 15 bidder, offeror, potential contractor, or contractor and each 16 subcontractor to be used. In addition, all subcontracts identified as provided by Section 20-120 of this Code with an 17 annual value of more than \$50,000 shall be accompanied by 18 disclosure of the financial interests of each subcontractor. 19 The financial disclosure of each successful bidder, offeror, 20 21 potential contractor, or contractor and its subcontractors shall be incorporated as a material term of the contract and 22 23 shall become part of the publicly available contract or 24 file maintained by the procurement appropriate chief 25 procurement officer or, if the procurement is under the

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authority of a designated procurement officer, the applicable designated procurement officer. Each disclosure under this Section shall be signed and made under penalty of perjury by an authorized officer or employee on behalf of the bidder, offeror, potential contractor, contractor, or subcontractor, and must be filed with the Procurement Policy Board.

7 (b) Disclosure shall be made by include any individual with an ownership or distributive income share that is in excess of 8 9 5%, or an amount greater than 60% of the annual salary of the 10 Governor, of the disclosing entity or its parent entity, 11 whichever is less, unless the bidder, offeror, potential 12 contractor, contractor, or subcontractor (i) is a publicly traded entity subject to Federal 10K reporting, in which case 13 it may submit its 10K disclosure in place of the prescribed 14 15 disclosure, or (ii) is a privately held entity that is exempt 16 from Federal 10k reporting but has more than 100 shareholders, 17 in which case it may submit the information that Federal 10k reporting companies are required to report under 17 CFR 229.401 18 19 and list the names of any person or entity holding a direct any 20 ownership share that is in excess of 5% in place of the prescribed disclosure. The form of disclosure shall 21 be 22 prescribed by the applicable chief procurement officer or, if 23 the procurement is under the authority of a designated 24 procurement officer, the applicable designated procurement 25 officer and must include at least the names and τ addresses τ 26 and dollar or proportionate share of ownership of each person

identified in this Section, their instrument of ownership or beneficial relationship, and notice of any potential conflict of interest resulting from the current ownership or beneficial relationship of each individual identified in this Section having in addition any of the following relationships <u>for each</u> person or entity so identified:

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 State employment, currently or in the previous 3 years, including contractual employment of services.

9 (2) State employment of spouse, father, mother, son, or 10 daughter, including contractual employment for services in 11 the previous 2 years.

(3) Elective status; the holding of elective office of
the State of Illinois, the government of the United States,
any unit of local government authorized by the Constitution
of the State of Illinois or the statutes of the State of
Illinois currently or in the previous 3 years.

17 (4) Relationship to anyone holding elective office
18 currently or in the previous 2 years; spouse, father,
19 mother, son, or daughter.

(5) Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in

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1 the previous 3 years.

2 (6) Relationship to anyone holding appointive office
3 currently or in the previous 2 years; spouse, father,
4 mother, son, or daughter.

(7) Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government.

7 (8) Relationship to anyone who is or was a registered
8 lobbyist in the previous 2 years; spouse, father, mother,
9 son, or daughter.

10 (9) Compensated employment, currently or in the 11 previous 3 years, by any registered election or re-election 12 committee registered with the Secretary of State or any 13 county clerk in the State of Illinois, or any political 14 action committee registered with either the Secretary of 15 State or the Federal Board of Elections.

(10) Relationship to anyone; spouse, father, mother, son, or daughter; who is or was a compensated employee in the last 2 years of any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections.

(b-1) The disclosure required under this Section must also include the name and address of each lobbyist required to register under the Lobbyist Registration Act and other agent of the bidder, offeror, potential contractor, contractor, or 1 subcontractor who is not identified under subsections (a) and 2 (b) and who has communicated, is communicating, or may 3 communicate with any State officer or employee concerning the 4 bid or offer. The disclosure under this subsection is a 5 continuing obligation and must be promptly supplemented for 6 accuracy throughout the process and throughout the term of the 7 contract if the bid or offer is successful.

8 (b-2) The disclosure required under this Section must also 9 include, for each of the persons identified in subsection (b) 10 or (b-1), each of the following that occurred within the 11 previous 10 years: suspension or debarment from contracting 12 governmental entity; professional with any licensure 13 bankruptcies; adverse discipline; civil judgments and administrative findings; and criminal felony convictions. The 14 15 disclosure under this subsection is a continuing obligation and 16 must be promptly supplemented for accuracy throughout the 17 process and throughout the term of the contract if the bid or offer is successful. 18

(c) The disclosure in subsection (b) is not intended to prohibit or prevent any contract. The disclosure is meant to fully and publicly disclose any potential conflict to the chief procurement officers, <u>designated procurement</u> State purchasing officers, their designees, and executive officers so they may adequately discharge their duty to protect the State.

