96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB6956

by Rep. Robert F. Flider

SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Governmental Ethics Act. Prohibits campaign contributions from business entities with annual aggregate contracts with a member of the Illinois General Assembly or pending contract bids of more than \$25,000, or from the affiliated entities and affiliated persons of such business entities, to any political committees established to promote the candidacy of (i) the member of the General Assembly responsible for awarding the contracts or (ii) in the case of current contracts with a member of the General Assembly of more than \$25,000, a declared candidate for that office. Requires that specified business entities electronically register with the State Board of Elections. Amends the Counties Code and the Illinois Municipal Code. Prohibits campaign contributions from business entities with annual aggregate contracts with a county or a municipality or pending contract bids of more than \$25,000, or from the affiliated entities and affiliated persons of such business entities, to any political committees established to promote the candidacy of (i) the county or municipal officeholder responsible for awarding the contracts or any member of the governing body of the county or municipality if the governing body awarded or approved the contracts or (ii) in the case of current contracts with counties or municipalities of more than \$25,000, a declared candidate for that office or the governing body of the county or municipality. Requires that specified business entities electronically register with the State Board of Elections. Limits home rule powers. Makes other changes. Amends the Election Code to make conforming changes. Amends the State Mandates Act to require implementation without reimbursement.

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FISCAL NOTE ACT MAY APPLY HOME RULE NOTE ACT MAY APPLY STATE MANDATES ACT MAY REQUIRE REIMBURSEMENT

1

AN ACT concerning government.

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

- Section 5. The Illinois Governmental Ethics Act is amended
 by adding Sections 3-108, 3-109, and 3-110 as follows:
- 6 (5 ILCS 420/3-108 new)
- 7 <u>Sec. 3-108. Prohibition of political contributions.</u>
- 8 (a) As used in this Section:
- 9 "Affiliated entity" means (i) any corporate parent and each operating subsidiary of the bidding or contracting 10 business entity; (ii) each operating subsidiary of the 11 12 corporate parent of the bidding or contracting business entity; (iii) any organization recognized by the United 13 14 States Internal Revenue Service as a tax-exempt organization described in Section 501(c) of the Internal 15 16 Revenue Code of 1986 (or any successor provision of federal 17 tax law) established by the bidding or contracting business entity, any affiliated entity of that business entity, or 18 19 any affiliated person of that business entity; or (iv) any 20 political committee for which the bidding or contracting 21 business entity, or any 501(c) organization described in 22 item (iii) related to that business entity, is the sponsoring entity. "Affiliated entity" does not include an 23

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1	entity prohibited by federal law from making contributions
2	or expenditures in connection with a federal, state, or
3	local election.
4	"Affiliated person" means (i) any person with any
5	ownership interest or distributive share of the bidding or
6	contracting business entity in excess of 7.5%, (ii)
7	executive employees of the bidding or contracting business
8	entity, and (iii) the spouse of any of those persons.
9	"Affiliated person" does not include a person prohibited by
10	federal law from making contributions or expenditures in
11	connection with a federal, state, or local election.
12	"Business entity" means any entity doing business for
13	profit, whether organized as a corporation, partnership,
14	sole proprietorship, limited liability company or
15	partnership, or otherwise.
16	"Contract" means all types of agreements entered into
17	by a member of the General Assembly, including change
18	orders and renewals, regardless of what they may be called,
19	for the procurement, use, or disposal of supplies,
20	services, professional or artistic services, or
21	construction or for leases of real property, whether the
22	member of the General Assembly is lessor or lessee, or
23	capital improvements, and including master contracts,
24	contracts for financing through use of installment or
25	lease-purchase arrangements, renegotiated contracts,
26	amendments to contracts, and change orders.

