

AN ACT concerning State government.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Article 1.

Section 1-5. The Business Enterprise for Minorities, Women, and Persons with Disabilities Act is amended by changing Section 4 as follows:

(30 ILCS 575/4) (from Ch. 127, par. 132.604)

(Section scheduled to be repealed on June 30, 2024)

Sec. 4. Award of State contracts.

(a) Except as provided in subsection (b), not less than 30% ~~20%~~ of the total dollar amount of State contracts, as defined by the Secretary of the Council and approved by the Council, shall be established as an aspirational goal to be awarded to businesses owned by minorities, women, and persons with disabilities; provided, however, that of the total amount of all State contracts awarded to businesses owned by minorities, women, and persons with disabilities pursuant to this Section, contracts representing at least 16% ~~11%~~ shall be awarded to businesses owned by minorities, contracts representing at least 10% ~~7%~~ shall be awarded to women-owned businesses, and contracts representing at least 4% ~~2%~~ shall be awarded to

businesses owned by persons with disabilities.

(a-5) In addition to the aspirational goals in awarding State contracts set under subsection (a), the Department of Central Management Services shall by rule further establish committed diversity aspirational goals for State contracts awarded to businesses owned by minorities, women, and persons with disabilities. Such efforts shall include, but not be limited to, further concerted outreach efforts to businesses owned by minorities, women, and persons with disabilities.

The above percentage relates to the total dollar amount of State contracts during each State fiscal year, calculated by examining independently each type of contract for each agency or public institutions of higher education which lets such contracts. Only that percentage of arrangements which represents the participation of businesses owned by minorities, women, and persons with disabilities on such contracts shall be included. State contracts subject to the requirements of this Act shall include the requirement that only expenditures to businesses owned by minorities, women, and persons with disabilities that perform a commercially useful function may be counted toward the goals set forth by this Act. Contracts shall include a definition of "commercially useful function" that is consistent with 49 CFR 26.55(c).

(b) Not less than 20% of the total dollar amount of State construction contracts is established as an aspirational goal to be awarded to businesses owned by minorities, women, and

persons with disabilities; provided that, contracts representing at least 11% of the total dollar amount of State construction contracts shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total dollar amount of State construction contracts shall be awarded to women-owned businesses; and contracts representing at least 2% of the total dollar amount of State construction contracts shall be awarded to businesses owned by persons with disabilities.

(c) (Blank).

(d) Within one year after April 28, 2009 (the effective date of Public Act 96-8), the Department of Central Management Services shall conduct a social scientific study that measures the impact of discrimination on minority and women business development in Illinois. Within 18 months after April 28, 2009 (the effective date of Public Act 96-8), the Department shall issue a report of its findings and any recommendations on whether to adjust the goals for minority and women participation established in this Act. Copies of this report and the social scientific study shall be filed with the Governor and the General Assembly.

By December 1, 2020, the Department of Central Management Services shall conduct a new social scientific study that measures the impact of discrimination on minority and women business development in Illinois. By June 1, 2022, the Department shall issue a report of its findings and any

recommendations on whether to adjust the goals for minority and women participation established in this Act. Copies of this report and the social scientific study shall be filed with the Governor, ~~the Advisory Board,~~ and the General Assembly. By December 1, 2022, the Department of Central Management Services Business Enterprise Program shall develop a model for social scientific disparity study sourcing for local governmental units to adapt and implement to address regional disparities in public procurement.

(e) Except as permitted under this Act or as otherwise mandated by federal law or regulation, those who submit bids or proposals for State contracts subject to the provisions of this Act, whose bids or proposals are successful and include a utilization plan but that fail to meet the goals set forth in subsection (b) of this Section, shall be notified of that deficiency and shall be afforded a period not to exceed 10 calendar days from the date of notification to cure that deficiency in the bid or proposal. The deficiency in the bid or proposal may only be cured by contracting with additional subcontractors who are owned by minorities or women. Any increase in cost to a contract for the addition of a subcontractor to cure a bid's deficiency shall not affect the bid price, shall not be used in the request for an exemption in this Act, and in no case shall an identified subcontractor with a certification made pursuant to this Act be terminated from the contract without the written consent of the State agency or

public institution of higher education entering into the contract.

(f) Non-construction solicitations that include Business Enterprise Program participation goals shall require bidders and offerors to include utilization plans. Utilization plans are due at the time of bid or offer submission. Failure to complete and include a utilization plan, including documentation demonstrating good faith effort when requesting a waiver, shall render the bid or offer non-responsive.

(Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20; 101-601, eff. 1-1-20; revised 10-26-20.)

Article 5.

Section 5-5. The Illinois Procurement Code is amended by changing Sections 20-15, 20-60, and 35-30 and by adding Section 50-85 as follows:

(30 ILCS 500/20-15)

Sec. 20-15. Competitive sealed proposals.

(a) Conditions for use. When provided under this Code or under rules, or when the purchasing agency determines in writing that the use of competitive sealed bidding is either not practicable or not advantageous to the State, a contract may be entered into by competitive sealed proposals.

(b) Request for proposals. Proposals shall be solicited

through a request for proposals.

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

(d) Receipt of proposals. Proposals shall be opened publicly or via an electronic procurement system in the presence of one or more witnesses at the time and place designated in the request for proposals, but proposals shall be opened in a manner to avoid disclosure of contents to competing offerors during the process of negotiation. A record of proposals shall be prepared and shall be open for public inspection after contract award.

(e) Evaluation factors. The requests for proposals shall state the relative importance of price and other evaluation factors. Proposals shall be submitted in 3 ~~2~~ parts: the first, ~~covering items except~~ price; and the second, commitment to diversity; and the third, all other items. Each part of all proposals shall be evaluated and ranked independently of the other parts of all proposals. The results of the evaluation of all 3 parts shall be used in ranking of proposals ~~covering price. The first part of all proposals shall be evaluated and ranked independently of the second part of all proposals.~~

(e-5) Method of scoring.

(1) The point scoring methodology for competitive sealed proposals shall provide points for commitment to

diversity. Those points shall be equivalent to 20% of the points assigned to the third part of the proposal, all other items.

(2) Factors to be considered in the award of these points shall be set by rule by the applicable chief procurement officer and may include, but are not limited to:

(A) whether or how well the respondent, on the solicitation being evaluated, met the goal of contracting or subcontracting with businesses owned by women, minorities, or persons with disabilities;

(B) whether the respondent, on the solicitation being evaluated, assisted businesses owned by women, minorities, or persons with disabilities in obtaining lines of credit, insurance, necessary equipment, supplies, materials, or related assistance or services;

(C) the percentage of prior year revenues of the respondent that involve businesses owned by women, minorities, or persons with disabilities;

(D) whether the respondent has a written supplier diversity program, including, but not limited to, use of diversity vendors in the supply chain and a training or mentoring program with businesses owned by women, minorities, or persons with disabilities; and

(E) the percentage of members of the respondent's

governing board, senior executives, and managers who are women, minorities, or persons with disabilities.

(3) If any State agency or public institution of higher education contract is eligible to be paid for or reimbursed, in whole or in part, with federal-aid funds, grants, or loans, and the provisions of this subsection (e-5) would result in the loss of those federal-aid funds, grants, or loans, then the contract is exempt from the provisions of this Section in order to remain eligible for those federal-aid funds, grants, or loans. For the purposes of this subsection (e-5):

"Manager" means a person who controls or administers all or part of a company or similar organization.

"Minorities" has the same meaning as "minority person" under Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

"Persons with disabilities" has the same meaning as "person with a disability" under Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

"Senior executive" means the chief executive officer, chief operating officer, chief financial officer, or anyone else in charge of a principal business unit or function.

"Women" has the same meaning as "woman" under Section 2 of the Business Enterprise for Minorities, Women, and

Persons with Disabilities Act.

(f) Discussion with responsible offerors and revisions of offers or proposals. As provided in the request for proposals and under rules, discussions may be conducted with responsible offerors who submit offers or proposals determined to be reasonably susceptible of being selected for award for the purpose of clarifying and assuring full understanding of and responsiveness to the solicitation requirements. Those offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals. Revisions may be permitted after submission and before award for the purpose of obtaining best and final offers. In conducting discussions there shall be no disclosure of any information derived from proposals submitted by competing offerors. If information is disclosed to any offeror, it shall be provided to all competing offerors.

(g) Award. Awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the State, taking into consideration price and the evaluation factors set forth in the request for proposals. The contract file shall contain the basis on which the award is made.

(Source: P.A. 100-43, eff. 8-9-17.)

(30 ILCS 500/20-60)

Sec. 20-60. Duration of contracts.

(a) Maximum duration. A contract may be entered into for any period of time deemed to be in the best interests of the State but not exceeding 10 years inclusive, beginning January 1, 2010, of proposed contract renewals. Third parties may lease State-owned dark fiber networks for any period of time deemed to be in the best interest of the State, but not exceeding 20 years. The length of a lease for real property or capital improvements shall be in accordance with the provisions of Section 40-25. The length of energy conservation program contracts or energy savings contracts or leases shall be in accordance with the provisions of Section 25-45. A contract for bond or mortgage insurance awarded by the Illinois Housing Development Authority, however, may be entered into for any period of time less than or equal to the maximum period of time that the subject bond or mortgage may remain outstanding.

(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) 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 exceeds \$249,999. The Procurement Policy Board may object to the proposed extension or renewal within 30 calendar days and require a

hearing before the Board prior to entering into the extension or renewal. If the Procurement Policy Board does not object within 30 calendar days or takes affirmative action to recommend the extension or renewal, the chief procurement officer may enter into the extension or renewal of a contract. This subsection does not apply to any emergency procurement, any procurement under Article 40, or any procurement exempted by Section 1-10(b) of this Code. If any State agency contract is paid for in whole or in part with federal-aid funds, grants, or loans and the provisions of this subsection would result in the loss of those federal-aid funds, grants, or loans, then the contract is exempt from the provisions of this subsection in order to remain eligible for those federal-aid funds, grants, or loans, and the State agency shall file notice of this exemption with the Procurement Policy Board prior to entering into the proposed extension or renewal. Nothing in this subsection permits a chief procurement officer to enter into an extension or renewal in violation of subsection (a). By August 1 each year, the Procurement Policy Board shall file a report with the General Assembly identifying for the previous fiscal year (i) the proposed extensions or renewals that were filed with the Board and whether the Board objected and (ii) the contracts exempt from this subsection.

(d) Notwithstanding the provisions of subsection (a) of this Section, the Department of Innovation and Technology may enter into leases for dark fiber networks for any period of

time deemed to be in the best interests of the State but not exceeding 20 years inclusive. The Department of Innovation and Technology may lease dark fiber networks from third parties only for the primary purpose of providing services (i) to the offices of Governor, Lieutenant Governor, Attorney General, Secretary of State, Comptroller, or Treasurer and State agencies, as defined under Section 5-15 of the Civil Administrative Code of Illinois or (ii) for anchor institutions, as defined in Section 7 of the Illinois Century Network Act. Dark fiber network lease contracts shall be subject to all other provisions of this Code and any applicable rules or requirements, including, but not limited to, publication of lease solicitations, use of standard State contracting terms and conditions, and approval of vendor certifications and financial disclosures.

(e) As used in this Section, "dark fiber network" means a network of fiber optic cables laid but currently unused by a third party that the third party is leasing for use as network infrastructure.

(f) No vendor shall be eligible for renewal of a contract when that vendor has failed to meet the goals agreed to in the vendor's utilization plan unless the State agency has determined that the vendor made good faith efforts toward meeting the contract goals and has issued a waiver or that vendor is not otherwise excused from compliance by the chief procurement officer in consultation with the purchasing State

agency. The form and content of the waiver shall be prescribed by each chief procurement officer who shall maintain on his or her official website a database of waivers granted under this Section with respect to contracts under his or her jurisdiction. The database shall be updated periodically and shall be searchable by contractor name and by contracting State agency or public institution of higher education.

(Source: P.A. 100-23, eff. 7-6-17; 100-611, eff. 7-20-18; 101-81, eff. 7-12-19.)

(30 ILCS 500/35-30)

Sec. 35-30. Awards.

(a) All State contracts for professional and artistic services, except as provided in this Section, shall be awarded using the competitive request for proposal process outlined in this Section. The scoring for requests for proposals shall include the commitment to diversity factors and methodology described in subsection (e-5) of Section 20-15.

(b) For each contract offered, the chief procurement officer, State purchasing officer, or his or her designee shall use the appropriate standard solicitation forms available from the chief procurement officer for matters other than construction or the higher education chief procurement officer.

(c) Prepared forms shall be submitted to the chief procurement officer for matters other than construction or the

higher education chief procurement officer, whichever is appropriate, for publication in its Illinois Procurement Bulletin and circulation to the chief procurement officer for matters other than construction or the higher education chief procurement officer's list of prequalified vendors. Notice of the offer or request for proposal shall appear at least 14 calendar days before the response to the offer is due.

(d) All interested respondents shall return their responses to the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate, which shall open and record them. The chief procurement officer for matters other than construction or higher education chief procurement officer then shall forward the responses, together with any information it has available about the qualifications and other State work of the respondents.

(e) After evaluation, ranking, and selection, the responsible chief procurement officer, State purchasing officer, or his or her designee shall notify the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate, of the successful respondent and shall forward a copy of the signed contract for the chief procurement officer for matters other than construction or higher education chief procurement officer's file. The chief procurement officer for matters other than construction or higher education chief

procurement officer shall publish the names of the responsible procurement decision-maker, the agency letting the contract, the successful respondent, a contract reference, and value of the let contract in the next appropriate volume of the Illinois Procurement Bulletin.

(f) For all professional and artistic contracts with annualized value that exceeds \$100,000, evaluation and ranking by price are required. Any chief procurement officer or State purchasing officer, but not their designees, may select a respondent other than the lowest respondent by price. In any case, when the contract exceeds the \$100,000 threshold and the lowest respondent is not selected, the chief procurement officer or the State purchasing officer shall forward together with the contract notice of who the low respondent by price was and a written decision as to why another was selected to the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate. The chief procurement officer for matters other than construction or higher education chief procurement officer shall publish as provided in subsection (e) of Section 35-30, but shall include notice of the chief procurement officer's or State purchasing officer's written decision.

(g) The chief procurement officer for matters other than construction and higher education chief procurement officer may each refine, but not contradict, this Section by promulgating rules for submission to the Procurement Policy

Board and then to the Joint Committee on Administrative Rules. Any refinement shall be based on the principles and procedures of the federal Architect-Engineer Selection Law, Public Law 92-582 Brooks Act, and the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act; except that pricing shall be an integral part of the selection process.

(Source: P.A. 100-43, eff. 8-9-17.)

(30 ILCS 500/50-85 new)

Sec. 50-85. Diversity training. (a) Each chief procurement officer, State purchasing officer, procurement compliance monitor, applicable support staff of each chief procurement officer, State agency purchasing and contracting staff, those identified under subsection (c) of Section 5-45 of the State Officials and Employees Ethics Act who have the authority to participate personally and substantially in the award of State contracts, and any other State agency staff with substantial procurement and contracting responsibilities as determined by the chief procurement officer, in consultation with the State agency, shall complete annual training for diversity and inclusion. Each chief procurement officer shall prescribe the program of diversity and inclusion training appropriate for each chief procurement officer's jurisdiction.

Section 5-10. The Business Enterprise for Minorities, Women, and Persons with Disabilities Act is amended by changing

Sections 4f and 6 as follows:

(30 ILCS 575/4f)

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

Sec. 4f. Award of State contracts.

(1) It is hereby declared to be the public policy of the State of Illinois to promote and encourage each State agency and public institution of higher education to use businesses owned by minorities, women, and persons with disabilities in the area of goods and services, including, but not limited to, insurance services, investment management services, information technology services, accounting services, architectural and engineering services, and legal services. Furthermore, each State agency and public institution of higher education shall utilize such firms to the greatest extent feasible within the bounds of financial and fiduciary prudence, and take affirmative steps to remove any barriers to the full participation of such firms in the procurement and contracting opportunities afforded.

(a) When a State agency or public institution of higher education, other than a community college, awards a contract for insurance services, for each State agency or public institution of higher education, it shall be the aspirational goal to use insurance brokers owned by minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total

annual premiums or fees; provided that, contracts representing at least 11% of the total annual premiums or fees shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total annual premiums or fees shall be awarded to women-owned businesses; and contracts representing at least 2% of the total annual premiums or fees shall be awarded to businesses owned by persons with disabilities.

(b) When a State agency or public institution of higher education, other than a community college, awards a contract for investment services, for each State agency or public institution of higher education, it shall be the aspirational goal to use emerging investment managers owned by minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total funds under management; provided that, contracts representing at least 11% of the total funds under management shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total funds under management shall be awarded to women-owned businesses; and contracts representing at least 2% of the total funds under management shall be awarded to businesses owned by persons with disabilities. Furthermore, it is the aspirational goal that not less than 20% of the direct asset managers of the State funds be minorities, women, and persons with disabilities.

(c) When a State agency or public institution of higher education, other than a community college, awards contracts for information technology services, accounting services, architectural and engineering services, and legal services, for each State agency and public institution of higher education, it shall be the aspirational goal to use such firms owned by minorities, women, and persons with disabilities as defined by this Act and lawyers who are minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total dollar amount of State contracts; provided that, contracts representing at least 11% of the total dollar amount of State contracts shall be awarded to businesses owned by minorities or minority lawyers; contracts representing at least 7% of the total dollar amount of State contracts shall be awarded to women-owned businesses or women who are lawyers; and contracts representing at least 2% of the total dollar amount of State contracts shall be awarded to businesses owned by persons with disabilities or persons with disabilities who are lawyers.