25 (d) When a <u>relationship or interest reported pursuant to</u>
 26 <u>this Section could reasonably be perceived as unfairly or</u>

1 unduly influencing the award of a contract, potential for a conflict of interest is identified, discovered, or reasonably 2 3 suspected, the chief procurement officer or, if the procurement is under the authority of a designated procurement officer, the 4 5 applicable designated procurement officer or State procurement officer shall send the contract to the Procurement Policy 6 7 Board. In accordance with the objectives of subsection (c), if 8 the Procurement Policy Board finds evidence of a potential 9 conflict of interest not originally disclosed by the bidder, 10 offeror, potential contractor, contractor, or subcontractor, 11 the Board shall provide written notice to the bidder, offeror, 12 potential contractor, contractor, or subcontractor that is identified, discovered, or reasonably suspected of having a 13 potential conflict of interest. The bidder, offeror, potential 14 contractor, contractor, or subcontractor shall have 15 15 16 calendar days to respond in writing to the Board, and a hearing 17 before the Board will be granted upon request by the bidder, offeror, potential contractor, contractor, or subcontractor, 18 19 at a date and time to be determined by the Board, but which in 20 no event shall occur later than 15 calendar days after the date 21 of the request. Upon consideration, the Board shall recommend, 22 in writing, whether to allow or void the contract, bid, offer, 23 or subcontract weighing the best interest of the State of Illinois. All recommendations shall be submitted to the 24 25 Executive Ethics Commission. The Executive Ethics Commission 26 may must hold a public hearing within 30 calendar days after

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receiving the chief procurement officer's or designated 1 2 procurement officer's Board's recommendation if the chief 3 procurement officer or applicable designated procurement officer Procurement Policy Board makes a recommendation to (i) 4 5 void a contract or (ii) void a bid or offer and the chief procurement officer selected or intends to award the contract 6 7 to the bidder, offeror, or potential contractor. A chief 8 procurement officer is prohibited from awarding a contract 9 before a hearing if the Board recommendation does not support a 10 bid or offer. The recommendation and proceedings of any 11 hearing, if applicable, shall be available to the public.

12 (e) These thresholds and disclosure do not relieve the chief procurement officer, designated procurement officers the 13 14 State purchasing officer, or their designees from reasonable 15 care and diligence for any contract, bid, offer, or submission to a vendor portal. The chief procurement officer, the 16 17 designated procurement officers State purchasing officer, or their designees shall be responsible for using any reasonably 18 19 known and publicly available information to discover any 20 undisclosed potential conflict of interest and act to protect the best interest of the State of Illinois. 21

(f) Inadvertent or accidental failure to fully disclose shall render the contract, bid, offer, proposal, subcontract, or relationship voidable by the chief procurement officer <u>or</u>, <u>if the procurement is under the authority of a designated</u> <u>procurement officer</u>, the applicable designated procurement

officer if he or she deems it in the best interest of the State of Illinois and, at his or her discretion, may be cause for barring from future contracts, bids, offers, proposals, subcontracts, or relationships with the State for a period of up to 2 years.

(g) Intentional, willful, or material failure to disclose 6 7 shall render the contract, bid, offer, proposal, subcontract, 8 or relationship voidable by the chief procurement officer or, 9 if the procurement is under the authority of a designated 10 procurement officer, the applicable designated procurement 11 officer if he or she deems it in the best interest of the State 12 Illinois and shall result in debarment from future of contracts, bids, 13 offers, proposals, subcontracts, or 14 relationships for a period of not less than 2 years and not more than 10 years. Reinstatement after 2 years and before 10 15 16 years must be reviewed and commented on in writing by the 17 Governor of the State of Illinois, or by an executive ethics board or commission he or she might designate. The comment 18 19 shall be returned to the responsible chief procurement officer 20 or designated procurement officer who must rule in writing whether and when to reinstate. 21

22 (h) In addition, all disclosures shall note any other 23 or pending contracts, bids, offers, current proposals, 24 subcontracts, leases, or other ongoing procurement 25 relationships the bidder, offeror, potential contractor, 26 contractor, or subcontractor has with any other unit of State

1 government and shall clearly identify the unit and the 2 contract, offer, proposal, lease, or other relationship.

(i) (Blank). The bidder, offeror, potential contractor, or
contractor has a continuing obligation to supplement the
disclosure required by this Section throughout the bidding
process during the term of any contract, and during the vendor
portal registration process.

8 (Source: P.A. 97-490, eff. 8-22-11; 97-895, eff. 8-3-12; 9 98-1076, eff. 1-1-15.)

10 (30 ILCS 500/50-36)

11 Sec. 50-36. Disclosure of business in Iran.

12 (a) As used in this Section:

"Business operations" means engaging in commerce in any form in Iran, including, but not limited to, acquiring, developing, maintaining, owning, selling, possessing, leasing, or operating equipment, facilities, personnel, products, services, personal property, real property, or any other apparatus of business or commerce.

"Company" means any sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association, including all wholly owned subsidiaries, majority-owned subsidiaries, parent companies, or affiliates of those entities or business associations, that exists for the purpose of making profit. 1 "Mineral-extraction activities" include exploring,
2 extracting, processing, transporting, or wholesale selling or
3 trading of elemental minerals or associated metal alloys or
4 oxides (ore), including gold, copper, chromium, chromite,
5 diamonds, iron, iron ore, silver, tungsten, uranium, and zinc.

