

AN ACT concerning public aid.

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

Section 5. The Illinois Procurement Code is amended by changing Section 45-35 as follows:

(30 ILCS 500/45-35)

Sec. 45-35. Not-for-profit agencies for persons with significant disabilities.

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

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

(2) is certified as a work center by the Wage and Hour Division of the United States Department of Labor or is an accredited vocational program that provides transition services to youth between the ages of 14 1/2 and 22 in accordance with individualized education plans under Section 14-8.03 of the School Code and that provides residential services at a child care institution, as defined under Section 2.06 of the Child Care Act of 1969, or at a group home, as defined under Section 2.16 of the

Child Care Act of 1969; and

(3) is accredited by a nationally-recognized accrediting organization or certified as a developmental training provider by the Department of Human Services.

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

(c) Committee. There is created within the Department of Central Management Services a committee to facilitate the purchase of products and services from not-for-profit agencies that provide employment opportunities to persons with physical disabilities, intellectual or developmental disabilities, mental illnesses, or any combination thereof ~~of persons with a significant physical, developmental, or mental disability or a combination of any of those disabilities who cannot engage in normal competitive employment due to the significant disability or combination of those disabilities.~~ This committee is called the State Use Committee. The State Use Committee shall consist of the Director of the Department of Central Management Services or his or her designee, the Secretary ~~Director~~ of the Department of Human Services or his or her designee, the Director of Commerce and Economic Opportunity or his or her designee, one public member representing private business who is knowledgeable of the employment needs and concerns of persons with developmental

disabilities, one public member representing private business who is knowledgeable of the needs and concerns of rehabilitation facilities, one public member who is knowledgeable of the employment needs and concerns of persons with developmental disabilities, one public member who is knowledgeable of the needs and concerns of rehabilitation facilities, 2 members who have a disability, and 2 public members from a statewide association that represents community-based rehabilitation facilities serving or supporting individuals with intellectual or developmental disabilities, and one public member from a disability-focused statewide advocacy group, all appointed by the Governor. The public members shall serve 2 year terms, commencing upon appointment and every 2 years thereafter. A public member may be reappointed, and vacancies shall be filled by appointment for the completion of the term. In the event there is a vacancy on the State Use Committee, the Governor must make an appointment to fill that vacancy within 30 calendar days after the notice of vacancy. The members shall serve without compensation but shall be reimbursed for expenses at a rate equal to that of State employees on a per diem basis by the Department of Central Management Services. All members shall be entitled to vote on issues before the State Use Committee.

The State Use Committee shall have the following powers and duties:

- (1) To request from any State agency information as to

product specification and service requirements in order to carry out its purpose.

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

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

(4) To prepare a report for the Governor and General Assembly no later than December 31 of each year. The requirement for reporting to the General Assembly shall be satisfied by following the procedures set forth in Section 3.1 of the General Assembly Organization Act.

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

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

(7) To develop guidelines to be followed by qualifying agencies for participation under the provisions of this Section. Guidelines shall include a list of national accrediting organizations which satisfy the requirements

of item (3) of subsection (a) of this Section. The guidelines shall be developed within 6 months after the effective date of this Code and made available on a nondiscriminatory basis to all qualifying agencies. The new guidelines required under this item (7) by Public Act 100-203 ~~this amendatory Act of the 100th General Assembly~~ shall be developed within 6 months after August 18, 2017 ~~(the effective date of Public Act 100-203)~~ ~~this amendatory Act of the 100th General Assembly~~ and made available on a non-discriminatory basis to all qualifying not-for-profit agencies.

(8) To review all pricing submitted under the provisions of this Section and may approve a proposed agreement for supplies or services where the price submitted is fair and reasonable. Review of pricing under this paragraph may include, but is not limited to:

(A) Amounts private businesses would pay for similar products or services.

(B) Amounts the federal government would pay contractors for similar products or services.

(C) The amount paid by the State for similar products or services.

(D) The actual cost of manufacturing the product or performing a service at a community rehabilitation program offering employment services on or off premises to persons with disabilities or mental

illnesses, with adequate consideration given to legal and moral imperatives to pay workers with disabilities equitable wages.

(E) The usual, customary, and reasonable costs of manufacturing, marketing, and distribution.

(9) To, not less than every 3 years, adopt a strategic plan for increasing the number of products and services purchased from qualified not-for-profit agencies for persons with ~~significant~~ disabilities or mental illnesses, including the feasibility of developing mandatory set-aside contracts.

(c-5) Conditions for Use. Each chief procurement officer shall, in consultation with the State Use Committee, determine which articles, materials, services, food stuffs, and supplies that are produced, manufactured, or provided by persons with significant disabilities in qualified not-for-profit agencies shall be given preference by purchasing agencies procuring those items.

(d) (Blank).

(e) Subcontracts. Subcontracts shall be permitted for agreements authorized under this Section. For the purposes of this subsection (e), "subcontract" means any acquisition from another source of supplies, not including raw materials, or services required by a qualified not-for-profit agency to provide the supplies or services that are the subject of the contract between the State and the qualified not-for-profit

agency.

The State Use Committee shall develop guidelines to be followed by qualified not-for-profit agencies when seeking and establishing subcontracts with other persons or not-for-profit agencies in order to fulfill State contract requirements. These guidelines shall include the following:

(i) The State Use Committee must approve all subcontracts and substantive amendments to subcontracts prior to execution or amendment of the subcontract.

(ii) A qualified not-for-profit agency shall not enter into a subcontract, or any combination of subcontracts, to fulfill an entire requirement, contract, or order without written State Use Committee approval.

(iii) A qualified not-for-profit agency shall make reasonable efforts to utilize subcontracts with other not-for-profit agencies for persons with significant disabilities.

(iv) For any subcontract not currently performed by a qualified not-for-profit agency, the primary qualified not-for-profit agency must provide to the State Use Committee the following: (A) a written explanation as to why the subcontract is not performed by a qualified not-for-profit agency, and (B) a written plan to transfer the subcontract to a qualified not-for-profit agency, as reasonable.

(Source: P.A. 100-203, eff. 8-18-17; revised 7-18-19.)

Section 10. The Illinois Public Aid Code is amended by adding Section 5-36.1 as follows:

(305 ILCS 5/5-36.1 new)

Sec. 5-36.1. Earned income for residents of community-integrated living arrangements.

(a) Beginning no later than July 1, 2021, residents of facilities licensed under the Community-Integrated Living Arrangements Licensure and Certification Act who are determined to be eligible for medical assistance under this Code and who are enrolled in the State's home and community-based services waiver program for adults with developmental disabilities shall retain all earned income from employment or community day services activities.

(b) No portion of earned income shall be applied toward the facilities rate reimbursement methodology. The Department of Human Services shall ensure the rates of payments paid to facilities under the Code are held harmless.

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