(d) When a community college awards a contract for insurance services, investment services, information technology services, accounting services, architectural and engineering services, and legal services, it shall be the aspirational goal of each community college to use

businesses owned by minorities, women, and persons with disabilities as defined in this Act for not less than 20% of the total amount spent on contracts for these services collectively; provided that, contracts representing at least 11% of the total amount spent on contracts for these services shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total amount spent on contracts for these services shall be awarded to women-owned businesses; and contracts representing at least 2% of the total amount spent on contracts for these services shall be awarded to businesses owned by persons with disabilities. When a community college awards contracts for investment services, contracts awarded to investment managers who are not emerging investment managers as defined in this Act shall not be considered businesses owned by minorities, women, or persons with disabilities for the purposes of this Section.

(e) When a State agency or public institution of higher education issues competitive solicitations and the award history for a service or supply category shows awards to a class of business owners that are underrepresented, the Council shall determine the reason for the disparity and shall identify potential and appropriate methods to minimize or eliminate the cause for the disparity.

If any State agency or public institution of higher education contract is eligible to be paid for or

reimbursed, in whole or in part, with federal-aid funds, grants, or loans, and the provisions of this paragraph (e) would result in the loss of those federal-aid funds, grants, or loans, then the contract is exempt from the provisions of this paragraph (e) in order to remain eligible for those federal-aid funds, grants, or loans.

(2) As used in this Section:

"Accounting services" means the measurement, processing and communication of financial information about economic entities including, but is not limited to, financial accounting, management accounting, auditing, cost containment and auditing services, taxation and accounting information systems.

"Architectural and engineering services" means professional services of an architectural or engineering nature, or incidental services, that members of the architectural and engineering professions, and individuals in their employ, may logically or justifiably perform, including studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual designs, plans and specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operating and maintenance manuals, and other related services.

"Emerging investment manager" means an investment

manager or claims consultant having assets under management below \$10 billion or otherwise adjudicating claims.

"Information technology services" means, but is not limited to, specialized technology-oriented solutions by combining the processes and functions of software, hardware, networks, telecommunications, web designers, cloud developing resellers, and electronics.

"Insurance broker" means an insurance brokerage firm, claims administrator, or both, that procures, places all lines of insurance, or administers claims with annual premiums or fees of at least \$5,000,000 but not more than \$10,000,000.

"Legal services" means work performed by a lawyer including, but not limited to, contracts in anticipation of litigation, enforcement actions, or investigations.

(3) Each State agency and public institution of higher education shall adopt policies that identify its plan and implementation procedures for increasing the use of service firms owned by minorities, women, and persons with disabilities.

(4) Except as provided in subsection (5), the Council shall file no later than March 1 of each year an annual report to the Governor, the Bureau on Apprenticeship Programs, and the General Assembly. The report filed with the General Assembly shall be filed as required in Section 3.1 of the General

Assembly Organization Act. This report shall: (i) identify the service firms used by each State agency and public institution of higher education, (ii) identify the actions it has undertaken to increase the use of service firms owned by minorities, women, and persons with disabilities, including encouraging non-minority-owned firms to use other service firms owned by minorities, women, and persons with disabilities as subcontractors when the opportunities arise, (iii) state any recommendations made by the Council to each State agency and public institution of higher education to increase participation by the use of service firms owned by minorities, women, and persons with disabilities, and (iv) include the following:

(A) For insurance services: the names of the insurance brokers or claims consultants used, the total of risk managed by each State agency and public institution of higher education by insurance brokers, the total commissions, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed; and the percentage of the risk managed by insurance brokers, the percentage of total commission, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed with each by the insurance brokers owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.

(B) For investment management services: the names of

the investment managers used, the total funds under management of investment managers; the total commissions, fees paid, or both; the total and percentage of funds under management of emerging investment managers owned by minorities, women, and persons with disabilities, including the total and percentage of total commissions, fees paid, or both by each State agency and public institution of higher education.

(C) The names of service firms, the percentage and total dollar amount paid for professional services by category by each State agency and public institution of higher education.

(D) The names of service firms, the percentage and total dollar amount paid for services by category to firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.

(E) The total number of contracts awarded for services by category and the total number of contracts awarded to firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.

(5) For community college districts, the Business Enterprise Council shall only report the following information for each community college district: (i) the name of the community colleges in the district, (ii) the name and contact

information of a person at each community college appointed to be the single point of contact for vendors owned by minorities, women, or persons with disabilities, (iii) the policy of the community college district concerning certified vendors, (iv) the certifications recognized by the community college district for determining whether a business is owned or controlled by a minority, woman, or person with a disability, (v) outreach efforts conducted by the community college district to increase the use of certified vendors, (vi) the total expenditures by the community college district in the prior fiscal year in the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the amount paid to certified vendors in those divisions of work, and (vii) the total number of contracts entered into for the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the total number of contracts awarded to certified vendors providing these services to the community college district. The Business Enterprise Council shall not make any utilization reports under this Act for community college districts for Fiscal Year 2015 and Fiscal Year 2016, but shall make the report required by this subsection for Fiscal Year 2017 and for each fiscal year thereafter. The Business Enterprise Council shall report the information in items (i), (ii), (iii), and (iv) of this subsection beginning in September of 2016. The Business Enterprise Council may collect the data needed to make its

report from the Illinois Community College Board.

(6) The status of the utilization of services shall be discussed at each of the regularly scheduled Business Enterprise Council meetings. Time shall be allotted for the Council to receive, review, and discuss the progress of the use of service firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education; and any evidence regarding past or present racial, ethnic, or gender-based discrimination which directly impacts a State agency or public institution of higher education contracting with such firms. If after reviewing such evidence the Council finds that there is or has been such discrimination against a specific group, race or sex, the Council shall establish sheltered markets or adjust existing sheltered markets tailored to address the Council's specific findings for the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section.

(Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20.)

(30 ILCS 575/6) (from Ch. 127, par. 132.606)

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

Sec. 6. Agency compliance plans. Each State agency and public institutions of higher education under the jurisdiction of this Act shall file with the Council an annual compliance plan which shall outline the goals of the State agency or public institutions of higher education for contracting with

businesses owned by minorities, women, and persons with disabilities for the then current fiscal year, the manner in which the agency intends to reach these goals and a timetable for reaching these goals. The Council shall review and approve the plan of each State agency and public institutions of higher education and may reject any plan that does not comply with this Act or any rules or regulations promulgated pursuant to this Act.

(a) The compliance plan shall also include, but not be limited to, (1) a policy statement, signed by the State agency or public institution of higher education head, expressing a commitment to encourage the use of businesses owned by minorities, women, and persons with disabilities, (2) the designation of the liaison officer provided for in Section 5 of this Act, (3) procedures to distribute to potential contractors and vendors the list of all businesses legitimately classified as businesses owned by minorities, women, and persons with disabilities and so certified under this Act, (4) procedures to set separate contract goals on specific prime contracts and purchase orders with subcontracting possibilities based upon the type of work or services and subcontractor availability, (5) procedures to assure that contractors and vendors make good faith efforts to meet contract goals, (6) procedures for contract goal exemption, modification and waiver, and (7) the delineation of separate contract goals for businesses owned by minorities, women, and persons with disabilities.

(b) Approval of the compliance plans shall include such delegation of responsibilities to the requesting State agency or public institution of higher education as the Council deems necessary and appropriate to fulfill the purpose of this Act. Such responsibilities may include, but need not be limited to those outlined in subsections (1), (2) and (3) of Section 7, paragraph (a) of Section 8, and Section 8a of this Act.

(c) Each State agency and public institution of higher education under the jurisdiction of this Act shall file with the Council an annual report of its utilization of businesses owned by minorities, women, and persons with disabilities during the preceding fiscal year including lapse period spending and a mid-fiscal year report of its utilization to date for the then current fiscal year. The reports shall include a self-evaluation of the efforts of the State agency or public institution of higher education to meet its goals under the Act, as well as a plan to increase the diversity of the vendors engaged in contracts with the State agency or public institution of higher education, with a particular focus on the most underrepresented in contract awards.

(d) Notwithstanding any provisions to the contrary in this Act, any State agency or public institution of higher education which administers a construction program, for which federal law or regulations establish standards and procedures for the utilization of minority-owned and women-owned businesses and disadvantaged businesses, shall implement a disadvantaged

business enterprise program to include minority-owned and women-owned businesses and disadvantaged businesses, using the federal standards and procedures for the establishment of goals and utilization procedures for the State-funded, as well as the federally assisted, portions of the program. In such cases, these goals shall not exceed those established pursuant to the relevant federal statutes or regulations. Notwithstanding the provisions of Section 8b, the Illinois Department of Transportation is authorized to establish sheltered markets for the State-funded portions of the program consistent with federal law and regulations. Additionally, a compliance plan which is filed by such State agency or public institution of higher education pursuant to this Act, which incorporates equivalent terms and conditions of its federally-approved compliance plan, shall be deemed approved under this Act.

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

Article 10.

Section 10-5. The Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois is amended by adding Section 605-1055 as follows:

(20 ILCS 605/605-1055 new)

Sec. 605-1055. Illinois SBIR/STTR Matching Funds Program.

(a) There is established the Illinois Small Business

Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Matching Funds Program to be administered by the Department. In order to foster job creation and economic development in the State, the Department may make grants to eligible businesses to match funds received by the business as an SBIR or STTR Phase I award and to encourage businesses to apply for Phase II awards.

(b) In order to be eligible for a grant under this Section, a business must satisfy all of the following conditions:

(1) The business must be a for-profit, Illinois-based business. For the purposes of this Section, an Illinois-based business is one that has its principal place of business in this State;

(2) The business must have received an SBIR/STTR Phase I award from a participating federal agency in response to a specific federal solicitation. To receive the full match, the business must also have submitted a final Phase I report, demonstrated that the sponsoring agency has interest in the Phase II proposal, and submitted a Phase II proposal to the agency.

(3) The business must satisfy all federal SBIR/STTR requirements.

(4) The business shall not receive concurrent funding support from other sources that duplicates the purpose of this Section.

(5) The business must certify that at least 51% of the

research described in the federal SBIR/STTR Phase II proposal will be conducted in this State and that the business will remain an Illinois-based business for the duration of the SBIR/STTR Phase II project.

(6) The business must demonstrate its ability to conduct research in its SBIR/STTR Phase II proposal.

(c) The Department may award grants to match the funds received by a business through an SBIR/STTR Phase I proposal up to a maximum of \$50,000. Seventy-five percent of the total grant shall be remitted to the business upon receipt of the SBIR/STTR Phase I award and application for funds under this Section. Twenty-five percent of the total grant shall be remitted to the business upon submission by the business of the Phase II application to the funding agency and acceptance of the Phase I report by the funding agency. A business may receive only one grant under this Section per year. A business may receive only one grant under this Section with respect to each federal proposal submission. Over its lifetime, a business may receive a maximum of 5 awards under this Section.

(d) A business shall apply, under oath, to the Department for a grant under this Section on a form prescribed by the Department that includes at least all of the following:

(1) the name of the business, the form of business organization under which it is operated, and the names and addresses of the principals or management of the business;

(2) an acknowledgment of receipt of the Phase I report

and Phase II proposal by the relevant federal agency; and
(3) any other information necessary for the Department
to evaluate the application.

Article 15.

Section 15-5. The Department of Central Management Services Law of the Civil Administrative Code of Illinois is amended by adding Section 405-535 as follows:

(20 ILCS 405/405-535 new)

Sec. 405-535. African Descent-Citizens Reparations Commission.

(a) The African Descent-Citizens Reparations Commission is hereby established within the Department of Central Management Services.

(b) The Commission shall include the following members:

(1) the Governor or his or her designee;

(2) one member of the House of Representatives appointed by the Speaker of the House of Representatives;

(3) one member of the Senate appointed by the President of the Senate;

(4) one member of the House of Representatives appointed by the Minority Leader of the House of Representatives;

(5) one member of the Senate appointed by the Minority

Leader of the Senate;

(6) three representatives of a national coalition that supports reparations for African Americans appointed by the Governor; and

(7) ten members of the public appointed by the Governor, at least 8 of whom are African American descendants of slavery.

(c) Appointment of members to the Commission shall be made within 60 days after the effective date of this amendatory Act of the 101st General Assembly, with the first meeting of the Commission to be held at a reasonable period of time thereafter. The Chairperson of the Commission shall be elected from among the members during the first meeting. Members of the Commission shall serve without compensation, but may be reimbursed for travel expenses. The 10 members of the public appointed by the Governor shall be from diverse backgrounds, including businesspersons and persons without high school diplomas.

(d) Administrative support and staffing for the Commission shall be provided by the Department of Central Management Services. Any State agency under the jurisdiction of the Governor shall provide testimony and documents as directed by the Department.

(e) The Commission shall perform the following duties:

(1) develop and implement measures to ensure equity, equality, and parity for African American descendants of

slavery;

(2) hold hearings to discuss the implementation of measures to ensure equity, equality, and parity for African American descendants of slavery;

(3) educate the public on reparations for African American descendants of slavery;

(4) report to the General Assembly information and findings regarding the work of the Commission under this Section and the feasibility of reparations for Illinois African American descendants of slavery, including any recommendations on the subject; and

(5) discuss and perform actions regarding the following issues:

(i) Preservation of African American neighborhoods and communities through investment in business development, home ownership, and affordable housing at the median income of each neighborhood, with a full range of housing services and strengthening of institutions, which shall include, without limitation, schools, parks, and community centers.

(ii) Building and development of a Vocational Training Center for People of African Descent-Citizens, with satellite centers throughout the State, to address the racial disparity in the building trades and the de-skilling of African American labor through the historic discrimination in

the building trade unions. The Center shall also have departments for legitimate activities in the informal economy and apprenticeship.

(iii) Ensuring proportional economic representation in all State contracts, including reviews and updates of the State procurement and contracting requirements and procedures with the express goal of increasing the number of African American vendors and contracts for services to an equitable level reflecting their population in the State.

(iv) Creation and enforcement of an Illinois Slavery Era Disclosure Bill mandating that in addition to disclosure, an affidavit must be submitted entitled "Statement of Financial Reparations" that has been negotiated between the Commission established under this Section and a corporation or institution that disclosed ties to the enslavement or injury of people of African descent in the United States of America.

(f) Beginning January 1, 2022, and for each year thereafter, the Commission shall submit a report regarding its actions and any information as required under this Section to the Governor and the General Assembly. The report of the Commission shall also be made available to the public on the Internet website of the Department of Central Management Services.

Article 20.

Section 20-5. The Deposit of State Moneys Act is amended by changing Section 22.5 as follows:

(15 ILCS 520/22.5) (from Ch. 130, par. 41a)

(For force and effect of certain provisions, see Section 90 of P.A. 94-79)

Sec. 22.5. Permitted investments. The State Treasurer may, with the approval of the Governor, invest and reinvest any State money in the treasury which is not needed for current expenditures due or about to become due, in obligations of the United States government or its agencies or of National Mortgage Associations established by or under the National Housing Act, 12 U.S.C. 1701 et seq., or in mortgage participation certificates representing undivided interests in specified, first-lien conventional residential Illinois mortgages that are underwritten, insured, guaranteed, or purchased by the Federal Home Loan Mortgage Corporation or in Affordable Housing Program Trust Fund Bonds or Notes as defined in and issued pursuant to the Illinois Housing Development Act. All such obligations shall be considered as cash and may be delivered over as cash by a State Treasurer to his successor.

The State Treasurer may, with the approval of the Governor, purchase any state bonds with any money in the State Treasury

that has been set aside and held for the payment of the principal of and interest on the bonds. The bonds shall be considered as cash and may be delivered over as cash by the State Treasurer to his successor.

The State Treasurer may, with the approval of the Governor, invest or reinvest any State money in the treasury that is not needed for current expenditure due or about to become due, or any money in the State Treasury that has been set aside and held for the payment of the principal of and the interest on any State bonds, in shares, withdrawable accounts, and investment certificates of savings and building and loan associations, incorporated under the laws of this State or any other state or under the laws of the United States; provided, however, that investments may be made only in those savings and loan or building and loan associations the shares and withdrawable accounts or other forms of investment securities of which are insured by the Federal Deposit Insurance Corporation.

The State Treasurer may not invest State money in any savings and loan or building and loan association unless a commitment by the savings and loan (or building and loan) association, executed by the president or chief executive officer of that association, is submitted in the following form:

The Savings and Loan (or Building and Loan) Association pledges not to reject arbitrarily

mortgage loans for residential properties within any specific part of the community served by the savings and loan (or building and loan) association because of the location of the property. The savings and loan (or building and loan) association also pledges to make loans available on low and moderate income residential property throughout the community within the limits of its legal restrictions and prudent financial practices.

The State Treasurer may, with the approval of the Governor, invest or reinvest any State money in the treasury that is not needed for current expenditures due or about to become due, or any money in the State Treasury that has been set aside and held for the payment of the principal of and interest on any State bonds, in bonds issued by counties or municipal corporations of the State of Illinois.

The State Treasurer may invest or reinvest up to 5% of the College Savings Pool Administrative Trust Fund, the Illinois Public Treasurer Investment Pool (IPTIP) Administrative Trust Fund, and the State Treasurer's Administrative Fund that is not needed for current expenditures due or about to become due, in common or preferred stocks of publicly traded corporations, partnerships, or limited liability companies, organized in the United States, with assets exceeding \$500,000,000 if: (i) the purchases do not exceed 1% of the corporation's or the limited liability company's outstanding common and preferred stock; (ii) no more than 10% of the total funds are invested in any

one publicly traded corporation, partnership, or limited liability company; and (iii) the corporation or the limited liability company has not been placed on the list of restricted companies by the Illinois Investment Policy Board under Section 1-110.16 of the Illinois Pension Code.

The State Treasurer may, with the approval of the Governor, invest or reinvest any State money in the Treasury which is not needed for current expenditure, due or about to become due, or any money in the State Treasury which has been set aside and held for the payment of the principal of and the interest on any State bonds, in participations in loans, the principal of which participation is fully guaranteed by an agency or instrumentality of the United States government; provided, however, that such loan participations are represented by certificates issued only by banks which are incorporated under the laws of this State or any other state or under the laws of the United States, and such banks, but not the loan participation certificates, are insured by the Federal Deposit Insurance Corporation.