6 "Oil-related activities" include, but are not limited to, 7 owning rights to oil blocks; exporting, extracting, producing, 8 refining, processing, exploring for, transporting, selling, or 9 trading of oil; and constructing, maintaining, or operating a 10 pipeline, refinery, or other oil-field infrastructure. The 11 mere retail sale of gasoline and related consumer products is 12 not considered an oil-related activity.

13 "Petroleum resources" means petroleum, petroleum14 byproducts, or natural gas.

15 "Substantial action" means adopting, publicizing, and 16 implementing a formal plan to cease scrutinized business 17 operations within one year and to refrain from any such new 18 business operations.

(b) Each bid or offer submitted for a State contract, other 19 20 than a small purchase defined in Section 20-20, shall include a disclosure of whether or not the bidder, offeror, or any of its 21 22 corporate parents or subsidiaries, within the 24 months before 23 submission of the bid or offer had business operations that involved contracts with or provision of supplies or services to 24 25 the Government of Iran, companies in which the Government of 26 Iran has any direct or indirect equity share, consortiums or

projects commissioned by the Government of Iran, or companies involved in consortiums or projects commissioned by the Government of Iran and:

(1) more than 10% of the company's revenues produced in 4 5 or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the 6 7 company's revenues produced in or assets located in Iran 8 involve contracts with or provision of oil-related or 9 mineral-extraction products or services to the Government 10 of Iran or a project or consortium created exclusively by 11 that government; and the company has failed to take 12 substantial action; or

(2) the company has, on or after August 5, 1996, made
an investment of \$20 million or more, or any combination of
investments of at least \$10 million each that in the
aggregate equals or exceeds \$20 million in any 12-month
period, that directly or significantly contributes to the
enhancement of Iran's ability to develop petroleum
resources of Iran.

(c) A bid or offer that does not include the disclosure required by subsection (b) may be given a period after the bid or offer is submitted to cure non-disclosure. <u>The</u> A chief procurement officer <u>or</u>, if the procurement is under the authority of a designated procurement officer, the applicable designated procurement officer may consider the disclosure when evaluating the bid or offer or awarding the contract.

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1 (d) The Each chief procurement officer or, if the 2 procurement is under the authority of a designated procurement 3 officer, the applicable designated procurement officer shall provide the State Comptroller with the name of each entity 4 5 disclosed under subsection (b) as doing business or having done business in Iran. The State Comptroller shall post that 6 information on his or her official website. 7

(Source: P.A. 98-1076, eff. 1-1-15.) 8

9 (30 ILCS 500/50-37)

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10 Sec. 50-37. Prohibition of political contributions.

11 (a) As used in this Section:

12 The terms "contract", "State contract", and "contract with a State agency" each mean any contract, as defined in 13 14 this Code, between a business entity and a State agency let 15 or awarded pursuant to this Code. The terms "contract", 16 "State contract", and "contract with a State agency" do not include cost reimbursement contracts; purchase of care 17 18 agreements as defined in Section 1-15.68 of this Code; 19 contracts for projects eligible for full or partial 20 federal-aid funding reimbursements authorized by the 21 Federal Highway Administration; grants, including but are 22 not limited to grants for job training or transportation; 23 and grants, loans, or tax credit agreements for economic 24 development purposes.

"Contribution" means a contribution as defined in

1 Section 9-1.4 of the Election Code.

2 "Declared candidate" means a person who has filed a 3 statement of candidacy and petition for nomination or 4 election in the principal office of the State Board of 5 Elections.

6 "State agency" means and includes all boards, 7 commissions, agencies, institutions, authorities, and 8 bodies politic and corporate of the State, created by or in 9 accordance with the Illinois Constitution or State 10 statute, of the executive branch of State government and 11 does include colleges, universities, public employee 12 systems, and institutions under retirement the jurisdiction of the governing boards of the University of 13 14 Illinois, Southern Illinois University, Illinois State 15 University, Eastern Illinois University, Northern Illinois 16 University, Western Illinois University, Chicago State University, Governors State University, Northeastern 17 Illinois University, and the Illinois Board of Higher 18 19 Education.

20 "Officeholder" means the Governor, Lieutenant 21 Governor, Attorney General, Secretary of State, 22 Comptroller, or Treasurer. The Governor shall be 23 considered the officeholder responsible for awarding all 24 contracts by all officers and employees of, and potential 25 contractors and others doing business with, executive 26 branch State agencies under the jurisdiction of the

Executive Ethics Commission and not within the
 jurisdiction of the Attorney General, the Secretary of
 State, the Comptroller, or the Treasurer.

4 "Sponsoring entity" means a sponsoring entity as
 5 defined in Section 9-3 of the Election Code.