1	"Contract with a member of the General Assembly" means
2	any contract, as defined in this subsection (a), between a
3	business entity and a member of the General Assembly let or
4	awarded pursuant to this Code. The term "contract" does not
5	include cost reimbursement contracts or grants, including,
6	but are not limited to, grants for job training or
7	transportation.
8	"Contribution" means a contribution as defined in
9	Section 9-1.4 of the Election Code.
10	"Declared candidate" means a person who has filed a
11	statement of candidacy and petition for nomination or
12	election as required under the Election Code.
13	"Executive employee" means (i) the President,
14	Chairperson, or Chief Executive Officer of a business
15	entity and any other individual that fulfills equivalent
16	duties as the President, Chairperson of the Board, or Chief
17	Executive Officer of a business entity; and (ii) any
18	employee of a business entity whose compensation is
19	determined directly, in whole or in part, by the award or
20	payment of contracts by a member of the General Assembly to
21	the entity employing the employee. A regular salary that is
22	paid irrespective of the award or payment of a contract
23	with a member of the General Assembly shall not constitute

"compensation" under item (ii) of this definition.

"Executive employee" does not include any person

prohibited by federal law from making contributions or

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1	expenditures in connection with a federal, state, or local
2	election.
3	"Officeholder" means any person elected or appointed
4	to fill a vacancy in the Illinois General Assembly.
5	"Sponsoring entity" means a sponsoring entity as
6	defined in Section 9-3 of the Election Code.
7	(b) Any business entity whose contracts with a member of
8	the General Assembly, in the aggregate, annually total more
9	than \$25,000, and any affiliated entities or affiliated persons
10	of that business entity, are prohibited from making any
11	contributions to any political committees established to
12	promote the candidacy of (i) the officeholder responsible for
13	awarding the contracts or (iii) any other declared candidate
14	for that office. This prohibition is effective for the duration
15	of the term of office of the incumbent officeholder awarding
16	the contracts or for a period of 2 years following the
17	expiration or termination of the contracts, whichever is
18	longer.
19	(c) Any business entity whose aggregate pending bids and
20	proposals on contracts with a member of the General Assembly
21	total more than \$25,000, or whose aggregate pending bids and
22	proposals on contracts with a member of the General Assembly
23	combined with the business entity's aggregate annual total
24	value of contracts with a member of the General Assembly exceed
25	\$25,000, and any affiliated entities or affiliated persons of
26	that business entity, are prohibited from making any

1 contributions to any political committee established to
2 promote the candidacy of the officeholder responsible for
3 awarding the contract on which the business entity has
4 submitted a bid or proposal during the period beginning on the
5 date the invitation for bids or request for proposals is issued
6 and ending on the day after the date the contract is awarded.

7 (d) All contracts between a member of the General Assembly 8 and a business entity that violate subsection (b) or (c) are 9 voidable. If a business entity violates subsection (b) 3 or 10 more times within a 36-month period, then all contracts between 11 the member of the General Assembly and that business entity are 12 void, and that business entity may not bid or respond to any invitation to bid or request for proposals from the member of 13 14 the General Assembly or otherwise enter into any contract with 15 the member of the General Assembly for 3 years after the date 16 of the last violation. A notice of each violation and the 17 penalty imposed shall be published in a newspaper of general circulation within the Legislative District or Representative 18 19 District that the member represents.

20 (e) Any political committee that has received a
21 contribution in violation of subsection (b) or (c) shall pay an
22 amount equal to the value of the contribution to the State no
23 more than 30 days after notice of the violation concerning the
24 contribution appears in a newspaper of general circulation
25 within the Legislative District or Representative District
26 that the member represents. Payments received by the State

pursuant to this subsection shall be deposited into the General <u>Revenue Fund.</u>

3

(5 ILCS 420/3-109 new)

Sec. 3-109. Business entities; registration with the State
Board of Elections.

6 <u>(a) For purposes of this Section, the terms "business</u> 7 <u>entity", "contract", "contract with a member of the General</u> 8 <u>Assembly", "affiliated entity", and "affiliated person" have</u> 9 the meanings ascribed to those terms in Section 3-108.

