HB3899 Enrolled

1 AN ACT concerning finance.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

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

6 (30 ILCS 500/45-35)

Sec. 45-35. <u>Not-for-profit agencies</u> Facilities for persons
with <u>significant</u> severe disabilities.

9 (a) Qualification. Supplies and services may be procured 10 without advertising or calling for bids from any qualified 11 not-for-profit agency for persons with <u>significant</u> severe 12 disabilities that:

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

(2) is certified as a work center sheltered workshop by 15 the Wage and Hour Division of the United States Department 16 17 of Labor or is an accredited vocational program that provides transition services to youth between the ages of 18 19 14 1/2 and 22 in accordance with individualized education plans under Section 14-8.03 of the School Code and that 20 21 provides residential services at a child care institution, as defined under Section 2.06 of the Child Care Act of 22 1969, or at a group home, as defined under Section 2.16 of 23

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1 the Child Care Act of 1969; and
2 (3) <u>is accredited by a nationally-recognized</u>
3 <u>accrediting organization or certified as a developmental</u>
4 <u>training provider by the meets the applicable Illinois</u>
5 Department of Human Services just standards.

6 (b) Participation. To participate, the not-for-profit 7 agency must have indicated an interest in providing the 8 supplies and services, must meet the specifications and needs 9 of the using agency, and must set a fair <u>and reasonable</u> market 10 price.

11 (c) Committee. There is created within the Department of 12 Central Management Services a committee to facilitate the purchase of products and services of persons with a significant 13 14 so severely disabled by a physical, developmental, or mental 15 disability or a combination of any of those disabilities who 16 that they cannot engage in normal competitive employment due to 17 the significant disability or combination of those disabilities. This committee is called the State Use Committee. 18 19 The State Use Committee committee shall consist of the Director 20 of the Department of Central Management Services or his or her designee, the Director of the Department of Human Services or 21 22 his or her designee, one public member representing private 23 business who is knowledgeable of the employment needs and concerns of persons with developmental disabilities, 24 one 25 representing private business is public member who 26 knowledgeable of the needs and concerns of rehabilitation HB3899 Enrolled - 3 - LRB100 11493 MLM 21941 b

facilities, one public member who is knowledgeable of the 1 2 employment needs and concerns of persons with developmental 3 disabilities, one public member who is knowledgeable of the needs and concerns of rehabilitation facilities, and 2 public 4 5 members from а statewide association that represents 6 community-based rehabilitation facilities, all appointed by 7 the Governor. The public members shall serve 2 year terms, 8 commencing upon appointment and every 2 years thereafter. A 9 public member may be reappointed, and vacancies shall be filled 10 by appointment for the completion of the term. In the event 11 there is a vacancy on the State Use Committee, the Governor 12 must make an appointment to fill that vacancy within 30 13 calendar days after the notice of vacancy. The members shall 14 serve without compensation but shall be reimbursed for expenses 15 at a rate equal to that of State employees on a per diem basis 16 by the Department of Central Management Services. All members 17 shall be entitled to vote on issues before the State Use 18 Committee committee.

19 The <u>State Use Committee</u> committee shall have the following 20 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.

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

26 (3) To request a quarterly report from each

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participating qualified not-for-profit agency for persons with <u>significant</u> severe disabilities describing the volume of sales for each product or service sold under this Section.

5 (4) To prepare a report for the Governor and General 6 Assembly no later than December 31 of each year. The 7 requirement for reporting to the General Assembly shall be 8 satisfied by following the procedures set forth in Section 9 3.1 of the General Assembly Organization Act.

10 (5) To prepare a publication that lists all supplies 11 and services currently available from any qualified 12 not-for-profit agency for persons with <u>significant</u> severe 13 disabilities. This list and any revisions shall be 14 distributed to all purchasing agencies.

15 (6) To encourage diversity in supplies and services
16 provided by qualified not-for-profit agencies for persons
17 with <u>significant</u> severe disabilities and discourage
18 unnecessary duplication or competition among
19 <u>not-for-profit agencies</u> facilities.

20 (7) To develop guidelines to be followed by qualifying 21 agencies for participation under the provisions of this 22 Section. <u>Guidelines shall include a list of national</u> 23 <u>accrediting organizations which satisfy the requirements</u> 24 <u>of item (3) of subsection (a) of this Section.</u> The 25 guidelines shall be developed within 6 months after the 26 effective date of this Code and made available on a HB3899 Enrolled - 5 - LRB100 11493 MLM 21941 b

nondiscriminatory basis to all qualifying agencies. The
new quidelines required under this item (7) by this
amendatory Act of the 100th General Assembly shall be
developed within 6 months after the effective date of this
amendatory Act of the 100th General Assembly and made
available on a non-discriminatory basis to all qualifying
not-for-profit agencies.

8 (8) To review all <u>pricing</u> bids submitted under the 9 provisions of this Section and <u>may approve a proposed</u> 10 <u>agreement for supplies or services where the price</u> 11 <u>submitted is fair and reasonable</u> reject any bid for any 12 purchase that is determined to be substantially more than 13 the purchase would have cost had it been competitively bid.

14 (9) To, not less than every 3 years, adopt a strategic 15 plan develop a 5-year plan for increasing the number of 16 products and services purchased from qualified not-for-profit agencies for persons with significant 17 severe disabilities, including the feasibility of 18 19 developing mandatory set-aside contracts. This 5 year plan must be developed no later than 180 calendar days after the 20 21 effective date of this amendatory Act of the 96th General 22 Assembly.

(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 1 <u>significant</u> severe disabilities in qualified not-for-profit 2 agencies shall be given preference by purchasing agencies 3 procuring those items.

4 (d) <u>(Blank).</u> Former committee. The committee created under
5 subsection (c) shall replace the committee created under
6 Section 7 2 of the Illinois Purchasing Act, which shall
7 continue to operate until the appointments under subsection (c)
8 are made.

9 (e) Subcontracts. Subcontracts shall be permitted for 10 agreements authorized under this Section. For the purposes of this subsection (e), "subcontract" means any acquisition from 11 another source of supplies, not including raw materials, or 12 13 services required by a qualified not-for-profit agency to 14 provide the supplies or services that are the subject of the contract between the State and the qualified not-for-profit 15 16 agency.

17 <u>The State Use Committee shall develop quidelines to be</u> 18 <u>followed by qualified not-for-profit agencies when seeking and</u> 19 <u>establishing subcontracts with other persons or not-for-profit</u> 20 <u>agencies in order to fulfill State contract requirements. These</u> 21 <u>guidelines shall include the following:</u>

(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

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fulfill an entire requirement, contract, or order without 1 2 written State Use Committee approval. 3 (iii) A qualified not-for-profit agency shall make 4 reasonable efforts to utilize subcontracts with other not-for-profit agencies for persons with significant 5 6 disabilities. (iv) For any subcontract not currently performed by a 7 qualified not-for-profit agency, the primary qualified 8 9 not-for-profit agency must provide to the State Use Committee the following: (A) a written explanation as to 10 11 why the subcontract is not performed by a qualified 12 not-for-profit agency, and (B) a written plan to transfer 13 the subcontract to a qualified not-for-profit agency, as 14 reasonable. (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.) 15 Section 99. Effective date. This Act takes effect upon 16

17 becoming law.