"Affiliated person" means (i) any person with any 6 7 ownership interest or distributive share of the bidding or 8 contracting business entity in excess of 7.5%, (ii) 9 executive employees of the bidding or contracting business 10 entity, and (iii) the spouse of any such persons. 11 "Affiliated person" does not include a person prohibited by 12 federal law from making contributions or expenditures in connection with a federal, state, or local election. 13

14 "Affiliated entity" means (i) any corporate parent and 15 each operating subsidiary of the bidding or contracting 16 business entity, (ii) each operating subsidiary of the 17 corporate parent of the bidding or contracting business entity, (iii) any organization recognized by the United 18 19 States Internal Revenue Service as а tax-exempt 20 organization described in Section 501(c) of the Internal 21 Revenue Code of 1986 (or any successor provision of federal 22 tax law) established by the bidding or contracting business 23 entity, any affiliated entity of that business entity, or 24 any affiliated person of that business entity, or (iv) any 25 political committee for which the bidding or contracting 26 business entity, or any 501(c) organization described in

1 item (iii) related to that business entity, is the 2 sponsoring entity. "Affiliated entity" does not include an 3 entity prohibited by federal law from making contributions 4 or expenditures in connection with a federal, state, or 5 local election.

6 "Business entity" means any entity doing business for 7 profit, whether organized as a corporation, partnership, 8 sole proprietorship, limited liability company or 9 partnership, or otherwise.

10 "Executive employee" means (i) the President, 11 Chairman, or Chief Executive Officer of a business entity 12 and any other individual that fulfills equivalent duties as the President, Chairman of the Board, or Chief Executive 13 14 Officer of a business entity; and (ii) any employee of a 15 business entity whose compensation is determined directly, 16 in whole or in part, by the award or payment of contracts 17 by a State agency to the entity employing the employee. A regular salary that is paid irrespective of the award or 18 19 payment of a contract with a State agency shall not 20 constitute "compensation" under item (ii) of this definition. "Executive employee" does not include any 21 22 person prohibited by federal law from making contributions 23 or expenditures in connection with a federal, state, or 24 local election.

(b) Any business entity whose contracts with State
 agencies, in the aggregate, annually total more than \$50,000,

and any affiliated entities or affiliated persons of such 1 2 business entity, are prohibited from making any contributions 3 any political committees established to promote the to candidacy of (i) the officeholder responsible for awarding the 4 5 contracts or (ii) any other declared candidate for that office. This prohibition shall be effective for the duration of the 6 7 term of office of the incumbent officeholder awarding the 8 contracts or for a period of 2 years following the expiration 9 or termination of the contracts, whichever is longer.

10 (c) Any business entity whose aggregate pending bids and 11 offers on State contracts total more than \$50,000, or whose 12 aggregate pending bids and offers on State contracts combined 13 with the business entity's aggregate annual total value of State contracts exceed \$50,000, and any affiliated entities or 14 15 affiliated persons of such business entity, are prohibited from 16 making any contributions to any political committee 17 established to promote the candidacy of the officeholder responsible for awarding the contract on which the business 18 entity has submitted a bid or offer during the period beginning 19 20 on the date the invitation for bids, request for proposals, or 21 any other procurement opportunity is issued and ending on the 22 day after the date the contract is awarded.

23 (c-5) For the purposes of the prohibitions under 24 subsections (b) and (c) of this Section, (i) any contribution 25 made to a political committee established to promote the 26 candidacy of the Governor or a declared candidate for the

office of Governor shall also be considered as having been made 1 2 to a political committee established to promote the candidacy 3 of the Lieutenant Governor, in the case of the Governor, or the declared candidate for Lieutenant Governor having filed a joint 4 5 petition, or write-in declaration of intent, with the declared 6 candidate for Governor, as applicable, and (ii) anv 7 contribution made to a political committee established to 8 promote the candidacy of the Lieutenant Governor or a declared 9 candidate for the office of Lieutenant Governor shall also be 10 considered as having been made to a political committee 11 established to promote the candidacy of the Governor, in the 12 case of the Lieutenant Governor, or the declared candidate for Governor having filed a joint petition, or write-in declaration 13 14 of intent, with the declared candidate for Lieutenant Governor, 15 as applicable.

16 (d) All contracts between State agencies and a business 17 entity that violate subsection (b) or (c) shall be voidable under Section 50-60. If a business entity violates subsection 18 (b) 3 or more times within a 36-month period, then all 19 20 contracts between State agencies and that business entity shall be void, and that business entity shall not bid or respond to 21 22 any invitation to bid or request for proposals from any State 23 agency or otherwise enter into any contract with any State 24 agency for 3 years from the date of the last violation. A 25 notice of each violation and the penalty imposed shall be 26 published in both the Procurement Bulletin and the Illinois

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1 Register.

2 Any political committee that (e) has received а contribution in violation of subsection (b) or (c) shall pay an 3 amount equal to the value of the contribution to the State no 4 5 more than 30 calendar days after notice of the violation concerning the contribution appears in the Illinois Register. 6 Payments received by the State pursuant to this subsection 7 8 shall be deposited into the general revenue fund.

9 (Source: P.A. 97-411, eff. 8-16-11; 98-1076, eff. 1-1-15.)