Whenever the total amount of vouchers presented to the Comptroller under Section 9 of the State Comptroller Act exceeds the funds available in the General Revenue Fund by \$1,000,000,000 or more, then the State Treasurer may invest any State money in the Treasury, other than money in the General Revenue Fund, Health Insurance Reserve Fund, Attorney General Court Ordered and Voluntary Compliance Payment Projects Fund,

Attorney General Whistleblower Reward and Protection Fund, and Attorney General's State Projects and Court Ordered Distribution Fund, which is not needed for current expenditures, due or about to become due, or any money in the State Treasury which has been set aside and held for the payment of the principal of and the interest on any State bonds with the Office of the Comptroller in order to enable the Comptroller to pay outstanding vouchers. At any time, and from time to time outstanding, such investment shall not be greater than \$2,000,000,000. Such investment shall be deposited into the General Revenue Fund or Health Insurance Reserve Fund as determined by the Comptroller. Such investment shall be repaid by the Comptroller with an interest rate tied to the London Interbank Offered Rate (LIBOR) or the Federal Funds Rate or an equivalent market established variable rate, but in no case shall such interest rate exceed the lesser of the penalty rate established under the State Prompt Payment Act or the timely pay interest rate under Section 368a of the Illinois Insurance Code. The State Treasurer and the Comptroller shall enter into an intergovernmental agreement to establish procedures for such investments, which market established variable rate to which the interest rate for the investments should be tied, and other terms which the State Treasurer and Comptroller reasonably believe to be mutually beneficial concerning these investments by the State Treasurer. The State Treasurer and Comptroller shall also enter into a written agreement for each

such investment that specifies the period of the investment, the payment interval, the interest rate to be paid, the funds in the Treasury from which the Treasurer will draw the investment, and other terms upon which the State Treasurer and Comptroller mutually agree. Such investment agreements shall be public records and the State Treasurer shall post the terms of all such investment agreements on the State Treasurer's official website. In compliance with the intergovernmental agreement, the Comptroller shall order and the State Treasurer shall transfer amounts sufficient for the payment of principal and interest invested by the State Treasurer with the Office of the Comptroller under this paragraph from the General Revenue Fund or the Health Insurance Reserve Fund to the respective funds in the Treasury from which the State Treasurer drew the investment. Public Act 100-1107 shall constitute an irrevocable and continuing authority for all amounts necessary for the payment of principal and interest on the investments made with the Office of the Comptroller by the State Treasurer under this paragraph, and the irrevocable and continuing authority for and direction to the Comptroller and Treasurer to make the necessary transfers.

The State Treasurer may, with the approval of the Governor, invest or reinvest any State money in the Treasury that is not needed for current expenditure, due or about to become due, or any money in the State Treasury that has been set aside and held for the payment of the principal of and the interest on

any State bonds, in any of the following:

(1) Bonds, notes, certificates of indebtedness, Treasury bills, or other securities now or hereafter issued that are guaranteed by the full faith and credit of the United States of America as to principal and interest.

(2) Bonds, notes, debentures, or other similar obligations of the United States of America, its agencies, and instrumentalities.

(2.5) Bonds, notes, debentures, or other similar obligations of a foreign government, other than the Republic of the Sudan, that are guaranteed by the full faith and credit of that government as to principal and interest, but only if the foreign government has not defaulted and has met its payment obligations in a timely manner on all similar obligations for a period of at least 25 years immediately before the time of acquiring those obligations.

(3) Interest-bearing savings accounts, interest-bearing certificates of deposit, interest-bearing time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act.

(4) Interest-bearing accounts, certificates of deposit, or any other investments constituting direct obligations of any savings and loan associations incorporated under the laws of this State or any other

state or under the laws of the United States.

(5) Dividend-bearing share accounts, share certificate accounts, or class of share accounts of a credit union chartered under the laws of this State or the laws of the United States; provided, however, the principal office of the credit union must be located within the State of Illinois.

(6) Bankers' acceptances of banks whose senior obligations are rated in the top 2 rating categories by 2 national rating agencies and maintain that rating during the term of the investment.

(7) Short-term obligations of either corporations or limited liability companies organized in the United States with assets exceeding \$500,000,000 if (i) the obligations are rated at the time of purchase at one of the 3 highest classifications established by at least 2 standard rating services and mature not later than 270 days from the date of purchase, (ii) the purchases do not exceed 10% of the corporation's or the limited liability company's outstanding obligations, (iii) no more than one-third of the public agency's funds are invested in short-term obligations of either corporations or limited liability companies, and (iv) the corporation or the limited liability company has not been placed on the list of restricted companies by the Illinois Investment Policy Board under Section 1-110.16 of the Illinois Pension Code.

(7.5) Obligations of either corporations or limited liability companies organized in the United States, that have a significant presence in this State, with assets exceeding \$500,000,000 if: (i) the obligations are rated at the time of purchase at one of the 3 highest classifications established by at least 2 standard rating services and mature more than 270 days, but less than 10 years, from the date of purchase; (ii) the purchases do not exceed 10% of the corporation's or the limited liability company's outstanding obligations; (iii) no more than one-third of the public agency's funds are invested in such obligations of corporations or limited liability companies; and (iv) the corporation or the limited liability company has not been placed on the list of restricted companies by the Illinois Investment Policy Board under Section 1-110.16 of the Illinois Pension Code.

(8) Money market mutual funds registered under the Investment Company Act of 1940.

(9) The Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act or in a fund managed, operated, and administered by a bank.

(10) Repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986, as now or hereafter amended or succeeded, subject to the provisions of that Act and the regulations issued thereunder.

(11) Investments made in accordance with the Technology Development Act.

(12) Investments made in accordance with the Student Investment Account Act.

(13) Investments constituting direct obligations of a community development financial institution, which is certified by the United States Treasury Community Development Financial Institutions Fund and is operating in the State of Illinois.

(14) Investments constituting direct obligations of a minority depository institution, as designated by the Federal Deposit Insurance Corporation, that is operating in the State of Illinois.

For purposes of this Section, "agencies" of the United States Government includes:

(i) the federal land banks, federal intermediate credit banks, banks for cooperatives, federal farm credit banks, or any other entity authorized to issue debt obligations under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) and Acts amendatory thereto;

(ii) the federal home loan banks and the federal home loan mortgage corporation;

(iii) the Commodity Credit Corporation; and

(iv) any other agency created by Act of Congress.

The Treasurer may, with the approval of the Governor, lend any securities acquired under this Act. However, securities may

be lent under this Section only in accordance with Federal Financial Institution Examination Council guidelines and only if the securities are collateralized at a level sufficient to assure the safety of the securities, taking into account market value fluctuation. The securities may be collateralized by cash or collateral acceptable under Sections 11 and 11.1.

(Source: P.A. 100-1107, eff. 8-27-18; 101-81, eff. 7-12-19; 101-206, eff. 8-2-19; 101-586, eff. 8-26-19; revised 9-25-19.)

Article 25.

Section 25-5. The Department of Central Management Services Law of the Civil Administrative Code of Illinois is amended by adding Section 405-535 as follows:

(20 ILCS 405/405-535 new)

Sec. 405-535. Race and gender wage reports.

(a) Each State agency and public institution of higher education shall annually submit to the Department a report, categorized by both race and gender, specifying the respective wage earnings of employees of that State agency or public institution of higher education.

(b) The Department shall compile the information submitted under this Section and make that information available to the public on the Internet website of the Department.

(c) The Department shall annually submit a report of the

information compiled under this Section to the Governor, the General Assembly, and the Business Enterprise Council for Minorities, Women, and Persons with Disabilities.

(d) As used in this Section:

"Public institution of higher education" has the meaning provided in Section 1 of the Board of Higher Education Act.

"State agency" has the meaning provided in subsection (b) of Section 405-5.

Section 25-10. The Business Enterprise for Minorities, Women, and Persons with Disabilities Act is amended by adding Section 8k as follows:

(30 ILCS 575/8k new)

Sec. 8k. Race and gender wage report. The Department of Central Management Services shall annually submit a report to the Council, categorized by both race and gender, specifying the respective wage earnings of State employees as compiled under Section 405-535 of the Department of Central Management Services Law of the Civil Administrative Code of Illinois.

Article 30.

Section 30-1. Short title. This Act may be cited as the Community Development Loan Guarantee Act. References in this Article to "this Act" mean this Article.

Section 30-5. Policy. The General Assembly finds that it is vital for the State to invest in community economic development, particularly in communities which have been historically excluded from investment opportunities due to redlining, discriminatory banking practices, and racism. The purpose of this Act is to establish a Program for guaranteeing small business loans and consumer loans to borrowers who would otherwise not qualify in communities of color and low-income communities.

Section 30-10. Definitions. As used in this Act:

"Financial institution" means a bank, a savings and loan association, a savings bank, a credit union, a minority depository institution as designated by the Federal Deposit Insurance Corporation, or a community development financial institution certified by the United States Treasury Community Development Financial Institutions Fund, which is operating in the State of Illinois.

"Loan Guarantee Account" means an account at a financial institution outside the State Treasury of which the State Treasurer is custodian with the purpose of guaranteeing loans made by a financial institution in accordance with this Act.

Section 30-15. Establishment of the Loan Guarantee Program. The State Treasurer may establish at any eligible

financial institution a Loan Guarantee Account as a special account outside the State treasury and with the State Treasurer as custodian. This Account may be used to cover the losses on guaranteed loans at the participating financial institution.

Section 30-20. Eligible institutions. The State Treasurer shall determine the eligibility of financial institutions to participate in the Program. In addition to any other requirements of this Act and in accordance with any applicable federal law or program, the State Treasurer in determining eligibility of financial institutions shall consider (i) the financial institution's commitment to low-income communities as defined in Section 45D(e) of the Internal Revenue Code of 1986 codified at 26 U.S.C. Section 45D(e), and (ii) the financial institution's commitment to communities considered disproportionately impacted areas, depressed areas, or enterprise zones as determined, designated, or certified by the Department of Commerce and Economic Opportunity in accordance with any applicable federal law or program.

Section 30-25. Fees. The State Treasurer may establish, as a component of the Program, fees of no more than 5% of the total guaranteed loan amount. The fees shall be deposited into the Loan Guarantee Account.

Section 30-30. Use of the Loan Guarantee Account.

(a) Moneys in the Account may be used by the participating financial institution to cover losses on guaranteed loans up to the full amount in the Account or the amount of loss, whichever is lesser. The State of Illinois and the State Treasurer shall not be responsible for any losses in excess of the full amount in the Loan Guarantee Account at the financial institution.

(b) The State Treasurer may set a cap on the total funds held in any Loan Guarantee Account at any participating financial institution. Funds in excess of the cap may be withdrawn by the Treasurer.

(c) The State Treasurer shall withdraw the full amount in the Account in the event the Loan Guarantee Program is discontinued, or the financial institution leaves the Program.

Section 30-35. Limitations on Funding. The State Treasurer may use up to \$10,000,000 of investment earnings each year for the Loan Guarantee Program, provided that no more than \$50,000,000 may be used for guaranteeing loans at any given time.

Section 30-40. Rules. The State Treasurer shall adopt rules that are necessary and proper to implement and administer this Act including, but not limited to, fees and eligibility.

Article 35.

Section 35-1. Short title. This Act may be cited as the Illinois Community Reinvestment Act. References in this Article to "this Act" mean this Article.

Section 35-5. Definitions. As used in this Act:

"Covered financial institution" means a bank chartered under the Illinois Banking Act, a savings bank chartered under the Illinois Savings Bank Act, a credit union incorporated under the Illinois Credit Union Act, an entity licensed under the Illinois Residential Mortgage License Act of 1987 which lent or originated 50 or more residential mortgage loans in the previous calendar year, and any other financial institution under the jurisdiction of the Department as designated by rule by the Secretary.

"Department" means the Department of Financial and Professional Regulation.

"Division of Banking" means the Division of Banking within the Department.

"Division of Financial Institutions" means the Division of Financial Institutions within the Department.

"Secretary" means the Secretary of Financial and Professional Regulation, or his or her designee, including the Director of the Division of Banking or the Director of the Division of Financial Institutions.

Section 35-10. Financial services needs of local

communities; assessment factors.

(a) Each covered financial institution shall have a continuing and affirmative obligation to meet the financial services needs of the communities in which its offices, branches, and other facilities are maintained, consistent with the safe and sound operation of the financial institution, and for credit unions, consistent with its common bond. In addition, each covered financial institution that provides all or a majority of its products and services via mobile and other digital channels shall have a continuing and affirmative obligation to help meet the financial services needs of deposit-based assessment areas, including areas contiguous thereto, low-income and moderate-income neighborhoods, and areas where there is a lack of access to safe and affordable banking and lending services, consistent with the safe and sound operation of such financial institutions, and for credit unions, consistent with its common bond.

(b) The Secretary shall assess the record of each covered financial institution in satisfying its obligation under subsection (a). To assist in carrying out this Act, the Secretary shall adopt rules incorporating the regulations applicable to covered financial institutions under federal law, and the Secretary may make such adjustments and exceptions thereto as are deemed necessary.

(c) In addition, the Secretary shall adopt rules providing for an assessment of the following factors pertaining to

whether covered financial institutions are meeting the financial services needs of local communities:

(1) activities to ascertain the financial services needs of the community, including communication with community members regarding the financial services provided;

(2) extent of marketing to make members of the community aware of the financial services offered;

(3) origination of mortgage loans, including, but not limited to, home improvement and rehabilitation loans, and other efforts to assist existing low-income and moderate-income residents to be able to remain in affordable housing in their neighborhoods;

(4) for small business lenders, the origination of loans to businesses with gross annual revenues of \$1,000,000 or less, particularly those in low-income and moderate-income neighborhoods;

(5) participation, including investments, in community development and redevelopment programs, small business technical assistance programs, minority-owned depository institutions, community development financial institutions, and mutually-owned financial institutions;

(6) efforts working with delinquent customers to facilitate a resolution of the delinquency;

(7) origination of loans that show an undue concentration and a systematic pattern of lending

resulting in the loss of affordable housing units;

(8) evidence of discriminatory and prohibited practices; and

(9) such other factors or requirements as in the judgment of the Secretary reasonably bear upon the extent to which a covered financial institution is meeting the financial services needs of its entire community, including responsiveness to community needs as reflected by public comments.

Section 35-15. Examinations.

(a) The Secretary shall have the authority to examine each covered financial institution for compliance with this Act, in consultation with State and federal regulators with an appropriate regulatory interest, for and in compliance with applicable State and federal fair lending laws, including, but not limited to, the Illinois Human Rights Act, the federal Equal Credit Opportunity Act, and the federal Home Mortgage Disclosure Act, as often as the Secretary deems necessary and proper. The Secretary may adopt rules with respect to the frequency and manner of examination including the imposition of examination fees. The Secretary shall appoint a suitable person to perform such examination. The Secretary and his or her appointees may examine the entire books, records, documents, and operations of each covered financial institution, its parent company, and its subsidiaries, affiliates, or agents,

and may examine any of the covered financial institution's, its parent company's or its subsidiaries', affiliates', or agents' officers, directors, employees, and agents under oath. Any document or record prepared or obtained in connection with or relating to any such examination, and any record prepared or obtained by the Secretary to the extent that the record summarizes or contains information derived from any document or record described in this subsection (a), shall not be disclosed to the public unless otherwise provided by this Act.

(b) Upon the completion of the examination of a covered financial institution under this Section, the Secretary shall prepare a written evaluation of the covered financial institution's record of performance relative to this Act. Each written evaluation required under this subsection (b) shall have a public section, which shall include no less information than would be disclosed in a written evaluation under the federal Community Reinvestment Act, and a confidential section. The Secretary shall give the covered financial institution an opportunity to comment on the evaluation, and then shall make the public section of the written evaluation open to public inspection upon request. The written evaluation shall include, but is not limited to:

(1) the assessment factors utilized to determine the covered financial institution's descriptive rating;

(2) the Secretary's conclusions with respect to each such assessment factor;

(3) a discussion of the facts supporting such conclusions;

(4) the covered financial institution's descriptive rating and the basis therefor; and

(5) a summary of public comments.

(c) Based upon the examination, the covered financial institution shall be assigned one of the following ratings:

(1) outstanding record of performance in meeting its community financial services needs;

(2) satisfactory record of performance in meeting its community financial services needs;

(3) needs to improve record of performance in meeting its community services needs; or

(4) substantial noncompliance in meeting its community financial services needs.

(d) Notwithstanding the foregoing provisions of this Section, the Secretary may establish an alternative examination procedure for any covered financial institution, which, as of the most recent examination, has been assigned a rating of outstanding or satisfactory for its record of performance in meeting its community financial services needs.

Section 35-20. Public notice. Each covered financial institution shall provide, in the public lobby of each of its offices, if any, and on its website, a public notice that is substantially similar to the following:

"STATE OF ILLINOIS
COMMUNITY REINVESTMENT NOTICE

The Department of Financial and Professional Regulation (Department) evaluates our performance in meeting the financial services needs of this community, including the needs of low-income to moderate-income households. The Department takes this evaluation into account when deciding on certain applications submitted by us for approval by the Department. Your involvement is encouraged. You may obtain a copy of our evaluation. You may also submit signed, written comments about our performance in meeting community financial services needs to the Department."

Section 35-25. Cooperative agreements.

(a) For the purposes of this Act, the Secretary may conduct any examinations under this Act with State, other state, and federal regulators, and may enter into cooperative agreements relative to the coordination of or joint participation in any such examinations, the amount and assessment of fees therefor or enforcement actions relevant thereto, and may accept reports of examinations by such regulators under such arrangements or agreements.

(b) Nothing in this Section shall be construed as limiting in any way the authority of the Secretary to independently conduct examinations of and enforcement actions against any

covered financial institution.

(c) Any coordination or joint participation established under this Section may seek to promote efficient regulation and effect cost reductions for the Department and covered financial institutions. Any information or material shared for purposes of such coordination or joint participation shall continue to be subject to the requirements under any federal law or State law regarding the privacy or confidentiality of the information or material, and any privilege arising under federal or State law, including the rules of any federal or State court, with respect to the information or material, shall continue to apply to the information or material, but any such coordination or joint participation shall not limit public participation as permitted under certain federal regulations.