10 (b) Every bid submitted to and every contract executed by a 11 member of the General Assembly on or after the effective date 12 of this amendatory Act of the 96th General Assembly shall 13 contain (1) a certification by the bidder or contractor that 14 either (i) the bidder or contractor is not required to register 15 as a business entity with the State Board of Elections pursuant 16 to this Section or (ii) the bidder or contractor has registered as a business entity with the State Board of Elections and 17 18 acknowledges a continuing duty to update the registration and 19 (2) a statement that the contract is voidable for the bidder's or contractor's failure to comply with this Section. 20

21 (c) Within 30 days after the effective date of this 22 amendatory Act of the 96th General Assembly, each business 23 entity (i) whose aggregate bids and proposals on contracts with 24 a member of the General Assembly annually total more than 25 \$25,000, (ii) whose aggregate bids and proposals on contracts - 7 - LRB096 23878 RLJ 43266 b

1	with a member of the General Assembly combined with the
2	business entity's aggregate annual total value of contracts
3	with the member of the General Assembly exceed \$25,000, or
4	(iii) whose contracts with a member of the General Assembly, in
5	the aggregate, annually total more than \$25,000 shall register
6	with the State Board of Elections in accordance with Section
7	9-35 of the Election Code. A business entity required to
8	register under this subsection shall submit a copy of the
9	certificate of registration to the Clerk of the House or the
10	Secretary of the Senate, as applicable, within 90 days after
11	the effective date of this amendatory Act of the 96th General
12	Assembly. A business entity required to register under this
13	subsection due to item (i) or (ii) has a continuing duty to
14	ensure that the registration is accurate during the period
15	beginning on the date of registration and ending on the day
16	after the date the contract is awarded; any change in
17	information must be reported to the State Board of Elections
18	within 2 business days following the change. A business entity
19	required to register under this subsection due to item (iii)
20	has a continuing duty to ensure that the registration is
21	accurate in accordance with subsection (e).
22	(d) Any business entity, not required under subsection (c)
23	to register within 30 days after the effective date of this
24	amendatory Act of the 96th General Assembly, whose aggregate
25	bids and proposals on contracts with a member of the General
26	Assembly annually total more than \$25,000, or whose aggregate

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1	bids and proposals on contracts with a member of the General
2	Assembly combined with the business entity's aggregate annual
3	total value of contracts with a member of the General Assembly
4	exceed \$25,000, shall register with the State Board of
5	Elections in accordance with Section 9-35 of the Election Code
6	before submitting to a member of the General Assembly the bid
7	or proposal whose value causes the business entity to fall
8	within the monetary description of this subsection. A business
9	entity required to register under this subsection has a
10	continuing duty to ensure that the registration is accurate
11	during the period beginning on the date of registration and
12	ending on the day after the date the contract is awarded. Any
13	change in information must be reported to the State Board of
14	Elections within 5 business days following that change or no
14 15	Elections within 5 business days following that change or no later than a day before the contract is awarded, whichever date
15	later than a day before the contract is awarded, whichever date
15 16	later than a day before the contract is awarded, whichever date is earlier.
15 16 17	<pre>later than a day before the contract is awarded, whichever date is earlier. (e) A business entity whose contracts with a member of the</pre>
15 16 17 18	<pre>later than a day before the contract is awarded, whichever date is earlier. (e) A business entity whose contracts with a member of the General Assembly, in the aggregate, annually total more than</pre>
15 16 17 18 19	<pre>later than a day before the contract is awarded, whichever date is earlier. (e) A business entity whose contracts with a member of the General Assembly, in the aggregate, annually total more than \$25,000 must maintain its registration under this Section and</pre>
15 16 17 18 19 20	<pre>later than a day before the contract is awarded, whichever date is earlier. (e) A business entity whose contracts with a member of the General Assembly, in the aggregate, annually total more than \$25,000 must maintain its registration under this Section and has a continuing duty to ensure that the registration is</pre>
15 16 17 18 19 20 21	<pre>later than a day before the contract is awarded, whichever date is earlier. (e) A business entity whose contracts with a member of the General Assembly, in the aggregate, annually total more than \$25,000 must maintain its registration under this Section and has a continuing duty to ensure that the registration is accurate for the duration of the term of office of the</pre>
15 16 17 18 19 20 21 22	<pre>later than a day before the contract is awarded, whichever date is earlier. (e) A business entity whose contracts with a member of the General Assembly, in the aggregate, annually total more than \$25,000 must maintain its registration under this Section and has a continuing duty to ensure that the registration is accurate for the duration of the term of office of the incumbent officeholder awarding the contracts or for a period</pre>
15 16 17 18 19 20 21 22 23	<pre>later than a day before the contract is awarded, whichever date is earlier. (e) A business entity whose contracts with a member of the General Assembly, in the aggregate, annually total more than \$25,000 must maintain its registration under this Section and has a continuing duty to ensure that the registration is accurate for the duration of the term of office of the incumbent officeholder awarding the contracts or for a period of 2 years following the expiration or termination of the</pre>