10 (30 ILCS 500/50-38)

11 Sec. 50-38. Lobbying restrictions.

(a) A person or business that is let or awarded a contract
is not entitled to receive any payment, compensation, or other
remuneration from the State to compensate the person or
business for any expenses related to travel, lodging, or meals
that are paid by the person or business to any officer, agent,
employee, consultant, independent contractor, director,
partner, manager, or shareholder.

19 (b) Any bidder, offeror, potential contractor, or 20 contractor on a State contract that hires a person required to 21 register under the Lobbyist Registration Act to assist in 22 obtaining a contract shall (i) disclose all costs, fees, compensation, reimbursements, and other remunerations paid or 23 24 to be paid to the lobbyist related to the contract, (ii) not 25 bill or otherwise cause the State of Illinois to pay for any of

the lobbyist's costs, fees, compensation, reimbursements, or 1 2 other remuneration, and (iii) sign a verification certifying 3 that none of the lobbyist's costs, fees, compensation, reimbursements, or other remuneration were billed to the State. 4 5 This information, along with all supporting documents, shall be 6 filed with the agency awarding the contract and with the 7 Secretary of State. The chief procurement officer or, if the 8 procurement is under the authority of a designated procurement 9 officer, the applicable designated procurement officer shall 10 post this information, together with the contract award notice, 11 in the appropriate volume of the Illinois online Procurement 12 Bulletin.

13 (c) Ban on contingency fee. No person or entity shall retain a person or entity required to register under the 14 15 Lobbyist Registration Act to attempt to influence the outcome 16 of a procurement decision made under this Code for compensation 17 contingent in whole or in part upon the decision or procurement. Any person who violates this subsection is quilty 18 of a business offense and shall be fined not more than \$10,000. 19 (Source: P.A. 98-1076, eff. 1-1-15.) 20

21 (30 ILCS 500/50-40)

Sec. 50-40. Reporting anticompetitive practices. When, for any reason, any vendor, bidder, offeror, potential contractor, contractor, chief procurement officer, <u>designated procurement</u> State purchasing officer, designee, elected official, or State

employee suspects collusion or other anticompetitive practice among any bidders, offerors, potential contractors, contractors, or employees of the State, a notice of the relevant facts shall be transmitted to the Attorney General and the chief procurement officer <u>or applicable designated</u> <u>procurement officer</u>.

7 (Source: P.A. 98-1076, eff. 1-1-15.)

8 (30 ILCS 500/50-45)

Sec. 50-45. Confidentiality. If the Any chief procurement 9 10 officer, designated procurement officers State purchasing 11 officer, their designees designee, or executive officers 12 officer who willfully uses or allows the use of specifications, 13 competitive solicitation documents, proprietary competitive 14 information, contracts, or selection information to compromise 15 the fairness or integrity of the procurement or contract 16 process he or she shall be subject to immediate dismissal, regardless of the Personnel Code, any contract, or any 17 18 collective bargaining agreement, and may in addition be subject to criminal prosecution. 19

20 (Source: P.A. 98-1076, eff. 1-1-15.)

21 (30 ILCS 500/50-60)

22 Sec. 50-60. Voidable contracts.

(a) If any contract or amendment thereto is entered into or
 purchase or expenditure of funds is made at any time in

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violation of this Code or any other law, the contract or 1 2 amendment thereto may be declared void by the chief procurement 3 officer or, if the procurement is under the authority of a designated procurement officer, the applicable designated 4 5 procurement officer or may be ratified and affirmed, provided 6 chief procurement officer or applicable designated the procurement officer determines that ratification is in the best 7 interests of the State. If the contract is ratified and 8 9 affirmed, it shall be without prejudice to the State's rights 10 to any appropriate damages.

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11 (b) If, during the term of a contract, the chief 12 procurement officer or, if the procurement is under the 13 authority of a designated procurement officer, the applicable 14 designated procurement officer determines that the contractor 15 is delinquent in the payment of debt as set forth in Section 16 50-11 of this Code, the chief procurement officer or applicable 17 designated procurement officer may declare the contract void if it determines that voiding the contract is in the best 18 interests of the State. The Debt Collection Bureau shall adopt 19 20 rules for the implementation of this subsection (b).

(c) If, during the term of a contract, the chief procurement officer <u>or</u>, <u>if</u> the procurement is <u>under</u> the authority of a designated procurement officer, the applicable designated procurement officer determines that the contractor is in violation of Section 50-10.5 of this Code, the chief procurement officer <u>or applicable designated procurement</u> - 185 - LRB099 20210 MLM 44674 b

1 <u>officer</u> shall declare the contract void.

2 (d) If, during the term of a contract, the contracting agency learns from an annual certification or otherwise 3 determines that the contractor no longer qualifies to enter 4 into State contracts by reason of Section 50-5, 50-10, 50-12, 5 50-14, or 50-14.5 of this Article, the chief procurement 6 officer or, if the procurement is under the authority of a 7 designated procurement officer, the applicable designated 8 9 procurement officer may declare the contract void if it 10 determines that voiding the contract is in the best interests 11 of the State.