Section 35-30. Corporate activities and renewal applications. In considering an application for the establishment of a branch, office, or other facility, the relocation of a main office, branch, office, or other facility, a license renewal, change in control of a covered financial institution, or a merger or consolidation with or the acquisition of assets or assumption of liabilities of any covered financial institution, out-of-state bank, credit union, or residential mortgage licensee, national bank or credit union, or foreign financial institution, the Secretary shall consider, but not be limited to, the record of

performance of the covered financial institution and its parent company, including all subsidiaries thereof, relative to this Act. The record of performance of the covered financial institution may be the basis for the denial of any such application.

Section 35-35. Rules. In addition to such powers as may be prescribed by this Act, the Secretary is hereby authorized and empowered to adopt rules consistent with the purposes of this Act, including, but not limited to: (i) rules in connection with the lending, service, and investment activities of covered financial institutions as may be necessary and appropriate for promoting access to appropriate financial services for all communities in this State; (ii) rules as may be necessary and appropriate to define fair lending practices in connection with the activities of covered financial institutions in this State; (iii) rules that define the terms used in this Act and as may be necessary and appropriate to interpret and implement the provisions of this Act; (iv) rules that create a public comments process; and (v) rules as may be necessary for the enforcement of this Act.

Section 35-40. Superiority of Act. To the extent this Act conflicts with any other State law, this Act is superior and supersedes those laws; provided that, nothing herein shall apply to any lender that is a bank, savings bank, savings and

loan association, or credit union chartered under the laws of the United States.

Section 35-45. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 35-100. The Deposit of State Moneys Act is amended by changing Section 16.3 as follows:

(15 ILCS 520/16.3)

Sec. 16.3. Consideration of financial institution's commitment to its community.

(a) In addition to any other requirements of this Act, the State Treasurer shall ~~is authorized to~~ consider the financial institution's record and current level of financial commitment to its local community when deciding whether to deposit State funds in that financial institution. The State Treasurer may consider factors including, but not necessarily limited to:

(1) for financial institutions subject to the federal Community Reinvestment Act of 1977, the current and historical ratings that the financial institution has received, to the extent that those ratings are publicly available, under the federal Community Reinvestment Act of 1977;

(2) any changes in ownership, management, policies, or practices of the financial institution that may affect the

level of the financial institution's commitment to its community;

(3) the financial impact that the withdrawal or denial of deposits of State funds might have on the financial institution; and

(4) the financial impact to the State as a result of withdrawing State funds or refusing to deposit additional State funds in the financial institution.

(a-5) Effective January 1, 2022, no State funds may be deposited in a financial institution subject to the federal Community Reinvestment Act of 1977 unless the institution has a current rating of satisfactory or outstanding under the Community Reinvestment Act of 1977.

(a-10) When investing or depositing State funds, the State Treasurer may give preference to financial institutions that have a current rating of outstanding under the federal Community Reinvestment Act of 1977.

(b) Nothing in this Section shall be construed as authorizing the State Treasurer to conduct an examination or investigation of a financial institution or to receive information that is not publicly available and the disclosure of which is otherwise prohibited by law.

(Source: P.A. 93-251, eff. 7-1-04.)

Section 35-105. The Public Funds Investment Act is amended by changing Section 8 as follows:

(30 ILCS 235/8)

Sec. 8. Consideration of financial institution's commitment to its community.

(a) In addition to any other requirements of this Act, a public agency shall ~~is authorized to~~ consider the financial institution's record and current level of financial commitment to its local community when deciding whether to deposit public funds in that financial institution. The public agency may consider factors including, but not necessarily limited to:

(1) for financial institutions subject to the federal Community Reinvestment Act of 1977, the current and historical ratings that the financial institution has received, to the extent that those ratings are publicly available, under the federal Community Reinvestment Act of 1977;

(2) any changes in ownership, management, policies, or practices of the financial institution that may affect the level of the financial institution's commitment to its community;

(3) the financial impact that the withdrawal or denial of deposits of public funds might have on the financial institution;

(4) the financial impact to the public agency as a result of withdrawing public funds or refusing to deposit additional public funds in the financial institution; and

(5) any additional burden on the resources of the public agency that might result from ceasing to maintain deposits of public funds at the financial institution under consideration.

(a-5) Effective January 1, 2022, no public funds may be deposited in a financial institution subject to the federal Community Reinvestment Act of 1977 unless the institution has a current rating of satisfactory or outstanding under the Community Reinvestment Act of 1977.

(a-10) When investing or depositing public funds, the public agency may give preference to financial institutions that have a current rating of outstanding under the federal Community Reinvestment Act of 1977.

(b) Nothing in this Section shall be construed as authorizing the public agency to conduct an examination or investigation of a financial institution or to receive information that is not publicly available and the disclosure of which is otherwise prohibited by law.

(Source: P.A. 93-251, eff. 7-1-04.)

Article 40.

Section 40-1. Short title. This Act may be cited as the Commission on Equity and Inclusion Act. References in this Article to "this Act" mean this Article.

Section 40-5. Commission on Equity and Inclusion.

(a) There is hereby created the Commission on Equity and Inclusion, which shall consist of 7 members appointed by the Governor with the advice and consent of the Senate. No more than 4 members shall be of the same political party. The Governor shall designate one member as chairperson, who shall be the chief administrative and executive officer of the Commission, and shall have general supervisory authority over all personnel of the Commission.

(b) Of the members first appointed, 4 shall be appointed for a term to expire on the third Monday of January, 2023, and 3 (including the Chairperson) shall be appointed for a term to expire on the third Monday of January, 2025.

Thereafter, each member shall serve for a term of 4 years and until his or her successor is appointed and qualified; except that any member chosen to fill a vacancy occurring otherwise than by expiration of a term shall be appointed only for the unexpired term of the member whom he or she shall succeed and until his or her successor is appointed and qualified.

(c) In case of a vacancy on the Commission during the recess of the Senate, the Governor shall make a temporary appointment until the next meeting of the Senate, when he or she shall appoint a person to fill the vacancy. Any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until his or her successor

is appointed and qualified. Vacancies in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission.

(d) The Chairperson of the Commission shall be compensated at the rate of \$128,000 per year, or as otherwise set by this Section, during his or her service as Chairperson, and each other member shall be compensated at the rate of \$121,856 per year, or as otherwise set by this Section. In addition, all members of the Commission shall be reimbursed for expenses actually and necessarily incurred by them in the performance of their duties. Members of the Commission are eligible to receive pension under the State Employees' Retirement System of Illinois as provided under Article 14 of the Illinois Pension Code.

(e) The budget established for the Commission for any given fiscal year shall be no less than that established for the Human Rights Commission for that same fiscal year.

Section 40-10. Powers and duties. In addition to the other powers and duties which may be prescribed in this Act or elsewhere, the Commission shall have the following powers and duties:

(1) The Commission shall have a role in all State and university procurement by facilitating and streamlining communications between the Business Enterprise Council for Minorities, Women, and Persons with Disabilities, the

purchasing entities, the Chief Procurement Officers, and others.

(2) The Commission may create a scoring evaluation for State agency directors, public university presidents and chancellors, and public community college presidents. The scoring shall be based on the following 3 principles: (i) increasing capacity; (ii) growing revenue; and (iii) enhancing credentials. These principles should be the foundation of the agency compliance plan required under Section 6 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

(4) The Commission shall exercise the oversight powers and duties provided to it under Section 5-7 of the Illinois Procurement Code.

(5) The Commission, working with State agencies, shall provide support for diversity in State hiring.

(6) The Commission shall oversee the implementation of diversity training of the State workforce.

(7) Each January, and as otherwise frequently as may be deemed necessary and appropriate by the Commission, the Commission shall propose and submit to the Governor and the General Assembly legislative changes to increase inclusion and diversity in State government.

(8) The Commission shall have oversight over the following entities:

(A) the Illinois African-American Family

Commission;

(B) the Illinois Latino Family Commission;

(C) the Asian American Family Commission;

(D) the Illinois Muslim American Advisory Council;

(E) the Illinois African-American Fair Contracting Commission created under Executive Order 2018-07; and

(F) the Business Enterprise Council for Minorities, Women, and Persons with Disabilities.

(9) The Commission shall adopt any rules necessary for the implementation and administration of the requirements of this Act.

Section 40-100. The Department of Transportation Law of the Civil Administrative Code of Illinois is amended by adding Section 2705-597 as follows:

(20 ILCS 2705/2705-597 new)

Sec. 2705-597. Equal Employment Opportunity Contract Compliance Officers. Notwithstanding any Department policy or rule to the contrary, the Secretary shall have jurisdiction over all Equal Employment Opportunity Contract Compliance Officers within the Department, or within districts controlled by the Department, and shall be responsible for the evaluation of such officers.

Section 40-105. The Illinois African-American Family

Commission Act is amended by changing Section 30 and by adding Section 35 as follows:

(20 ILCS 3903/30)

Sec. 30. Reporting. The Illinois African-American Family Commission shall annually report to the Governor, ~~and~~ the General Assembly, and the Commission on Equity and Inclusion on the Commission's progress toward its goals and objectives.

(Source: P.A. 93-867, eff. 8-5-04.)

(20 ILCS 3903/35 new)

Sec. 35. Oversight. Notwithstanding any provision of law to the contrary, the Commission on Equity and Inclusion established under the Commission on Equity and Inclusion Act shall have general oversight of the operations of the Illinois African-American Family Commission.

Section 40-110. The Asian American Family Commission Act is amended by changing Section 20 and by adding Section 25 as follows:

(20 ILCS 3916/20)

Sec. 20. Report. The Asian American Family Commission shall annually report to the Governor, ~~and~~ the General Assembly, and the Commission on Equity and Inclusion on the Commission's progress toward its goals and objectives.

(Source: P.A. 101-392, eff. 1-1-20.)

(20 ILCS 3916/25 new)

Sec. 25. Oversight. Notwithstanding any provision of law to the contrary, the Commission on Equity and Inclusion established under the Commission on Equity and Inclusion Act shall have general oversight of the operations of the Asian American Family Commission.

Section 40-115. The Illinois Latino Family Commission Act is amended by changing Section 30 and by adding Section 35 as follows:

(20 ILCS 3983/30)

Sec. 30. Reporting. The Illinois Latino Family Commission shall annually report to the Governor, ~~and~~ and the General Assembly, and the Commission on Equity and Inclusion on the Commission's progress towards its goals and objectives.

(Source: P.A. 95-619, eff. 9-14-07.)

(20 ILCS 3983/35 new)

Sec. 35. Oversight. Notwithstanding any provision of law to the contrary, the Commission on Equity and Inclusion established under the Commission on Equity and Inclusion Act shall have general oversight of the operations of the Illinois Latino Family Commission.

Section 40-120. The Illinois Muslim American Advisory Council Act is amended by changing Section 30 and by adding Section 35 as follows:

(20 ILCS 5110/30)

Sec. 30. Reports. The Council shall issue semi-annual reports on its policy recommendations by June 30th and December 31st of each year to the Governor, ~~and the General Assembly,~~ and the Commission on Equity and Inclusion.

(Source: P.A. 100-459, eff. 8-25-17.)

(20 ILCS 5110/35 new)

Sec. 35. Oversight. Notwithstanding any provision of law to the contrary, the Commission on Equity and Inclusion established under the Commission on Equity and Inclusion Act shall have general oversight of the operations of the Council.

Section 40-125. The Illinois Procurement Code is amended by changing Sections 5-30, 10-20, 20-10, 20-25, 20-30, 20-60, 35-15, 35-30, 40-20, 50-20, and 50-35 and by adding Section 5-7 as follows:

(30 ILCS 500/5-7 new)

Sec. 5-7. Commission on Equity and Inclusion; powers and duties.

(a) The Commission on Equity and Inclusion, as created under the Commission on Equity and Inclusion Act, shall have the powers and duties provided under this Section with respect to this Code. Nothing in this Section shall be construed as overriding the authority and duties of the Procurement Policy Board as provided under Section 5-5. The powers and duties of the Commission as provided under this Section shall be exercised alongside, but independent of, that of the Procurement Policy Board.

(b) The Commission on Equity and Inclusion shall have the authority and responsibility to review, comment upon, and recommend, consistent with this Code, rules and practices governing the procurement, management, control, and disposal of supplies, services, professional or artistic services, construction, and real property and capital improvement leases procured by the State. The Commission on Equity and Inclusion shall also have the authority to recommend a program for professional development and provide opportunities for training in procurement practices and policies to chief procurement officers and their staffs in order to ensure that all procurement is conducted in an efficient, professional, and appropriately transparent manner.

(c) Upon a majority vote of its members, the Commission on Equity and Inclusion may review a contract. Upon a three-fifths vote of its members, the Commission may propose procurement rules for consideration by chief procurement officers. These

proposals shall be published in each volume of the Procurement Bulletin. Except as otherwise provided by law, the Commission on Equity and Inclusion shall act upon the vote of a majority of its members who have been appointed and are serving.

(d) The Commission on Equity and Inclusion may review, study, and hold public hearings concerning the implementation and administration of this Code. Each chief procurement officer, State purchasing officer, procurement compliance monitor, and State agency shall cooperate with the Commission, provide information to the Commission on Equity and Inclusion, and be responsive to the Commission in the Commission's conduct of its reviews, studies, and hearings.

(e) Upon a three-fifths vote of its members, the Commission on Equity and Inclusion shall review a proposal, bid, or contract and issue a recommendation to void a contract or reject a proposal or bid based on any conflict of interest or violation of this Code. A recommendation of the Commission shall be delivered to the appropriate chief procurement officer and Executive Ethics Commission within 7 calendar days and must be published in the next volume of the Procurement Bulletin. The bidder, offeror, potential contractor, contractor, or subcontractor shall have 15 calendar days to provide a written response to the notice, and a hearing before the Commission on the alleged conflict of interest or violation shall be held upon request by the bidder, offeror, potential contractor, contractor, or subcontractor. The requested hearing date and

time shall be determined by the Commission on Equity and Inclusion, but in no event shall the hearing occur later than 15 calendar days after the date of the request.

(30 ILCS 500/5-30)

Sec. 5-30. Proposed contracts; Procurement Policy Board; Commission on Equity and Inclusion.

(a) Except as provided in subsection (c), within 14 calendar days after notice of the awarding or letting of a contract has appeared in the Procurement Bulletin in accordance with subsection (b) of Section 15-25, the Board or the Commission on Equity and Inclusion may request in writing from the contracting agency and the contracting agency shall promptly, but in no event later than 7 calendar days after receipt of the request, provide to the requesting entity Board, by electronic or other means satisfactory to the requesting entity Board, documentation in the possession of the contracting agency concerning the proposed contract. Nothing in this subsection is intended to waive or abrogate any privilege or right of confidentiality authorized by law.

(b) No contract subject to this Section may be entered into until the 14-day period described in subsection (a) has expired, unless the contracting agency requests in writing that the Board and the Commission on Equity and Inclusion waive the period and the Board and the Commission on Equity and Inclusion grant grants the waiver in writing.

(c) This Section does not apply to (i) contracts entered into under this Code for small and emergency procurements as those procurements are defined in Article 20 and (ii) contracts for professional and artistic services that are nonrenewable, one year or less in duration, and have a value of less than \$20,000. If requested in writing by the Board or the Commission on Equity and Inclusion, however, the contracting agency must promptly, but in no event later than 10 calendar days after receipt of the request, transmit to the Board or the Commission on Equity and Inclusion a copy of the contract for an emergency procurement and documentation in the possession of the contracting agency concerning the contract.

(Source: P.A. 100-43, eff. 8-9-17.)

(30 ILCS 500/20-10)

(Text of Section from P.A. 96-159, 96-588, 97-96, 97-895, 98-1076, 99-906, 100-43, and 101-31)

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

(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 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 or through an electronic procurement system in the presence of one or more witnesses at the time and place designated in the invitation for bids. The name of each bidder, including earned and applied bid credit from the Illinois Works Jobs Program Act, 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 unconditionally accepted without alteration or correction, except as authorized in this Code. Bids shall be evaluated based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award, such as discounts, transportation costs, and total or life cycle costs, shall be objectively measurable. The invitation for bids shall set forth the evaluation criteria to be used.

(f) Correction or withdrawal of bids. Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards of contracts based on bid

mistakes, shall be permitted in accordance with rules. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the State or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids based on bid mistakes shall be supported by written determination made by a State purchasing 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 a State purchasing 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:

- (1) a description of the agency's needs;
- (2) a determination that the anticipated cost will be fair and reasonable;
- (3) a listing of all responsible and responsive bidders; and
- (4) the name of the bidder selected, the total contract 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 Commission on Equity and Inclusion, 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 in the first solicitation.

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

(j) Reverse auction. Notwithstanding any other provision of this Section and in accordance with rules adopted by the chief procurement officer, that chief procurement officer may

procure supplies or services through a competitive electronic auction bidding process after the chief procurement officer determines that the use of such a process will be in the best interest of the State. The chief procurement officer shall publish that determination in his or her next volume of the Illinois Procurement Bulletin.

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.

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 bids shall 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 State purchasing officer and the lowest responsible 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.

(Source: P.A. 100-43, eff. 8-9-17; 101-31, eff. 6-28-19.)

(Text of Section from P.A. 96-159, 96-795, 97-96, 97-895, 98-1076, 99-906, 100-43, and 101-31)

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

(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 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 or through an electronic procurement system in the presence of one or more witnesses at the time and place designated in the invitation

for bids. The name of each bidder, including earned and applied bid credit from the Illinois Works Jobs Program Act, 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 unconditionally accepted without alteration or correction, except as authorized in this Code. Bids shall be evaluated based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award, such as discounts, transportation costs, and total or life cycle costs, shall be objectively measurable. The invitation for bids shall set forth the evaluation criteria to be used.