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Elections within 10 business days following the last day of January, April, July, and October of each year. Any update pursuant to this paragraph that is received beyond that date is presumed late and the civil penalty authorized by subsection (e) of Section 9-35 of the Election Code may be assessed.

6 <u>Also, if a business entity required to register under this</u> 7 <u>subsection has a pending bid or proposal, any change in</u> 8 <u>information shall be reported to the State Board of Elections</u> 9 <u>within 5 business days or no later than a day before the</u> 10 contract is awarded, whichever date is earlier.

11 (f) A business entity's continuing duty under this Section 12 to ensure the accuracy of its registration includes the 13 requirement that the business entity notify the State Board of 14 Elections of any change in information, including but not 15 limited to changes of affiliated entities or affiliated 16 persons.

17 (q) A copy of a certificate of registration must accompany 18 any bid or proposal for a contract with a member of the General 19 Assembly by a business entity required to register under this 20 Section. A member of the General Assembly shall not accept a 21 bid or proposal unless the certificate is submitted to the 22 member of the General Assembly with the bid or proposal.

23 (h) A registration, and any changes to a registration, must 24 include the business entity's verification of accuracy and 25 subjects the business entity to the penalties of the laws of 26 this State for perjury.

1	In addition to any penalty under Section 9-35 of the
2	Election Code, intentional, willful, or material failure to
3	disclose information required for registration shall render
4	the contract, bid, proposal, or other procurement relationship
5	voidable by the member of the General Assembly.

6 (i) This Section applies regardless of the method of source
7 selection used in awarding the contract.

8 (5 ILCS 420/3-110 new)

9 <u>Sec. 3-110. Procurement communications reporting</u> 10 requirement.

11 (a) Any written or oral communication received by a member of the General Assembly that imparts or requests material 12 13 information or makes a material argument regarding potential action concerning a procurement matter, including, but not 14 15 limited to, an application, a contract, or a project, shall be 16 reported to the ethics office for that member of the General Assembly. These communications do not include the following: 17 18 (i) statements by a person publicly made in a public forum; (ii) statements regarding matters of procedure and practice, 19 20 such as format, the number of copies required, the manner of 21 filing, and the status of a matter; and (iii) statements made 22 by the member of the General Assembly to the employees of the 23 Legislative Ethics Commission. The provisions of this Section 24 shall not apply to communications regarding the administration and implementation of an existing contract, except 25

1 <u>communications regarding change orders or the renewal or</u> 2 extension of a contract.

The report required by subsection (a) shall be 3 (b) 4 submitted monthly and include at least the following: (i) the 5 date and time of each communication; (ii) the identity of each person from whom the written or oral communication was 6 7 received, the individual or entity represented by that person, 8 and any action the person requested or recommended; (iii) the 9 identity and job title of the person to whom each communication 10 was made; (iv) if a response is made, the identity and job 11 title of the person making each response; (v) a detailed 12 summary of the points made by each person involved in the communication; (vi) the duration of the communication; (vii) 13 14 the location or locations of all persons involved in the 15 communication and, if the communication occurred by telephone, 16 the telephone numbers for the callers and recipients of the 17 communication; and (viii) any other pertinent information.

(c) Additionally, when an oral communication made by a 18 19 person required to register under the Lobbyist Registration Act 20 is received by a member of the General Assembly that is covered 21 under this Section, all individuals who initiate or participate in the oral communication shall submit a written report to that 22 23 member of the General Assembly that memorializes the 24 communication and includes, but is not limited to, the items 25 listed in subsection (b).