12 If, during the term of a contract, the chief (e) procurement officer or, if the procurement is under the 13 14 authority of a designated procurement officer, the applicable designated procurement officer 15 learns from an annual 16 certification or otherwise determines that a subcontractor 17 subject to Section 20-120 no longer qualifies to enter into State contracts by reason of Section 50-5, 50-10, 50-10.5, 18 50-11, 50-12, 50-14, or 50-14.5 of this Article, the chief 19 20 procurement officer or, if the procurement is under the 21 authority of a designated procurement officer, the applicable 22 designated procurement officer may declare the related 23 contract void if it determines that voiding the contract is in the best interests of the State. However, the related contract 24 25 shall not be declared void unless the contractor refuses to 26 terminate the subcontract upon the State's request after a

1 finding that the subcontractor no longer qualifies to enter 2 into State contracts by reason of one of the Sections listed in 3 this subsection.

4 (f) The changes to this Section made by Public Act 96-795
5 apply to actions taken by the chief procurement officer or, if
6 the procurement is under the authority of a designated
7 procurement officer, the applicable designated procurement
8 officer on or after July 1, 2010.

9 (Source: P.A. 96-493, eff. 1-1-10; 96-795, eff. 7-1-10 (see
10 Section 5 of P.A. 96-793 for the effective date of changes made
11 by P.A. 96-795); 96-1000, eff. 7-2-10; 97-895, eff. 8-3-12.)

12

(30 ILCS 500/50-65)

13 Sec. 50-65. Suspension. Any contractor or subcontractor 14 may be suspended for violation of this Code or for failure to 15 conform to specifications or terms of delivery. Suspension 16 shall be for cause and may be for a period of up to 10 years at the discretion of the applicable chief procurement officer or, 17 18 if the procurement is under the authority of a designated procurement officer, the applicable designated procurement 19 20 officer. Contractors or subcontractors may be debarred in 21 accordance with rules promulgated by the chief procurement 22 officer or as otherwise provided by law.

23 (Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793
24 for the effective date of changes made by P.A. 96-795).)

1 (30 ILCS 500/50-75)

2 Sec. 50-75. Other violations.

3 (a) <u>If the Any</u> chief procurement officer, <u>designated</u> 4 <u>procurement officers</u> State purchasing officer, or <u>their</u> 5 <u>designees</u> designee who willfully violates or allows the 6 violation of this Code <u>he or she</u> shall be subject to immediate 7 dismissal, regardless of the Personnel Code, any contract, or 8 any collective bargaining agreement.

9 (b) Except as otherwise provided in this Code, whoever 10 violates this Code or the rules promulgated under it is guilty 11 of a Class A misdemeanor.

12 (Source: P.A. 90-572, eff. 2-6-98.)

13 (30 ILCS 500/50-80 new)

14 Sec. 50-80. Audits. The Auditor General shall perform, no 15 less frequently than biennially, separate performance audits, 16 as the term is defined in Section 1-14 of the Illinois State Auditing Act, of the procurements under the authority of the 17 18 chief procurement officer and each designated procurement 19 officer to assess whether sound procurement practices are being 20 followed. Additionally, the Auditor General may, at any time, 21 review a specific procurement or category of procurements to 22 ensure compliance with this Code.

23 (30 ILCS 500/1-15.13 rep.)

24 (30 ILCS 500/1-15.105 rep.)

1	(30 ILCS 500/5-25 rep.)
2	(30 ILCS 500/5-30 rep.)
3	(30 ILCS 500/10-10 rep.)
4	(30 ILCS 500/10-15 rep.)
5	(30 ILCS 500/10-20 rep.)
6	(30 ILCS 500/20-5 rep.)
7	(30 ILCS 500/20-150 rep.)
8	(30 ILCS 500/25-10 rep.)
9	(30 ILCS 500/25-200 rep.)
10	(30 ILCS 500/35-150 rep.)
11	(30 ILCS 500/40-10 rep.)
12	(30 ILCS 500/40-150 rep.)
13	(30 ILCS 500/50-39 rep.)
14	(30 ILCS 500/53-150 rep.)
15	Section 25. The Illinois Procurement Code is amended by
16	repealing Sections 1-15.13, 1-15.105, 5-25, 5-30, 10-10,
17	10-15, 10-20, 20-5, 20-150, 25-10, 25-200, 35-150, 40-10,
18	40-150, 50-39, and 53-150.

Section 30. The Architectural, Engineering, and Land Surveying Qualifications Based Selection Act is amended by changing Section 45 as follows:

(30 ILCS 535/45) (from Ch. 127, par. 4151-45)
Sec. 45. Small contracts. The provisions of Sections 25,
30, and 35 do not apply to architectural, engineering, and land