(f) Correction or withdrawal of bids. Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards of contracts based on bid mistakes, shall be permitted in accordance with rules. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the State or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids based on bid mistakes shall be supported by written determination made by a State purchasing

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 a State purchasing 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:

- (1) a description of the agency's needs;
- (2) a determination that the anticipated cost will be fair and reasonable;
- (3) a listing of all responsible and responsive bidders; and
- (4) the name of the bidder selected, the total contract 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 Commission on Equity and Inclusion, 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.

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

(j) Reverse auction. Notwithstanding any other provision of this Section and in accordance with rules adopted by the chief procurement officer, that chief procurement officer may procure supplies or services through a competitive electronic auction bidding process after the chief procurement officer determines that the use of such a process will be in the best interest of the State. The chief procurement officer shall publish that determination in his or her next volume of the Illinois Procurement Bulletin.

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.

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 bids shall 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 State purchasing officer and the lowest responsible 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.

(Source: P.A. 100-43, eff. 8-9-17; 101-31, eff. 6-28-19.)

(30 ILCS 500/20-25)

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. A State contract may be awarded as a sole source contract unless an interested party submits a written request for a public hearing at which the chief procurement officer and purchasing agency present written justification for the procurement method. Any interested party may present testimony. A sole source contract where a hearing was requested by an interested party may be awarded after the hearing is conducted with the approval of the chief procurement officer.

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

(c) Notice of intent to enter into a sole source contract shall be provided to the Procurement Policy Board and the Commission on Equity and Inclusion and published in the online electronic Bulletin at least 14 calendar days before the public

hearing required in subsection (a). The notice shall include the sole source procurement justification form prescribed by the Board, a description of the item to be procured, the intended sole source contractor, and the 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, each chief procurement officer shall file 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.

(Source: P.A. 100-43, eff. 8-9-17.)

(30 ILCS 500/20-30)

Sec. 20-30. Emergency purchases.

(a) Conditions for use. In accordance with standards set by rule, a purchasing agency may make emergency procurements without competitive sealed bidding or prior notice when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to State property in order to protect against further loss of or damage to State property, to prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues, or to ensure the integrity of State records; provided, however, that the term of

the emergency purchase shall be limited to the time reasonably needed for a competitive procurement, not to exceed 90 calendar days. A contract may be extended beyond 90 calendar days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony. Emergency procurements shall be made with as much competition as is practicable under the circumstances, and shall include best efforts to include contractors certified under the Business Enterprise Program. A written description of the basis for the emergency and reasons for the selection of the particular contractor shall be included in the contract file.

(b) Notice. Notice of all emergency procurements shall be provided to the Procurement Policy Board and the Commission on Equity and Inclusion and published in the online electronic Bulletin no later than 5 calendar days after the contract is awarded. Notice of intent to extend an emergency contract shall be provided to the Procurement Policy Board and the Commission on Equity and Inclusion and published in the online electronic Bulletin at least 14 calendar days before the public hearing. Notice shall include at least a description of the need for the emergency purchase, the contractor, and if applicable, the date, time, and location of the public hearing. A copy of this

notice and all documents provided at the hearing shall be included in the subsequent Procurement Bulletin. Before the next appropriate volume of the Illinois Procurement Bulletin, the purchasing agency shall publish in the Illinois Procurement Bulletin a copy of each written description and reasons and the total cost of each emergency procurement made during the previous month. When only an estimate of the total cost is known at the time of publication, the estimate shall be identified as an estimate and published. When the actual total cost is determined, it shall also be published in like manner before the 10th day of the next succeeding month.

(c) Statements. A chief procurement officer making a procurement under this Section shall file statements with the Procurement Policy Board, the Commission on Equity and Inclusion, and the Auditor General within 10 calendar days after the procurement setting forth the amount expended, the name of the contractor involved, and the conditions and circumstances requiring the emergency procurement. When only an estimate of the cost is available within 10 calendar days after the procurement, the actual cost shall be reported immediately after it is determined. At the end of each fiscal quarter, the Auditor General shall file with 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.

(d) Quick purchases. The chief procurement officer may promulgate rules extending the circumstances by which a purchasing agency may make purchases under this Section, including but not limited to the procurement of items available at a discount for a limited period of time. The chief procurement officer shall adopt rules regarding good faith and best efforts from contractors and companies certified under the Business Enterprise Program.

(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.

(Source: P.A. 100-43, eff. 8-9-17.)

(30 ILCS 500/20-60)

Sec. 20-60. Duration of contracts.

(a) Maximum duration. A contract may be entered into for any period of time deemed to be in the best interests of the State but not exceeding 10 years inclusive, beginning January 1, 2010, of proposed contract renewals. Third parties may lease State-owned dark fiber networks for any period of time deemed to be in the best interest of the State, but not exceeding 20 years. The length of a lease for real property or capital improvements shall be in accordance with the provisions of Section 40-25. The length of energy conservation program

contracts or energy savings contracts or leases shall be in accordance with the provisions of Section 25-45. A contract for bond or mortgage insurance awarded by the Illinois Housing Development Authority, however, may be entered into for any period of time less than or equal to the maximum period of time that the subject bond or mortgage may remain outstanding.

(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) The chief procurement officer shall file a proposed extension or renewal of a contract with the Procurement Policy Board and the Commission on Equity and Inclusion prior to entering into any extension or renewal if the cost associated with the extension or renewal exceeds \$249,999. The Procurement Policy Board or the Commission on Equity and Inclusion may object to the proposed extension or renewal within 30 calendar days and require a hearing before the Board or the Commission on Equity and Inclusion prior to entering into the extension or renewal. If the Procurement Policy Board or the Commission on Equity and Inclusion does not object within 30 calendar days or takes affirmative action to recommend the extension or renewal, the chief procurement officer may enter into the extension or renewal of a contract. This subsection does not apply to any emergency procurement, any procurement under Article 40, or any

procurement exempted by Section 1-10(b) of this Code. If any State agency contract is paid for in whole or in part with federal-aid funds, grants, or loans and the provisions of this subsection would result in the loss of those federal-aid funds, grants, or loans, then the contract is exempt from the provisions of this subsection in order to remain eligible for those federal-aid funds, grants, or loans, and the State agency shall file notice of this exemption with the Procurement Policy Board or the Commission on Equity and Inclusion prior to entering into the proposed extension or renewal. Nothing in this subsection permits a chief procurement officer to enter into an extension or renewal in violation of subsection (a). By August 1 each year, the Procurement Policy Board and the Commission on Equity and Inclusion shall each ~~shall~~ file a report with the General Assembly identifying for the previous fiscal year (i) the proposed extensions or renewals that were filed and whether such extensions and renewals were objected to ~~with the Board and whether the Board objected~~ and (ii) the contracts exempt from this subsection.

(d) Notwithstanding the provisions of subsection (a) of this Section, the Department of Innovation and Technology may enter into leases for dark fiber networks for any period of time deemed to be in the best interests of the State but not exceeding 20 years inclusive. The Department of Innovation and Technology may lease dark fiber networks from third parties only for the primary purpose of providing services (i) to the

offices of Governor, Lieutenant Governor, Attorney General, Secretary of State, Comptroller, or Treasurer and State agencies, as defined under Section 5-15 of the Civil Administrative Code of Illinois or (ii) for anchor institutions, as defined in Section 7 of the Illinois Century Network Act. Dark fiber network lease contracts shall be subject to all other provisions of this Code and any applicable rules or requirements, including, but not limited to, publication of lease solicitations, use of standard State contracting terms and conditions, and approval of vendor certifications and financial disclosures.

(e) As used in this Section, "dark fiber network" means a network of fiber optic cables laid but currently unused by a third party that the third party is leasing for use as network infrastructure.

(Source: P.A. 100-23, eff. 7-6-17; 100-611, eff. 7-20-18; 101-81, eff. 7-12-19.)

(30 ILCS 500/35-15)

Sec. 35-15. Prequalification.

(a) The chief procurement officer for matters other than construction and the higher education chief procurement officer shall each develop appropriate and reasonable prequalification standards and categories of professional and artistic services.

(b) The prequalifications and categorizations shall be

submitted to the Procurement Policy Board and the Commission on Equity and Inclusion and published for public comment prior to their submission to the Joint Committee on Administrative Rules for approval.

(c) The chief procurement officer for matters other than construction and the higher education chief procurement officer shall each also assemble and maintain a comprehensive list of prequalified and categorized businesses and persons.

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

(Source: P.A. 100-43, eff. 8-9-17.)

(30 ILCS 500/35-30)

Sec. 35-30. Awards.

(a) All State contracts for professional and artistic services, except as provided in this Section, shall be awarded using the competitive request for proposal process outlined in this Section.

(b) For each contract offered, the chief procurement officer, State purchasing officer, or his or her designee shall use the appropriate standard solicitation forms available from the chief procurement officer for matters other than construction or the higher education chief procurement officer.

(c) Prepared forms shall be submitted to the chief

procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate, for publication in its Illinois Procurement Bulletin and circulation to the chief procurement officer for matters other than construction or the higher education chief procurement officer's list of prequalified vendors. Notice of the offer or request for proposal shall appear at least 14 calendar days before the response to the offer is due.

(d) All interested respondents shall return their responses to the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate, which shall open and record them. The chief procurement officer for matters other than construction or higher education chief procurement officer then shall forward the responses, together with any information it has available about the qualifications and other State work of the respondents.

(e) After evaluation, ranking, and selection, the responsible chief procurement officer, State purchasing officer, or his or her designee shall notify the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate, of the successful respondent and shall forward a copy of the signed contract for the chief procurement officer for matters other than construction or higher education chief procurement officer's file. The chief procurement officer for

matters other than construction or higher education chief procurement officer shall publish the names of the responsible procurement decision-maker, the agency letting the contract, the successful respondent, a contract reference, and value of the let contract in the next appropriate volume of the Illinois Procurement Bulletin.

(f) For all professional and artistic contracts with annualized value that exceeds \$100,000, evaluation and ranking by price are required. Any chief procurement officer or State purchasing officer, but not their designees, may select a respondent other than the lowest respondent by price. In any case, when the contract exceeds the \$100,000 threshold and the lowest respondent is not selected, the chief procurement officer or the State purchasing officer shall forward together with the contract notice of who the low respondent by price was and a written decision as to why another was selected to the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate. The chief procurement officer for matters other than construction or higher education chief procurement officer shall publish as provided in subsection (e) of Section 35-30, but shall include notice of the chief procurement officer's or State purchasing officer's written decision.

(g) The chief procurement officer for matters other than construction and higher education chief procurement officer may each refine, but not contradict, this Section by

promulgating rules for submission to the Procurement Policy Board and the Commission on Equity and Inclusion and then to the Joint Committee on Administrative Rules. Any refinement shall be based on the principles and procedures of the federal Architect-Engineer Selection Law, Public Law 92-582 Brooks Act, and the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act; except that pricing shall be an integral part of the selection process.

(Source: P.A. 100-43, eff. 8-9-17.)

(30 ILCS 500/40-20)

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.

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

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

(c) Public notice. Public notice of the request for information for the availability of real property to lease shall be published in the appropriate volume of the Illinois Procurement Bulletin at least 14 calendar days before the date

set forth in the request for receipt of responses and shall also be published in similar manner in a newspaper of general circulation in the community or communities where the using agency is seeking space.

(d) Response. The request for information response shall consist of written information sufficient to show that the respondent can meet minimum criteria set forth in the request. State purchasing officers may enter into discussions with respondents for the purpose of clarifying State needs and the information supplied by the respondents. On the basis of the information supplied and discussions, if any, a State purchasing officer shall make a written determination identifying the responses that meet the minimum criteria set forth in the request for information. Negotiations shall be entered into with all qualified respondents for the purpose of securing a lease that is in the best interest of the State. A written report of the negotiations shall be retained in the lease files and shall include the reasons for the final selection. All leases shall be reduced to writing; one copy shall be filed with the Comptroller in accordance with the provisions of Section 20-80, and one copy each shall be filed with the Board and the Commission on Equity and Inclusion.

When the lowest response by price is not selected, the State purchasing officer shall forward to the chief procurement officer, along with the lease, notice of the identity of the lowest respondent by price and written reasons for the

selection of a different response. The chief procurement officer shall publish the written reasons in the next volume of the Illinois Procurement Bulletin.

(e) Board and Commission on Equity and Inclusion 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 and the Commission on Equity and Inclusion shall have 30 calendar days to review the proposed lease. If neither the Board nor the Commission on Equity and Inclusion ~~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 and the Commission on Equity and Inclusion to assist in the review process.

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

(30 ILCS 500/50-20)

Sec. 50-20. Exemptions. The appropriate chief procurement officer may file a request with the Executive Ethics Commission to exempt named individuals from the prohibitions of Section 50-13 when, in his or her judgment, the public interest in having the individual in the service of the State outweighs the public policy evidenced in that Section. The Executive Ethics Commission may grant an exemption after a public hearing at

which any person may present testimony. The chief procurement officer shall publish notice of the date, time, and location of the hearing in the online electronic Bulletin at least 14 calendar days prior to the hearing and provide notice to the individual subject to the waiver, ~~and~~ the Procurement Policy Board, and the Commission on Equity and Inclusion. The Executive Ethics Commission shall also provide public notice of the date, time, and location of the hearing on its website. If the Commission grants an exemption, the exemption is effective only if it is filed with the Secretary of State and the Comptroller prior to the execution of any contract and includes a statement setting forth the name of the individual and all the pertinent facts that would make that Section applicable, setting forth the reason for the exemption, and declaring the individual exempted from that Section. Notice of each exemption shall be published in the Illinois Procurement Bulletin. A contract for which a waiver has been issued but has not been filed in accordance with this Section is voidable by the State. The changes to this Section made by this amendatory Act of the 96th General Assembly shall apply to exemptions granted on or after its effective date.

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

(30 ILCS 500/50-35)

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

(a) All bids and offers from responsive bidders, offerors, vendors, or contractors with an annual value of more than \$50,000, and all submissions to a vendor portal, shall be accompanied by disclosure of the financial interests of the bidder, offeror, potential contractor, or contractor and each subcontractor to be used. In addition, all subcontracts identified as provided by Section 20-120 of this Code with an annual value of more than \$50,000 shall be accompanied by disclosure of the financial interests of each subcontractor. The financial disclosure of each successful bidder, offeror, potential contractor, or contractor and its subcontractors shall be incorporated as a material term of the contract and shall become part of the publicly available contract or procurement file maintained by the appropriate chief 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 and the Commission on Equity and Inclusion.

(b) Disclosure shall include any ownership or distributive income share that is in excess of 5%, or an amount greater than 60% of the annual salary of the Governor, of the disclosing entity or its parent entity, whichever is less, unless the bidder, offeror, potential contractor, contractor, or subcontractor (i) is a publicly traded entity subject to

Federal 10K reporting, in which case it may submit its 10K disclosure in place of the prescribed disclosure, or (ii) is a privately held entity that is exempt from Federal 10k reporting but has more than 100 shareholders, in which case it may submit the information that Federal 10k reporting companies are required to report under 17 CFR 229.401 and list the names of any person or entity holding any ownership share that is in excess of 5% in place of the prescribed disclosure. The form of disclosure shall be prescribed by the applicable chief procurement officer and must include at least the names, addresses, 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:

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

(2) State employment of spouse, father, mother, son, or daughter, including contractual employment for services in 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.

(4) Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, 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 the previous 3 years.

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

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

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

(9) Compensated employment, currently or in the previous 3 years, by 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.

(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 subcontractor who is not identified under subsections (a) and (b) and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid or offer. The disclosure under this subsection is a continuing obligation and must be promptly supplemented for accuracy throughout the process and throughout the term of the contract if the bid or offer is successful.

(b-2) The disclosure required under this Section must also include, for each of the persons identified in subsection (b) or (b-1), each of the following that occurred within the previous 10 years: suspension or debarment from contracting with any governmental entity; professional licensure discipline; bankruptcies; adverse civil judgments and administrative findings; and criminal felony convictions. The disclosure under this subsection is a continuing obligation and

must be promptly supplemented for accuracy throughout the process and throughout the term of the contract if the bid or offer is successful.

(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, State purchasing officers, their designees, and executive officers so they may adequately discharge their duty to protect the State.

(d) When a potential for a conflict of interest is identified, discovered, or reasonably suspected, the chief procurement officer or State procurement officer shall send the contract to the Procurement Policy Board and the Commission on Equity and Inclusion. In accordance with the objectives of subsection (c), if the Procurement Policy Board or the Commission on Equity and Inclusion finds evidence of a potential conflict of interest not originally disclosed by the bidder, offeror, potential contractor, contractor, or subcontractor, the Board or the Commission on Equity and Inclusion shall provide written notice to the bidder, offeror, potential contractor, contractor, or subcontractor that is identified, discovered, or reasonably suspected of having a potential conflict of interest. The bidder, offeror, potential contractor, contractor, or subcontractor shall have 15 calendar days to respond in writing to the Board or the Commission on Equity and Inclusion, and a hearing before the

Board or the Commission on Equity and Inclusion will be granted upon request by the bidder, offeror, potential contractor, contractor, or subcontractor, at a date and time to be determined by the Board or the Commission on Equity and Inclusion, but which in no event shall occur later than 15 calendar days after the date of the request. Upon consideration, the Board or the Commission on Equity and Inclusion shall recommend, in writing, whether to allow or void the contract, bid, offer, or subcontract weighing the best interest of the State of Illinois. All recommendations shall be submitted to the Executive Ethics Commission. The Executive Ethics Commission must hold a public hearing within 30 calendar days after receiving the Board's or the Commission on Equity and Inclusion's recommendation if the Procurement Policy Board or the Commission on Equity and Inclusion makes a recommendation to (i) void a contract or (ii) void a bid or offer and the chief procurement officer selected or intends to award the contract to the bidder, offeror, or potential contractor. A chief procurement officer is prohibited from awarding a contract before a hearing if the Board or the Commission on Equity and Inclusion recommendation does not support a bid or offer. The recommendation and proceedings of any hearing, if applicable, shall be available to the public.