SB2400 - 189 - LRB099 20210 MLM 44674 b surveying contracts with an estimated basic professional 1 2 services fee of less than \$75,000 \$25,000. (Source: P.A. 92-861, eff. 1-3-03.) 3 4 Section 35. The Criminal Code of 2012 is amended by 5 changing Sections 33E-2 and 33E-9 as follows: (720 ILCS 5/33E-2) (from Ch. 38, par. 33E-2) 6 7 Sec. 33E-2. Definitions. In this Act: 8 (a) "Public contract" means any contract for goods, 9 services or construction let to any person with or without bid 10 by any unit of State or local government. 11 (b) "Unit of State or local government" means the State, 12 any unit of state government or agency thereof, any county or 13 municipal government or committee or agency thereof, or any 14 other entity which is funded by or expends tax dollars or the 15 proceeds of publicly guaranteed bonds. 16 (c) "Change order" means a change in a contract term other than as specifically provided for in the contract which 17 authorizes or necessitates any increase or decrease in the cost 18 of the contract or the time to completion. 19 20 (d) "Person" means any individual, firm, partnership, 21 corporation, joint venture or other entity, but does not

23 (e) "Person employed by any unit of State or local 24 government" means any employee of a unit of State or local

include a unit of State or local government.

22

1 government and any person defined in subsection (d) who is 2 authorized by such unit of State or local government to act on 3 its behalf in relation to any public contract.

(f) "Sheltered market" has the meaning ascribed to it in 4 5 Section 8b of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act; except that, with respect to 6 7 State contracts set aside for award to service-disabled 8 veteran-owned small businesses and veteran-owned small 9 businesses pursuant to Section 45-57 of the Illinois 10 Procurement Code, "sheltered market" means procurements 11 pursuant to that Section.

12 (g) "Kickback" means any money, fee, commission, credit, 13 gift, gratuity, thing of value, or compensation of any kind 14 which is provided, directly or indirectly, to any prime 15 contractor, prime contractor employee, subcontractor, or 16 subcontractor employee for the purpose of improperly obtaining 17 or rewarding favorable treatment in connection with a prime contract or in connection with a subcontract relating to a 18 19 prime contract.

20 (h) "Prime contractor" means any person who has entered21 into a public contract.

(i) "Prime contractor employee" means any officer,partner, employee, or agent of a prime contractor.

24 (i-5) "Stringing" means knowingly structuring a contract 25 or job order to avoid the contract or job order being subject 26 to competitive bidding requirements.

1 (j) "Subcontract" means a contract or contractual action 2 entered into by a prime contractor or subcontractor for the 3 purpose of obtaining goods or services of any kind under a 4 prime contract.

5 (k) "Subcontractor" (1) means any person, other than the prime contractor, who offers to furnish or furnishes any goods 6 7 or services of any kind under a prime contract or a subcontract 8 entered into in connection with such prime contract; and (2) 9 includes any person who offers to furnish or furnishes goods or 10 services to the prime contractor or а higher tier 11 subcontractor.

(1) "Subcontractor employee" means any officer, partner,employee, or agent of a subcontractor.

14 (Source: P.A. 97-260, eff. 8-5-11.)

15 (720 ILCS 5/33E-9) (from Ch. 38, par. 33E-9)

16 Sec. 33E-9. Change orders. Any change order authorized under this Section shall be made in writing. Any person 17 18 employed by and authorized by any unit of State or local 19 government to approve a change order to any public contract who 20 knowingly grants that approval without first obtaining from the 21 unit of State or local government on whose behalf the contract 22 was signed, or from a designee authorized by that unit of State or local government, a determination in writing that (1) the 23 24 circumstances said to necessitate the change in performance 25 were not reasonably foreseeable at the time the contract was

signed, or (2) the change is germane to the original contract 1 2 as signed, or (3) the change order is in the best interest of 3 the unit of State or local government and authorized by law, commits a Class 4 felony. The written determination and the 4 5 written change order resulting from that determination shall be preserved in the contract's file which shall be open to the 6 7 public for inspection. This Section shall only apply to a 8 change order or series of change orders which authorize or 9 necessitate an increase or decrease in either the cost of a 10 public contract by a total of \$50,000 \$10,000 or more or the 11 time of completion by a total of 90 $\frac{30}{30}$ days or more.

12 (Source: P.A. 86-150; 87-618.)

Section 40. The Illinois Human Rights Act is amended by changing Section 2-101 as follows:

15 (775 ILCS 5/2-101) (from Ch. 68, par. 2-101)

Sec. 2-101. Definitions. The following definitions are applicable strictly in the context of this Article.

18 (A) Employee.

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(1) "Employee" includes:

20 (a) Any individual performing services for
 21 remuneration within this State for an employer;

(b) An apprentice;

23 (c) An applicant for any apprenticeship.
24 For purposes of subsection (D) of Section 2-102 of this

Act, "employee" also includes an unpaid intern. An unpaid intern is a person who performs work for an employer under the following circumstances:

4 (i) the employer is not committed to hiring the 5 person performing the work at the conclusion of the 6 intern's tenure;

(ii) the employer and the person performing the
work agree that the person is not entitled to wages for
the work performed; and

(iii) the work performed:

(I) supplements training given in an
educational environment that may enhance the
employability of the intern;

14 (II) provides experience for the benefit of15 the person performing the work;

(III) does not displace regular employees;

17 (IV) is performed under the close supervision18 of existing staff; and

19 (V) provides no immediate advantage to the 20 employer providing the training and may 21 occasionally impede the operations of the 22 employer.

23 (2) "Employee" does not include:

(a) Domestic servants in private homes;

(b) Individuals employed by persons who are not
"employers" as defined by this Act;

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(c) Elected public officials or the members of
 their immediate personal staffs;

3 (d) Principal administrative officers of the State
4 or of any political subdivision, municipal corporation
5 or other governmental unit or agency;

6 (e) A person in a vocational rehabilitation 7 facility certified under federal law who has been 8 designated an evaluee, trainee, or work activity 9 client.

10 (B) Employer.

11

(1) "Employer" includes:

12 (a) Any person employing 15 or more employees
13 within Illinois during 20 or more calendar weeks within
14 the calendar year of or preceding the alleged
15 violation;

(b) Any person employing one or more employees when a complainant alleges civil rights violation due to unlawful discrimination based upon his or her physical or mental disability unrelated to ability, pregnancy, or sexual harassment;

(c) The State and any political subdivision,
 municipal corporation or other governmental unit or
 agency, without regard to the number of employees;

24 (d) Any party to a public contract without regard
25 to the number of employees;

26

(e) A joint apprenticeship or training committee

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without regard to the number of employees.

2 "Employer" does not (2)include any religious 3 corporation, association, educational institution, society, or non-profit nursing institution conducted by 4 5 and for those who rely upon treatment by prayer through spiritual means in accordance with the tenets of a 6 recognized church or religious denomination with respect 7 to the employment of individuals of a particular religion 8 9 to perform work connected with the carrying on by such 10 corporation, association, educational institution, society 11 or non-profit nursing institution of its activities.

12 (C) Employment Agency. "Employment Agency" includes both 13 public and private employment agencies and any person, labor 14 organization, or labor union having a hiring hall or hiring 15 office regularly undertaking, with or without compensation, to 16 procure opportunities to work, or to procure, recruit, refer or 17 place employees.

(D) Labor Organization. "Labor Organization" includes any 18 organization, labor union, craft union, or any voluntary 19 20 unincorporated association designed to further the cause of the rights of union labor which is constituted for the purpose, in 21 22 whole or in part, of collective bargaining or of dealing with 23 employers concerning grievances, terms or conditions of 24 employment, or apprenticeships or applications for 25 apprenticeships, or of other mutual aid or protection in 26 connection with employment, including apprenticeships or

1 applications for apprenticeships.

Sexual Harassment. "Sexual harassment" means 2 (E) anv unwelcome sexual advances or requests for sexual favors or any 3 conduct of a sexual nature when (1) submission to such conduct 4 5 is made either explicitly or implicitly a term or condition of an individual's employment, (2) submission to or rejection of 6 7 such conduct by an individual is used as the basis for employment decisions affecting such individual, or (3) such 8 9 conduct has the purpose or effect of substantially interfering 10 with an individual's work performance or creating an 11 intimidating, hostile or offensive working environment.

12 (F) Religion. "Religion" with respect to employers 13 includes all aspects of religious observance and practice, as 14 well as belief, unless an employer demonstrates that he is 15 unable to reasonably accommodate an employee's or prospective 16 employee's religious observance or practice without undue 17 hardship on the conduct of the employer's business.

(G) Public Employer. "Public employer" means the State, an
agency or department thereof, unit of local government, school
district, instrumentality or political subdivision.

(H) Public Employee. "Public employee" means an employee of the State, agency or department thereof, unit of local government, school district, instrumentality or political subdivision. "Public employee" does not include public officers or employees of the General Assembly or agencies thereof. - 197 - LRB099 20210 MLM 44674 b

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(I) Public Officer. "Public officer" means a person who is 1 2 elected to office pursuant to the Constitution or a statute or 3 ordinance, or who is appointed to an office which is established, and the qualifications and duties of which are 4 5 prescribed, by the Constitution or a statute or ordinance, to 6 discharge a public duty for the State, agency or department 7 thereof, unit of local government, school district, 8 instrumentality or political subdivision.

9 (J) Eligible Bidder. "Eligible bidder" means a person who, prior to contract award a bid opening, has filed with the 10 11 Department a properly completed, sworn and currently valid 12 report form, pursuant employer to the Department's 13 regulations. The provisions of this Article relating to 14 eligible bidders apply only to bids on contracts with the State 15 and its departments, agencies, boards, and commissions, and the 16 provisions do not apply to bids on contracts with units of 17 local government or school districts.

18 (K) Citizenship Status. "Citizenship status" means the 19 status of being:

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a born U.S. citizen;

21

(2) a naturalized U.S. citizen;

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(3) a U.S. national; or

(4) a person born outside the United States and not a
U.S. citizen who is not an unauthorized alien and who is
protected from discrimination under the provisions of
Section 1324b of Title 8 of the United States Code, as now

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or hereafter amended.
(Source: P.A. 98-1037, eff. 1-1-15; 98-1050, eff. 1-1-15;
99-78, eff. 7-20-15.)

Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

Section 99. Effective date. This Act takes effect January 12 1, 2017.

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