(e) These thresholds and disclosure do not relieve the chief procurement officer, the State purchasing officer, or their designees from reasonable care and diligence for any

contract, bid, offer, or submission to a vendor portal. The chief procurement officer, the State purchasing officer, or their designees shall be responsible for using any reasonably known and publicly available information to discover any undisclosed potential conflict of interest and act to protect the best interest of the State of Illinois.

(f) Inadvertent or accidental failure to fully disclose shall render the contract, bid, offer, proposal, subcontract, or relationship voidable by the chief 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 shall render the contract, bid, offer, proposal, subcontract, or relationship voidable by the chief procurement officer if he or she deems it in the best interest of the State of Illinois and shall result in debarment from future contracts, bids, offers, proposals, subcontracts, or relationships for a period of not less than 2 years and not more than 10 years. Reinstatement after 2 years and before 10 years must be reviewed and commented on in writing by the Governor of the State of Illinois, or by an executive ethics board or commission he or she might designate. The comment shall be returned to the responsible chief procurement officer who must rule in writing whether and when to reinstate.

(h) In addition, all disclosures shall note any other current or pending contracts, bids, offers, proposals, subcontracts, leases, or other ongoing procurement relationships the bidder, offeror, potential contractor, contractor, or subcontractor has with any other unit of State government and shall clearly identify the unit and the contract, offer, proposal, lease, or other relationship.

(i) 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.

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

Section 40-130. The Business Enterprise for Minorities, Women, and Persons with Disabilities Act is amended by changing Sections 2, 4, 4f, 5, 7, and 8 and by adding Section 5.5 as follows:

(30 ILCS 575/2)

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

Sec. 2. Definitions.

(A) For the purpose of this Act, the following terms shall have the following definitions:

(1) "Minority person" shall mean a person who is a

citizen or lawful permanent resident of the United States and who is any of the following:

(a) American Indian or Alaska Native (a person having origins in any of the original peoples of North and South America, including Central America, and who maintains tribal affiliation or community attachment).

(b) Asian (a person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent, including, but not limited to, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam).

(c) Black or African American (a person having origins in any of the black racial groups of Africa).

(d) Hispanic or Latino (a person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race).

(e) Native Hawaiian or Other Pacific Islander (a person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands).

(2) "Woman" shall mean a person who is a citizen or lawful permanent resident of the United States and who is of the female gender.

(2.05) "Person with a disability" means a person who is a citizen or lawful resident of the United States and is a person qualifying as a person with a disability under

subdivision (2.1) of this subsection (A).

(2.1) "Person with a disability" means a person with a severe physical or mental disability that:

(a) results from:

amputation,

arthritis,

autism,

blindness,

burn injury,

cancer,

cerebral palsy,

Crohn's disease,

cystic fibrosis,

deafness,

head injury,

heart disease,

hemiplegia,

hemophilia,

respiratory or pulmonary dysfunction,

an intellectual disability,

mental illness,

multiple sclerosis,

muscular dystrophy,

musculoskeletal disorders,

neurological disorders, including stroke and

epilepsy,

paraplegia,
quadriplegia and other spinal cord conditions,
sickle cell anemia,
ulcerative colitis,
specific learning disabilities, or
end stage renal failure disease; and

(b) substantially limits one or more of the person's major life activities.

Another disability or combination of disabilities may also be considered as a severe disability for the purposes of item (a) of this subdivision (2.1) if it is determined by an evaluation of rehabilitation potential to cause a comparable degree of substantial functional limitation similar to the specific list of disabilities listed in item (a) of this subdivision (2.1).

(3) "Minority-owned business" means a business which is at least 51% owned by one or more minority persons, or in the case of a corporation, at least 51% of the stock in which is owned by one or more minority persons; and the management and daily business operations of which are controlled by one or more of the minority individuals who own it.

(4) "Women-owned business" means a business which is at least 51% owned by one or more women, or, in the case of a corporation, at least 51% of the stock in which is owned by one or more women; and the management and daily business

operations of which are controlled by one or more of the women who own it.

(4.1) "Business owned by a person with a disability" means a business that is at least 51% owned by one or more persons with a disability and the management and daily business operations of which are controlled by one or more of the persons with disabilities who own it. A not-for-profit agency for persons with disabilities that is exempt from taxation under Section 501 of the Internal Revenue Code of 1986 is also considered a "business owned by a person with a disability".

(4.2) "Council" means the Business Enterprise Council for Minorities, Women, and Persons with Disabilities created under Section 5 of this Act.

(4.3) "Commission" means, unless the context clearly indicates otherwise, the Commission on Equity and Inclusion created under the Commission on Equity and Inclusion Act.

(5) "State contracts" means all contracts entered into by the State, any agency or department thereof, or any public institution of higher education, including community college districts, regardless of the source of the funds with which the contracts are paid, which are not subject to federal reimbursement. "State contracts" does not include contracts awarded by a retirement system, pension fund, or investment board subject to Section

1-109.1 of the Illinois Pension Code. This definition shall control over any existing definition under this Act or applicable administrative rule.

"State construction contracts" means all State contracts entered into by a State agency or public institution of higher education for the repair, remodeling, renovation or construction of a building or structure, or for the construction or maintenance of a highway defined in Article 2 of the Illinois Highway Code.

(6) "State agencies" shall mean all departments, officers, boards, commissions, institutions and bodies politic and corporate of the State, but does not include the Board of Trustees of the University of Illinois, the Board of Trustees of Southern Illinois University, the Board of Trustees of Chicago State University, the Board of Trustees of Eastern Illinois University, the Board of Trustees of Governors State University, the Board of Trustees of Illinois State University, the Board of Trustees of Northeastern Illinois University, the Board of Trustees of Northern Illinois University, the Board of Trustees of Western Illinois University, municipalities or other local governmental units, or other State constitutional officers.

(7) "Public institutions of higher education" means the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University,

Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, the public community colleges of the State, and any other public universities, colleges, and community colleges now or hereafter established or authorized by the General Assembly.

(8) "Certification" means a determination made by the Council or by one delegated authority from the Council to make certifications, or by a State agency with statutory authority to make such a certification, that a business entity is a business owned by a minority, woman, or person with a disability for whatever purpose. A business owned and controlled by women shall be certified as a "woman-owned business". A business owned and controlled by women who are also minorities shall be certified as both a "women-owned business" and a "minority-owned business".

(9) "Control" means the exclusive or ultimate and sole control of the business including, but not limited to, capital investment and all other financial matters, property, acquisitions, contract negotiations, legal matters, officer-director-employee selection and comprehensive hiring, operating responsibilities, cost-control matters, income and dividend matters, financial transactions and rights of other shareholders or joint partners. Control shall be real, substantial and

continuing, not pro forma. Control shall include the power to direct or cause the direction of the management and policies of the business and to make the day-to-day as well as major decisions in matters of policy, management and operations. Control shall be exemplified by possessing the requisite knowledge and expertise to run the particular business and control shall not include simple majority or absentee ownership.

(10) "Business" means a business that has annual gross sales of less than \$75,000,000 as evidenced by the federal income tax return of the business. A firm with gross sales in excess of this cap may apply to the Council for certification for a particular contract if the firm can demonstrate that the contract would have significant impact on businesses owned by minorities, women, or persons with disabilities as suppliers or subcontractors or in employment of minorities, women, or persons with disabilities.

(11) "Utilization plan" means a form and additional documentations included in all bids or proposals that demonstrates a vendor's proposed utilization of vendors certified by the Business Enterprise Program to meet the targeted goal. The utilization plan shall demonstrate that the Vendor has either: (1) met the entire contract goal or (2) requested a full or partial waiver and made good faith efforts towards meeting the goal.

(12) "Business Enterprise Program" means the Business Enterprise Program of the Department of Central Management Services.

(B) When a business is owned at least 51% by any combination of minority persons, women, or persons with disabilities, even though none of the 3 classes alone holds at least a 51% interest, the ownership requirement for purposes of this Act is considered to be met or in excess of the entire contract goal. The certification category for the business is that of the class holding the largest ownership interest in the business. If 2 or more classes have equal ownership interests, the certification category shall be determined by the business. (Source: P.A. 100-391, eff. 8-25-17; 101-601, eff. 1-1-20.)

(30 ILCS 575/4) (from Ch. 127, par. 132.604)

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

Sec. 4. Award of State contracts.

(a) Except as provided in subsection (b), not less than 20% of the total dollar amount of State contracts, as defined by the Secretary of the Council and approved by the Council, shall be established as an aspirational goal to be awarded to businesses owned by minorities, women, and persons with disabilities; provided, however, that of the total amount of all State contracts awarded to businesses owned by minorities, women, and persons with disabilities pursuant to this Section, contracts representing at least 11% shall be awarded to

businesses owned by minorities, contracts representing at least 7% shall be awarded to women-owned businesses, and contracts representing at least 2% shall be awarded to businesses owned by persons with disabilities.

The above percentage relates to the total dollar amount of State contracts during each State fiscal year, calculated by examining independently each type of contract for each agency or public institutions of higher education which lets such contracts. Only that percentage of arrangements which represents the participation of businesses owned by minorities, women, and persons with disabilities on such contracts shall be included. State contracts subject to the requirements of this Act shall include the requirement that only expenditures to businesses owned by minorities, women, and persons with disabilities that perform a commercially useful function may be counted toward the goals set forth by this Act. Contracts shall include a definition of "commercially useful function" that is consistent with 49 CFR 26.55(c).

(b) Not less than 20% of the total dollar amount of State construction contracts is established as an aspirational goal to be awarded to businesses owned by minorities, women, and persons with disabilities; provided that, contracts representing at least 11% of the total dollar amount of State construction contracts shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total dollar amount of State construction contracts shall be awarded

to women-owned businesses; and contracts representing at least 2% of the total dollar amount of State construction contracts shall be awarded to businesses owned by persons with disabilities.

(c) (Blank).

(d) Within one year after April 28, 2009 (the effective date of Public Act 96-8), the Department of Central Management Services shall conduct a social scientific study that measures the impact of discrimination on minority and women business development in Illinois. Within 18 months after April 28, 2009 (the effective date of Public Act 96-8), the Department shall issue a report of its findings and any recommendations on whether to adjust the goals for minority and women participation established in this Act. Copies of this report and the social scientific study shall be filed with the Governor and the General Assembly.

By December 1, 2020, the Department of Central Management Services shall conduct a new social scientific study that measures the impact of discrimination on minority and women business development in Illinois. By June 1, 2022, the Department shall issue a report of its findings and any recommendations on whether to adjust the goals for minority and women participation established in this Act. Copies of this report and the social scientific study shall be filed with the Governor, ~~the Advisory Board,~~ and the General Assembly. By December 1, 2022, the Department of Central Management Services

Business Enterprise Program shall develop a model for social scientific disparity study sourcing for local governmental units to adapt and implement to address regional disparities in public procurement.

(e) Except as permitted under this Act or as otherwise mandated by federal law or regulation, those who submit bids or proposals for State contracts subject to the provisions of this Act, whose bids or proposals are successful and include a utilization plan but that fail to meet the goals set forth in subsection (b) of this Section, shall be notified of that deficiency and shall be afforded a period not to exceed 10 calendar days from the date of notification to cure that deficiency in the bid or proposal. The deficiency in the bid or proposal may only be cured by contracting with additional subcontractors who are owned by minorities or women. Any increase in cost to a contract for the addition of a subcontractor to cure a bid's deficiency shall not affect the bid price, shall not be used in the request for an exemption in this Act, and in no case shall an identified subcontractor with a certification made pursuant to this Act be terminated from the contract without the written consent of the State agency or public institution of higher education entering into the contract. The Commission on Equity and Inclusion shall be notified of all utilization plan deficiencies on submitted bids or proposals for State contracts under this subsection (e).

(f) Non-construction solicitations that include Business

Enterprise Program participation goals shall require bidders and offerors to include utilization plans. Utilization plans are due at the time of bid or offer submission. Failure to complete and include a utilization plan, including documentation demonstrating good faith effort when requesting a waiver, shall render the bid or offer non-responsive. The Commission on Equity and Inclusion shall be notified of all bids and offers that fail to include a utilization plan as required under this subsection (f).

(g) Bids or proposals for State contracts shall be examined to determine if the bid or proposal is responsible, competitive, and whether the services to be provided are likely to be completed based upon the pricing. If the bid or proposal is responsible, competitive, and the services to be provided are likely to be completed based on the prices listed, then the bid is deemed responsive. If the bid or proposal is not responsible, competitive, and the services to be provided are not likely to be completed based on the prices listed, then the entire bid is deemed non-responsive. The Commission on Equity and Inclusion shall be notified of all non-responsive bids or proposals for State contracts under this subsection (g).

(Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20; 101-601, eff. 1-1-20; revised 10-26-20.)

(30 ILCS 575/4f)

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

Sec. 4f. Award of State contracts.

(1) It is hereby declared to be the public policy of the State of Illinois to promote and encourage each State agency and public institution of higher education to use businesses owned by minorities, women, and persons with disabilities in the area of goods and services, including, but not limited to, insurance services, investment management services, information technology services, accounting services, architectural and engineering services, and legal services. Furthermore, each State agency and public institution of higher education shall utilize such firms to the greatest extent feasible within the bounds of financial and fiduciary prudence, and take affirmative steps to remove any barriers to the full participation of such firms in the procurement and contracting opportunities afforded.

(a) When a State agency or public institution of higher education, other than a community college, awards a contract for insurance services, for each State agency or public institution of higher education, it shall be the aspirational goal to use insurance brokers owned by minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total annual premiums or fees; provided that, contracts representing at least 11% of the total annual premiums or fees shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total annual

premiums or fees shall be awarded to women-owned businesses; and contracts representing at least 2% of the total annual premiums or fees shall be awarded to businesses owned by persons with disabilities.

(b) When a State agency or public institution of higher education, other than a community college, awards a contract for investment services, for each State agency or public institution of higher education, it shall be the aspirational goal to use emerging investment managers owned by minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total funds under management; provided that, contracts representing at least 11% of the total funds under management shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total funds under management shall be awarded to women-owned businesses; and contracts representing at least 2% of the total funds under management shall be awarded to businesses owned by persons with disabilities. Furthermore, it is the aspirational goal that not less than 20% of the direct asset managers of the State funds be minorities, women, and persons with disabilities.

(c) When a State agency or public institution of higher education, other than a community college, awards contracts for information technology services, accounting services, architectural and engineering services, and

legal services, for each State agency and public institution of higher education, it shall be the aspirational goal to use such firms owned by minorities, women, and persons with disabilities as defined by this Act and lawyers who are minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total dollar amount of State contracts; provided that, contracts representing at least 11% of the total dollar amount of State contracts shall be awarded to businesses owned by minorities or minority lawyers; contracts representing at least 7% of the total dollar amount of State contracts shall be awarded to women-owned businesses or women who are lawyers; and contracts representing at least 2% of the total dollar amount of State contracts shall be awarded to businesses owned by persons with disabilities or persons with disabilities who are lawyers.

(d) When a community college awards a contract for insurance services, investment services, information technology services, accounting services, architectural and engineering services, and legal services, it shall be the aspirational goal of each community college to use businesses owned by minorities, women, and persons with disabilities as defined in this Act for not less than 20% of the total amount spent on contracts for these services collectively; provided that, contracts representing at

least 11% of the total amount spent on contracts for these services shall be awarded to businesses owned by minorities; contracts representing at least 7% of the total amount spent on contracts for these services shall be awarded to women-owned businesses; and contracts representing at least 2% of the total amount spent on contracts for these services shall be awarded to businesses owned by persons with disabilities. When a community college awards contracts for investment services, contracts awarded to investment managers who are not emerging investment managers as defined in this Act shall not be considered businesses owned by minorities, women, or persons with disabilities for the purposes of this Section.

(2) As used in this Section:

"Accounting services" means the measurement, processing and communication of financial information about economic entities including, but is not limited to, financial accounting, management accounting, auditing, cost containment and auditing services, taxation and accounting information systems.

"Architectural and engineering services" means professional services of an architectural or engineering nature, or incidental services, that members of the architectural and engineering professions, and individuals in their employ, may logically or justifiably perform, including studies, investigations, surveying and mapping,

tests, evaluations, consultations, comprehensive planning, program management, conceptual designs, plans and specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operating and maintenance manuals, and other related services.

"Emerging investment manager" means an investment manager or claims consultant having assets under management below \$10 billion or otherwise adjudicating claims.

"Information technology services" means, but is not limited to, specialized technology-oriented solutions by combining the processes and functions of software, hardware, networks, telecommunications, web designers, cloud developing resellers, and electronics.

"Insurance broker" means an insurance brokerage firm, claims administrator, or both, that procures, places all lines of insurance, or administers claims with annual premiums or fees of at least \$5,000,000 but not more than \$10,000,000.

"Legal services" means work performed by a lawyer including, but not limited to, contracts in anticipation of litigation, enforcement actions, or investigations.

(3) Each State agency and public institution of higher education shall adopt policies that identify its plan and implementation procedures for increasing the use of service

firms owned by minorities, women, and persons with disabilities. All plan and implementation procedures for increasing the use of service firms owned by minorities, women, and persons with disabilities must be submitted to and approved by the Commission on Equity and Inclusion on an annual basis.

(4) Except as provided in subsection (5), the Council shall file no later than March 1 of each year an annual report to the Governor, the Bureau on Apprenticeship Programs, and the General Assembly. The report filed with the General Assembly shall be filed as required in Section 3.1 of the General Assembly Organization Act. This report shall: (i) identify the service firms used by each State agency and public institution of higher education, (ii) identify the actions it has undertaken to increase the use of service firms owned by minorities, women, and persons with disabilities, including encouraging non-minority-owned firms to use other service firms owned by minorities, women, and persons with disabilities as subcontractors when the opportunities arise, (iii) state any recommendations made by the Council to each State agency and public institution of higher education to increase participation by the use of service firms owned by minorities, women, and persons with disabilities, and (iv) include the following:

(A) For insurance services: the names of the insurance brokers or claims consultants used, the total of risk managed by each State agency and public institution of

higher education by insurance brokers, the total commissions, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed; and the percentage of the risk managed by insurance brokers, the percentage of total commission, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed with each by the insurance brokers owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.

(B) For investment management services: the names of the investment managers used, the total funds under management of investment managers; the total commissions, fees paid, or both; the total and percentage of funds under management of emerging investment managers owned by minorities, women, and persons with disabilities, including the total and percentage of total commissions, fees paid, or both by each State agency and public institution of higher education.

(C) The names of service firms, the percentage and total dollar amount paid for professional services by category by each State agency and public institution of higher education.

(D) The names of service firms, the percentage and total dollar amount paid for services by category to firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher

education.

(E) The total number of contracts awarded for services by category and the total number of contracts awarded to firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.

(5) For community college districts, the Business Enterprise Council shall only report the following information for each community college district: (i) the name of the community colleges in the district, (ii) the name and contact information of a person at each community college appointed to be the single point of contact for vendors owned by minorities, women, or persons with disabilities, (iii) the policy of the community college district concerning certified vendors, (iv) the certifications recognized by the community college district for determining whether a business is owned or controlled by a minority, woman, or person with a disability, (v) outreach efforts conducted by the community college district to increase the use of certified vendors, (vi) the total expenditures by the community college district in the prior fiscal year in the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the amount paid to certified vendors in those divisions of work, and (vii) the total number of contracts entered into for the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the total number of

contracts awarded to certified vendors providing these services to the community college district. The Business Enterprise Council shall not make any utilization reports under this Act for community college districts for Fiscal Year 2015 and Fiscal Year 2016, but shall make the report required by this subsection for Fiscal Year 2017 and for each fiscal year thereafter. The Business Enterprise Council shall report the information in items (i), (ii), (iii), and (iv) of this subsection beginning in September of 2016. The Business Enterprise Council may collect the data needed to make its report from the Illinois Community College Board.

(6) The status of the utilization of services shall be discussed at each of the regularly scheduled Business Enterprise Council meetings. Time shall be allotted for the Council to receive, review, and discuss the progress of the use of service firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education; and any evidence regarding past or present racial, ethnic, or gender-based discrimination which directly impacts a State agency or public institution of higher education contracting with such firms. If after reviewing such evidence the Council finds that there is or has been such discrimination against a specific group, race or sex, the Council shall establish sheltered markets or adjust existing sheltered markets tailored to address the Council's specific findings for the divisions of work specified in paragraphs (a),

(b), and (c) of subsection (1) of this Section.

(Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20.)

(30 ILCS 575/5) (from Ch. 127, par. 132.605)

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

Sec. 5. Business Enterprise Council.

(1) To help implement, monitor, and enforce the goals of this Act, there is created the Business Enterprise Council for Minorities, Women, and Persons with Disabilities, hereinafter referred to as the Council, composed of the Chairperson of the Commission on Equity and Inclusion, the Secretary of Human Services and the Directors of the Department of Human Rights, the Department of Commerce and Economic Opportunity, the Department of Central Management Services, the Department of Transportation and the Capital Development Board, or their duly appointed representatives, with the Comptroller, or his or her designee, serving as an advisory member of the Council. Ten individuals representing businesses that are minority-owned, ~~or~~ women-owned, or owned by persons with disabilities, 2 individuals representing the business community, and a representative of public institutions of higher education shall be appointed by the Governor. These members shall serve 2-year ~~2-year~~ terms and shall be eligible for reappointment. Any vacancy occurring on the Council shall also be filled by the Governor. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his or her

predecessor was appointed shall be appointed for the remainder of such term. Members of the Council shall serve without compensation but shall be reimbursed for any ordinary and necessary expenses incurred in the performance of their duties.

The Chairperson of the Commission ~~Director of the Department of Central Management Services~~ shall serve as the Council chairperson and shall select, subject to approval of the council, a Secretary responsible for the operation of the program who shall serve as the Division Manager of the Business Enterprise for Minorities, Women, and Persons with Disabilities Division of the Department of Central Management Services.

The Director of each State agency and the chief executive officer of each public institution ~~institutions~~ of higher education shall appoint a liaison to the Council. The liaison shall be responsible for submitting to the Council any reports and documents necessary under this Act.

(2) The Council's authority and responsibility shall be to:

(a) Devise a certification procedure to assure that businesses taking advantage of this Act are legitimately classified as businesses owned by minorities, women, or persons with disabilities and a registration procedure to recognize, without additional evidence of Business Enterprise Program eligibility, the certification of businesses owned by minorities, women, or persons with disabilities certified by the City of Chicago, Cook County,

or other jurisdictional programs with requirements and procedures equaling or exceeding those in this Act.

(b) Maintain a list of all businesses legitimately classified as businesses owned by minorities, women, or persons with disabilities to provide to State agencies and public institutions of higher education.

(c) Review rules and regulations for the implementation of the program for businesses owned by minorities, women, and persons with disabilities.

(d) Review compliance plans submitted by each State agency and public institution ~~institutions~~ of higher education pursuant to this Act.

(e) Make annual reports as provided in Section 8f to the Governor and the General Assembly on the status of the program.

(f) Serve as a central clearinghouse for information on State contracts, including the maintenance of a list of all pending State contracts upon which businesses owned by minorities, women, and persons with disabilities may bid. At the Council's discretion, maintenance of the list may include 24-hour electronic access to the list along with the bid and application information.

(g) Establish a toll-free ~~toll-free~~ telephone number to facilitate information requests concerning the certification process and pending contracts.

(3) No premium bond rate of a surety company for a bond

required of a business owned by a minority, woman, or person with a disability bidding for a State contract shall be higher than the lowest rate charged by that surety company for a similar bond in the same classification of work that would be written for a business not owned by a minority, woman, or person with a disability.

(4) Any Council member who has direct financial or personal interest in any measure pending before the Council shall disclose this fact to the Council and refrain from participating in the determination upon such measure.

(5) The Secretary shall have the following duties and responsibilities:

(a) To be responsible for the day-to-day operation of the Council.

(b) To serve as a coordinator for all of the State's programs for businesses owned by minorities, women, and persons with disabilities and as the information and referral center for all State initiatives for businesses owned by minorities, women, and persons with disabilities.

(c) To establish an enforcement procedure whereby the Council may recommend to the appropriate State legal officer that the State exercise its legal remedies which shall include (1) termination of the contract involved, (2) prohibition of participation by the respondent in public contracts for a period not to exceed 3 years, (3) imposition of a penalty not to exceed any profit acquired

as a result of violation, or (4) any combination thereof. Such procedures shall require prior approval by Council. All funds collected as penalties under this subsection shall be used exclusively for maintenance and further development of the Business Enterprise Program and encouragement of participation in State procurement by minorities, women, and persons with disabilities.

(d) To devise appropriate policies, regulations, and procedures for including participation by businesses owned by minorities, women, and persons with disabilities as prime contractors, including, but not limited to: (i) encouraging the inclusions of qualified businesses owned by minorities, women, and persons with disabilities on solicitation lists, (ii) investigating the potential of blanket bonding programs for small construction jobs, and (iii) investigating and making recommendations concerning the use of the sheltered market process.

(e) To devise procedures for the waiver of the participation goals in appropriate circumstances.

(f) To accept donations and, with the approval of the Council or the Chairperson ~~Director of Central Management Services~~, grants related to the purposes of this Act; to conduct seminars related to the purpose of this Act and to charge reasonable registration fees; and to sell directories, vendor lists, and other such information to interested parties, except that forms necessary to become

eligible for the program shall be provided free of charge to a business or individual applying for the program.
(Source: P.A. 100-391, eff. 8-25-17; 100-801, eff. 8-10-18; 101-601, eff. 1-1-20; revised 8-18-20.)

(30 ILCS 575/5.5 new)

Sec. 5.5. Transfer of Council functions.

(a) Notwithstanding any provision of law to the contrary, beginning on and after the effective date of this amendatory Act of the 101st General Assembly, the Commission on Equity and Inclusion shall have jurisdiction over the functions of the Business Enterprise Council.

(b) All powers, duties, rights, and responsibilities of the Department of Central Management Services relating to jurisdiction over the Council are transferred to the Commission.

(c) All books, records, papers, documents, property, contracts, causes of action, and pending business pertaining to the powers, duties, rights, and responsibilities of the Department of Central Management Services relating to jurisdiction over the Council are transferred to the Commission.

(30 ILCS 575/7) (from Ch. 127, par. 132.607)

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

Sec. 7. Exemptions; waivers; publication of data.

(1) Individual contract exemptions. The Council, at the written request of the affected agency, public institution of higher education, or recipient of a grant or loan of State funds of \$250,000 or more complying with Section 45 of the State Finance Act, may permit an individual contract or contract package, (related contracts being bid or awarded simultaneously for the same project or improvements) be made wholly or partially exempt from State contracting goals for businesses owned by minorities, women, and persons with disabilities prior to the advertisement for bids or solicitation of proposals whenever there has been a determination, reduced to writing and based on the best information available at the time of the determination, that there is an insufficient number of businesses owned by minorities, women, and persons with disabilities to ensure adequate competition and an expectation of reasonable prices on bids or proposals solicited for the individual contract or contract package in question. Any such exemptions shall be given by the Council to the Bureau on Apprenticeship Programs.

(a) Written request for contract exemption. A written request for an individual contract exemption must include, but is not limited to, the following:

(i) a list of eligible businesses owned by minorities, women, and persons with disabilities;

(ii) a clear demonstration that the number of eligible businesses identified in subparagraph (i)

above is insufficient to ensure adequate competition;

(iii) the difference in cost between the contract proposals being offered by businesses owned by minorities, women, and persons with disabilities and the agency or public institution of higher education's expectations of reasonable prices on bids or proposals within that class; and

(iv) a list of eligible businesses owned by minorities, women, and persons with disabilities that the contractor has used in the current and prior fiscal years.

(b) Determination. The Council's determination concerning an individual contract exemption must consider, at a minimum, the following:

(i) the justification for the requested exemption, including whether diligent efforts were undertaken to identify and solicit eligible businesses owned by minorities, women, and persons with disabilities;

(ii) the total number of exemptions granted to the affected agency, public institution of higher education, or recipient of a grant or loan of State funds of \$250,000 or more complying with Section 45 of the State Finance Act that have been granted by the Council in the current and prior fiscal years; and

(iii) the percentage of contracts awarded by the agency or public institution of higher education to

eligible businesses owned by minorities, women, and persons with disabilities in the current and prior fiscal years.

(2) Class exemptions.

(a) Creation. The Council, at the written request of the affected agency or public institution of higher education, may permit an entire class of contracts be made exempt from State contracting goals for businesses owned by minorities, women, and persons with disabilities whenever there has been a determination, reduced to writing and based on the best information available at the time of the determination, that there is an insufficient number of qualified businesses owned by minorities, women, and persons with disabilities to ensure adequate competition and an expectation of reasonable prices on bids or proposals within that class. Any such exemption shall be given by the Council to the Bureau on Apprenticeship Programs.

(a-1) Written request for class exemption. A written request for a class exemption must include, but is not limited to, the following:

(i) a list of eligible businesses owned by minorities, women, and persons with disabilities;

(ii) a clear demonstration that the number of eligible businesses identified in subparagraph (i) above is insufficient to ensure adequate competition;

(iii) the difference in cost between the contract proposals being offered by eligible businesses owned by minorities, women, and persons with disabilities and the agency or public institution of higher education's expectations of reasonable prices on bids or proposals within that class; and

(iv) the number of class exemptions the affected agency or public institution of higher education requested in the current and prior fiscal years.

(a-2) Determination. The Council's determination concerning class exemptions must consider, at a minimum, the following:

(i) the justification for the requested exemption, including whether diligent efforts were undertaken to identify and solicit eligible businesses owned by minorities, women, and persons with disabilities;

(ii) the total number of class exemptions granted to the requesting agency or public institution of higher education that have been granted by the Council in the current and prior fiscal years; and

(iii) the percentage of contracts awarded by the agency or public institution of higher education to eligible businesses owned by minorities, women, and persons with disabilities the current and prior fiscal years.

(b) Limitation. Any such class exemption shall not be

permitted for a period of more than one year at a time.

(3) Waivers. Where a particular contract requires a contractor to meet a goal established pursuant to this Act, the contractor shall have the right to request from the Council, in consultation with the Commission, a waiver from such requirements. The Council may grant the waiver only upon a demonstration by the contractor of unreasonable responses to the request for proposals given the class of contract ~~shall grant the waiver where the contractor demonstrates that there has been made a good faith effort to comply with the goals for participation by businesses owned by minorities, women, and persons with disabilities.~~ Any such waiver shall also be transmitted in writing to the Bureau on Apprenticeship Programs.

(a) Request for waiver. A contractor's request for a waiver under this subsection (3) must include, but is not limited to, the following, if available:

(i) a list of eligible businesses owned by minorities, women, and persons with disabilities that pertain to the class of contracts in the requested waiver. Eligible businesses are only eligible if the business is certified for the products or work advertised in the solicitation;

(ii) (Blank); ~~a clear demonstration that the number of eligible businesses identified in subparagraph (i) above is insufficient to ensure~~

~~competition;~~

(iii) the difference in cost between the contract proposals being offered by businesses owned by minorities, women, and persons with disabilities and the agency or the public institution of higher education's expectations of reasonable prices on bids or proposals within that class; and

(iv) a list of businesses owned by minorities, women, and persons with disabilities that the contractor has used in the current and prior fiscal years.

(b) Determination. The Council's determination, in consultation with the Commission, concerning waivers must include following:

(i) the justification for the requested waiver, including whether the requesting contractor made a proper demonstration of unreasonable responses to the request for proposals given the class of contract ~~good faith effort to identify and solicit eligible businesses owned by minorities, women, and persons with disabilities;~~

(ii) the total number of waivers the contractor has been granted by the Council in the current and prior fiscal years;

(iii) the percentage of contracts awarded by the agency or public institution of higher education to

eligible businesses owned by minorities, women, and persons with disabilities in the current and prior fiscal years; and

(iv) the contractor's use of businesses owned by minorities, women, and persons with disabilities in the current and prior fiscal years.

(3.5) (Blank).

(4) Conflict with other laws. In the event that any State contract, which otherwise would be subject to the provisions of this Act, is or becomes subject to federal laws or regulations which conflict with the provisions of this Act or actions of the State taken pursuant hereto, the provisions of the federal laws or regulations shall apply and the contract shall be interpreted and enforced accordingly.

(5) Each chief procurement officer, as defined in the Illinois Procurement Code, shall maintain on his or her official Internet website a database of the following: (i) waivers granted under this Section with respect to contracts under his or her jurisdiction; (ii) a State agency or public institution of higher education's written request for an exemption of an individual contract or an entire class of contracts; and (iii) the Council's written determination granting or denying a request for an exemption of an individual contract or an entire class of contracts. The database, which shall be updated periodically as necessary, shall be searchable by contractor name and by contracting State agency.

(6) Each chief procurement officer, as defined by the Illinois Procurement Code, shall maintain on its website a list of all firms that have been prohibited from bidding, offering, or entering into a contract with the State of Illinois as a result of violations of this Act.

Each public notice required by law of the award of a State contract shall include for each bid or offer submitted for that contract the following: (i) the bidder's or offeror's name, (ii) the bid amount, (iii) the name or names of the certified firms identified in the bidder's or offeror's submitted utilization plan, and (iv) the bid's amount and percentage of the contract awarded to businesses owned by minorities, women, and persons with disabilities identified in the utilization plan.

(Source: P.A. 100-391, eff. 8-25-17; 101-170, eff. 1-1-20; 101-601, eff. 1-1-20.)

(30 ILCS 575/8) (from Ch. 127, par. 132.608)

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

Sec. 8. Enforcement.

(1) The Commission on Equity and Inclusion ~~Council~~ shall make such findings, recommendations and proposals to the Governor as are necessary and appropriate to enforce this Act. If, as a result of its monitoring activities, the Commission ~~Council~~ determines that its goals and policies are not being met by any State agency or public institution of higher

education, the Commission ~~Council~~ may recommend any or all of the following actions:

(a) Establish enforcement procedures whereby the Commission ~~Council~~ may recommend to the appropriate State agency, public institutions of higher education, or law enforcement officer that legal or administrative remedies be initiated for violations of contract provisions or rules issued hereunder or by a contracting State agency or public institutions of higher education. State agencies and public institutions of higher education shall be authorized to adopt remedies for such violations which shall include (1) termination of the contract involved, (2) prohibition of participation of the respondents in public contracts for a period not to exceed one year, (3) imposition of a penalty not to exceed any profit acquired as a result of violation, or (4) any combination thereof.

(b) If the Commission ~~Council~~ concludes that a compliance plan submitted under Section 6 is unlikely to produce the participation goals for businesses owned by minorities, women, and persons with disabilities within the then current fiscal year, the Commission ~~Council~~ may recommend that the State agency or public institution of higher education revise its plan to provide additional opportunities for participation by businesses owned by minorities, women, and persons with disabilities. Such recommended revisions may include, but shall not be limited

to, the following:

(i) assurances of stronger and better focused solicitation efforts to obtain more businesses owned by minorities, women, and persons with disabilities as potential sources of supply;

(ii) division of job or project requirements, when economically feasible, into tasks or quantities to permit participation of businesses owned by minorities, women, and persons with disabilities;

(iii) elimination of extended experience or capitalization requirements, when programmatically feasible, to permit participation of businesses owned by minorities, women, and persons with disabilities;

(iv) identification of specific proposed contracts as particularly attractive or appropriate for participation by businesses owned by minorities, women, and persons with disabilities, such identification to result from and be coupled with the efforts of subparagraphs (i) through (iii);

(v) implementation of those regulations established for the use of the sheltered market process.

(2) State agencies and public institutions of higher education shall review a vendor's compliance with its utilization plan and the terms of its contract. Without limitation, a vendor's failure to comply with its contractual

commitments as contained in the utilization plan; failure to cooperate in providing information regarding its compliance with its utilization plan; or the provision of false or misleading information or statements concerning compliance, certification status, or eligibility of the Business Enterprise Program-certified vendor, good faith efforts, or any other material fact or representation shall constitute a material breach of the contract and entitle the State agency or public institution of higher education to declare a default, terminate the contract, or exercise those remedies provided for in the contract, at law, or in equity.

(3) A vendor shall be in breach of the contract and may be subject to penalties for failure to meet contract goals established under this Act, unless the vendor can show that it made good faith efforts to meet the contract goals.

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

Article 45.

Section 45-5. The Technology Development Act is amended by changing Sections 10, 11, and 20 as follows:

(30 ILCS 265/10)

Sec. 10. Technology Development Account.

(a) The State Treasurer may segregate a portion of the Treasurer's investment portfolio, that at no time shall be

greater than 1% of the portfolio, in the Technology Development Account, an account that shall be maintained separately and apart from other moneys invested by the Treasurer. The Treasurer may make investments from the Account that help attract, assist, and retain quality technology businesses in Illinois. The earnings on the Account shall be accounted for separately from other investments made by the Treasurer.

(b) Moneys in the Account may be invested by the State Treasurer to provide venture capital to technology businesses seeking to locate, expand, or remain in Illinois by placing money with Illinois venture capital firms for investment by the venture capital firms in technology businesses. "Venture capital", as used in this Act, means equity financing that is provided for starting up, expanding, or relocating a company, or related purposes such as financing for seed capital, research and development, introduction of a product or process into the marketplace, or similar needs requiring risk capital. "Technology business", as used in this Act, means a company that has as its principal function the providing of services including computer, information transfer, communication, distribution, processing, administrative, laboratory, experimental, developmental, technical, testing services, manufacture of goods or materials, the processing of goods or materials by physical or chemical change, computer related activities, robotics, biological or pharmaceutical industrial activity, or technology oriented or emerging industrial

activity. "Illinois venture capital firms", as used in this Act, means an entity that has a majority of its employees in Illinois or that has at least one managing partner domiciled in Illinois that has made significant capital investments in Illinois companies and that provides equity financing for starting up or expanding a company, or related purposes such as financing for seed capital, research and development, introduction of a product or process into the marketplace, or similar needs requiring risk capital.

(c) Any fund created by an Illinois venture capital firm in which the State Treasurer places money pursuant to this Act shall be required by the State Treasurer to seek investments in technology businesses seeking to locate, expand, or remain in Illinois.

(d) The investment of the State Treasurer in any fund created by an Illinois venture capital firm in which the State Treasurer places money pursuant to this Section ~~Act~~ shall not exceed 10% of the total investments in the fund.

(e) The State Treasurer shall not invest more than one-third of the Technology Development Account in any given calendar year.

(f) The Treasurer may deposit no more than 15% ~~10%~~ of the earnings of the investments in the Technology Development Account into the Technology Development Fund.

(Source: P.A. 94-395, eff. 8-1-05.)

(30 ILCS 265/11)

Sec. 11. Technology Development Account II.

(a) Including the amount provided in Section 10 of this Act, the State Treasurer shall segregate a portion of the Treasurer's State investment portfolio, that at no time shall be greater than 5% of the portfolio, in the Technology Development Account IIa ("TDA IIa"), an account that shall be maintained separately and apart from other moneys invested by the Treasurer. Distributions from the investments in TDA IIa may be reinvested into TDA IIa without being counted against the 5% cap. The aggregate investment in TDA IIa and the aggregate commitment of investment capital in a TDA II-Recipient Fund shall at no time be greater than 5% of the State's investment portfolio, which shall be calculated as: (1) the balance at the inception of the State's fiscal year; or (2) the average balance in the immediately preceding 5 fiscal years, whichever number is greater. Distributions from a TDA II-Recipient Fund, in an amount not to exceed the commitment amount and total distributions received, may be reinvested into TDA IIa without being counted against the 5% cap. The Treasurer may make investments from TDA IIa that help attract, assist, and retain quality technology businesses in Illinois. The earnings on TDA IIa shall be accounted for separately from other investments made by the Treasurer.

(b) The Treasurer may solicit proposals from entities to manage and be the General Partner of a separate fund

("Technology Development Account I Ib" or "TDA I Ib") consisting of investments from private sector investors that must invest, at the direction of the general partner, in tandem with TDA I Ia in a pro-rata portion. The Treasurer may enter into an agreement with the entity managing TDA I Ib to advise on the investment strategy of TDA I Ia and TDA I Ib (collectively "Technology Development Account II" or "TDA II") and fulfill other mutually agreeable terms. Funds in TDA I Ib shall be kept separate and apart from moneys in the State treasury.

(c) All or a portion of the moneys in TDA I Ia shall be invested by the State Treasurer to provide venture capital to technology businesses, including co-investments, seeking to locate, expand, or remain in Illinois by placing money with Illinois venture capital firms for investment by the venture capital firms in technology businesses. "Venture capital", as used in this Section, means equity financing that is provided for starting up, expanding, or relocating a company, or related purposes such as financing for seed capital, research and development, introduction of a product or process into the marketplace, or similar needs requiring risk capital. "Technology business", as used in this Section, means a company that has as its principal function the providing of services, including computer, information transfer, communication, distribution, processing, administrative, laboratory, experimental, developmental, technical, or testing services; manufacture of goods or materials; the processing of goods or

materials by physical or chemical change; computer related activities; robotics, biological, or pharmaceutical industrial activities; or technology-oriented or emerging industrial activity. "Illinois venture capital firm", as used in this Section, means an entity that: (1) has a majority of its employees in Illinois (more than 50%) or that has at least one general partner or principal domiciled in Illinois, and that (2) provides equity financing for starting up or expanding a company, or related purposes such as financing for seed capital, research and development, introduction of a product or process into the marketplace, or similar needs requiring risk capital. "Illinois venture capital firm" may also mean an entity that has a track record of identifying, evaluating, and investing in Illinois companies and that provides equity financing for starting up or expanding a company, or related purposes such as financing for seed capital, research and development, introduction of a product or process into the marketplace, or similar needs requiring risk capital. For purposes of this Section, "track record" means having made, on average, at least one investment in an Illinois company in each of its funds if the Illinois venture capital firm has multiple funds or at least 2 investments in Illinois companies if the Illinois venture capital firm has only one fund. In no case shall more than 15% of the capital in the TDA IIa be invested in firms based outside of Illinois.

(d) Any fund created by an Illinois venture capital firm in

which the State Treasurer places money pursuant to this Section shall be required by the State Treasurer to seek investments in technology businesses seeking to locate, expand, or remain in Illinois. Any fund created by an Illinois venture capital firm in which the State Treasurer places money under this Section ("TDA II-Recipient Fund") shall invest a minimum of twice (2x) the aggregate amount of investable capital that is received from the State Treasurer under this Section in Illinois companies during the life of the fund. "Illinois companies", as used in this Section, are companies that are headquartered or that otherwise have a significant presence in the State at the time of initial or follow-on investment. Investable capital is calculated as committed capital, as defined in the firm's applicable fund's governing documents, less related estimated fees and expenses to be incurred during the life of the fund. For the purposes of this subsection (d), "significant presence" means at least one physical office and one full-time employee within the geographic borders of this State.

Any TDA II-Recipient Fund shall also invest additional capital in Illinois companies during the life of the fund if, as determined by the fund's manager, the investment:

- (1) is consistent with the firm's fiduciary responsibility to its limited partners;
- (2) is consistent with the fund manager's investment strategy; and
- (3) demonstrates the potential to create risk-adjusted

financial returns consistent with the fund manager's investment goals.

In addition to any reporting requirements set forth in Section 10 of this Act, any TDA II-Recipient Fund shall report the following additional information to the Treasurer on a quarterly or annual basis, as determined by the Treasurer, for all investments:

(1) the names of portfolio companies invested in during the applicable investment period;

(2) the addresses of reported portfolio companies;

(3) the date of the initial (and follow-on) investment;

(4) the cost of the investment;

(5) the current fair market value of the investment;

(6) for Illinois companies, the number of Illinois employees on the investment date; and

(7) for Illinois companies, the current number of Illinois employees.

If, as of the earlier to occur of (i) the fourth year of the investment period of any TDA II-Recipient Fund or (ii) when that TDA II-Recipient Fund has drawn more than 60% of the investable capital of all limited partners, that TDA II-Recipient Fund has failed to invest the minimum amount required under this subsection (d) in Illinois companies, then the Treasurer shall deliver written notice to the manager of that fund seeking compliance with the minimum amount requirement under this subsection (d). If, after 180 days of

delivery of notice, the TDA II-Recipient Fund has still failed to invest the minimum amount required under this subsection (d) in Illinois companies, then the Treasurer may elect, in writing, to terminate any further commitment to make capital contributions to that fund which otherwise would have been made under this Section.

(e) ~~The Notwithstanding the limitation found in subsection (d) of Section 10 of this Act, the~~ investment of the State Treasurer in any fund created by an Illinois venture capital firm in which the State Treasurer places money pursuant to this Section shall not exceed 15% of the total TDA IIa account balance.

(f) (Blank).

(g) The Treasurer may deposit no more than 15% ~~10%~~ of the earnings of the investments in the Technology Development Account IIa into the Technology Development Fund.

(Source: P.A. 100-1081, eff. 8-24-18.)

(30 ILCS 265/20)

Sec. 20. Technology Development Fund. The Technology Development Fund is created as a special fund outside the State treasury with the State Treasurer as custodian. Moneys in the Fund may be used by the State Treasurer to pay expenses related to investments from the Technology Development Account. Moneys in the Fund in excess of those expenses may be provided as grants to: (i) Illinois schools to purchase computers, ~~and to~~

upgrade technology, and support career and technical education; or (ii) incubators, accelerators, innovation research, technology transfer, and educational programs that provide training, support, and other resources to technology businesses to promote the growth of jobs and entrepreneurial and venture capital environments in communities of color or underrepresented or under-resourced communities in the State.

(Source: P.A. 94-395, eff. 8-1-05.)

Article 50.

Section 50-5. The Illinois Public Aid Code is amended by changing Section 9A-11 as follows:

(305 ILCS 5/9A-11) (from Ch. 23, par. 9A-11)

Sec. 9A-11. Child care.

(a) The General Assembly recognizes that families with children need child care in order to work. Child care is expensive and families with low incomes, including those who are transitioning from welfare to work, often struggle to pay the costs of day care. The General Assembly understands the importance of helping low-income working families become and remain self-sufficient. The General Assembly also believes that it is the responsibility of families to share in the costs of child care. It is also the preference of the General Assembly that all working poor families should be treated

equally, regardless of their welfare status.

(b) To the extent resources permit, the Illinois Department shall provide child care services to parents or other relatives as defined by rule who are working or participating in employment or Department approved education or training programs. At a minimum, the Illinois Department shall cover the following categories of families:

(1) recipients of TANF under Article IV participating in work and training activities as specified in the personal plan for employment and self-sufficiency;

(2) families transitioning from TANF to work;

(3) families at risk of becoming recipients of TANF;

(4) families with special needs as defined by rule;

(5) working families with very low incomes as defined by rule;

(6) families that are not recipients of TANF and that need child care assistance to participate in education and training activities; and

(7) families with children under the age of 5 who have an open intact family services case with the Department of Children and Family Services. Any family that receives child care assistance in accordance with this paragraph shall remain eligible for child care assistance 6 months after the child's intact family services case is closed, regardless of whether the child's parents or other relatives as defined by rule are working or participating

in Department approved employment or education or training programs. The Department of Human Services, in consultation with the Department of Children and Family Services, shall adopt rules to protect the privacy of families who are the subject of an open intact family services case when such families enroll in child care services. Additional rules shall be adopted to offer children who have an open intact family services case the opportunity to receive an Early Intervention screening and other services that their families may be eligible for as provided by the Department of Human Services.

The Department shall specify by rule the conditions of eligibility, the application process, and the types, amounts, and duration of services. Eligibility for child care benefits and the amount of child care provided may vary based on family size, income, and other factors as specified by rule.

The Department shall update the Child Care Assistance Program Eligibility Calculator posted on its website to include a question on whether a family is applying for child care assistance for the first time or is applying for a redetermination of eligibility.

A family's eligibility for child care services shall be redetermined no sooner than 12 months following the initial determination or most recent redetermination. During the 12-month periods, the family shall remain eligible for child care services regardless of (i) a change in family income,

unless family income exceeds 85% of State median income, or (ii) a temporary change in the ongoing status of the parents or other relatives, as defined by rule, as working or attending a job training or educational program.

In determining income eligibility for child care benefits, the Department annually, at the beginning of each fiscal year, shall establish, by rule, one income threshold for each family size, in relation to percentage of State median income for a family of that size, that makes families with incomes below the specified threshold eligible for assistance and families with incomes above the specified threshold ineligible for assistance. Through and including fiscal year 2007, the specified threshold must be no less than 50% of the then-current State median income for each family size. Beginning in fiscal year 2008, the specified threshold must be no less than 185% of the then-current federal poverty level for each family size. Notwithstanding any other provision of law or administrative rule to the contrary, beginning in fiscal year 2019, the specified threshold for working families with very low incomes as defined by rule must be no less than 185% of the then-current federal poverty level for each family size.

In determining eligibility for assistance, the Department shall not give preference to any category of recipients or give preference to individuals based on their receipt of benefits under this Code.

Nothing in this Section shall be construed as conferring

entitlement status to eligible families.

The Illinois Department is authorized to lower income eligibility ceilings, raise parent co-payments, create waiting lists, or take such other actions during a fiscal year as are necessary to ensure that child care benefits paid under this Article do not exceed the amounts appropriated for those child care benefits. These changes may be accomplished by emergency rule under Section 5-45 of the Illinois Administrative Procedure Act, except that the limitation on the number of emergency rules that may be adopted in a 24-month period shall not apply.

The Illinois Department may contract with other State agencies or child care organizations for the administration of child care services.

(c) Payment shall be made for child care that otherwise meets the requirements of this Section and applicable standards of State and local law and regulation, including any requirements the Illinois Department promulgates by rule in addition to the licensure requirements promulgated by the Department of Children and Family Services and Fire Prevention and Safety requirements promulgated by the Office of the State Fire Marshal, and is provided in any of the following:

(1) a child care center which is licensed or exempt from licensure pursuant to Section 2.09 of the Child Care Act of 1969;

(2) a licensed child care home or home exempt from

licensing;

(3) a licensed group child care home;

(4) other types of child care, including child care provided by relatives or persons living in the same home as the child, as determined by the Illinois Department by rule.

(c-5) Solely for the purposes of coverage under the Illinois Public Labor Relations Act, child and day care home providers, including licensed and license exempt, participating in the Department's child care assistance program shall be considered to be public employees and the State of Illinois shall be considered to be their employer as of January 1, 2006 (the effective date of Public Act 94-320), but not before. The State shall engage in collective bargaining with an exclusive representative of child and day care home providers participating in the child care assistance program concerning their terms and conditions of employment that are within the State's control. Nothing in this subsection shall be understood to limit the right of families receiving services defined in this Section to select child and day care home providers or supervise them within the limits of this Section. The State shall not be considered to be the employer of child and day care home providers for any purposes not specifically provided in Public Act 94-320, including, but not limited to, purposes of vicarious liability in tort and purposes of statutory retirement or health insurance benefits. Child and

day care home providers shall not be covered by the State Employees Group Insurance Act of 1971.

In according child and day care home providers and their selected representative rights under the Illinois Public Labor Relations Act, the State intends that the State action exemption to application of federal and State antitrust laws be fully available to the extent that their activities are authorized by Public Act 94-320.

(d) The Illinois Department shall establish, by rule, a co-payment scale that provides for cost sharing by families that receive child care services, including parents whose only income is from assistance under this Code. The co-payment shall be based on family income and family size and may be based on other factors as appropriate. Co-payments may be waived for families whose incomes are at or below the federal poverty level.

(d-5) The Illinois Department, in consultation with its Child Care and Development Advisory Council, shall develop a plan to revise the child care assistance program's co-payment scale. The plan shall be completed no later than February 1, 2008, and shall include:

(1) findings as to the percentage of income that the average American family spends on child care and the relative amounts that low-income families and the average American family spend on other necessities of life;

(2) recommendations for revising the child care

co-payment scale to assure that families receiving child care services from the Department are paying no more than they can reasonably afford;

(3) recommendations for revising the child care co-payment scale to provide at-risk children with complete access to Preschool for All and Head Start; and

(4) recommendations for changes in child care program policies that affect the affordability of child care.

(e) (Blank).

(f) The Illinois Department shall, by rule, set rates to be paid for the various types of child care. Child care may be provided through one of the following methods:

(1) arranging the child care through eligible providers by use of purchase of service contracts or vouchers;

(2) arranging with other agencies and community volunteer groups for non-reimbursed child care;

(3) (blank); or

(4) adopting such other arrangements as the Department determines appropriate.

(f-1) Within 30 days after June 4, 2018 (the effective date of Public Act 100-587), the Department of Human Services shall establish rates for child care providers that are no less than the rates in effect on January 1, 2018 increased by 4.26%.

(f-5) (Blank).

(g) Families eligible for assistance under this Section

shall be given the following options:

(1) receiving a child care certificate issued by the Department or a subcontractor of the Department that may be used by the parents as payment for child care and development services only; or

(2) if space is available, enrolling the child with a child care provider that has a purchase of service contract with the Department or a subcontractor of the Department for the provision of child care and development services. The Department may identify particular priority populations for whom they may request special consideration by a provider with purchase of service contracts, provided that the providers shall be permitted to maintain a balance of clients in terms of household incomes and families and children with special needs, as defined by rule.

(Source: P.A. 100-387, eff. 8-25-17; 100-587, eff. 6-4-18; 100-860, eff. 2-14-19; 100-909, eff. 10-1-18; 100-916, eff. 8-17-18; 101-81, eff. 7-12-19.)

Article 99.

Section 99-99. Effective date. This Act takes effect upon becoming law, except that Articles 1 and 40 take effect January 1, 2022.