26 (d) Each ethics officer shall make each report submitted

pursuant to this Section available on the General Assembly 1 website within 7 days after his or her receipt of the report. 2 3 Each ethics officer may promulgate rules to ensure compliance with this Section. 4

5 (e) The reporting requirements shall also be conveyed 6 through ethics training under the State Officials and Employees Ethics Act. An employee who knowingly and intentionally 7 violates this Section shall be subject to suspension or 8 9 discharge. The Legislative Ethics Commission shall promulgate 10 rules, including emergency rules, to implement this Section.

11 Section 10. The Election Code is amended by changing 12 Section 9-35 as follows:

13 (10 ILCS 5/9-35)

14

Sec. 9-35. Registration of business entities.

15 Section governs the procedures for This the (a) registration required under Section 20-160 of the Illinois 16 17 Procurement Code, Section 3-109 of the Illinois Governmental Ethics Act, Section 5-1135 of the Counties Code, and Section 18 19 11-42.1-5 of the Illinois Municipal Code.

20 For the purposes of this Section, the terms "officeholder", 21 contract", "business entity", "State "State agency", "affiliated entity", and "affiliated person" have the meanings 22 23 ascribed to those terms in Section 50-37 of the Illinois Procurement Code, Section 3-109 of the Illinois Governmental 24

<u>Ethics Act, Section 5-1135 of the Counties Code, or Section</u> 11-42.1-5 of the Illinois Municipal Code, as applicable.

3 (b) Registration under Section 20-160 of the Illinois Procurement Code, Section 3-109 of the Illinois Governmental 4 5 Ethics Act, Section 5-1135 of the Counties Code, or Section <u>11-42.1-5 of the Illinois Municipal Code</u>, and any changes to 6 that registration, must be made electronically, and the State 7 8 Board of Elections by rule shall provide for electronic 9 registration; except that the State Board may adopt emergency 10 rules providing for a temporary filing system, effective 11 through August 1, 2009, under which business entities must file 12 the required registration forms provided by the Board via 13 e-mail attachment in a PDF file or via another type of mail service and must receive from the State Board registration 14 15 certificates via e-mail or paper registration certificates. 16 The State Board shall retain the registrations submitted by 17 business entities via e-mail or another type of mail service for at least 6 months following the establishment of the 18 19 electronic registration system required by this subsection.

20 Each registration must contain substantially the 21 following:

22

(1) The name and address of the business entity.

(2) The name and address of any affiliated entity of
 the business entity, including a description of the
 affiliation.

26

(3) The name and address of any affiliated person of

1 the business entity, including a description of the 2 affiliation.

3 (4) A statement that the registration is for State registration required by Section 20-160 of the Illinois 4 Procurement Code, General Assembly registration required 5 by Section 3-109 of the Illinois Governmental Ethics Act, 6 county registration required by Section 5-1135 of the 7 Counties Code, or municipal registration required by 8 9 Section 11-42.1-5 of the Illinois Municipal Code. For General Assembly registrations, the business entity must 10 11 identity the member of the General Assembly. For county and 12 municipal registrations, the business entity must identify 13 the county or municipality.

14 (c) The Board shall provide a certificate of registration 15 to the business entity. The certificate shall be electronic, 16 except as otherwise provided in this Section, and accessible to 17 the business entity through the State Board of Elections' website and protected by a password. Within 60 days after 18 19 establishment of the electronic system, each business entity 20 that submitted a registration via e-mail attachment or paper copy pursuant to this Section shall re-submit its registration 21 22 electronically. At the time of re-submission, the State Board 23 of Elections shall provide an electronic certificate of 24 registration to that business entity.

(d) Any business entity required to register under Section
20-160 of the Illinois Procurement Code, Section 3-109 of the

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Illinois Governmental Ethics Act, Section 5-1135 of the 1 2 Counties Code, or Section 11-42.1-5 of the Illinois Municipal 3 Code shall provide a copy of the registration certificate, by first class mail or hand delivery within 10 days after 4 5 registration, to each affiliated entity or affiliated person 6 whose identity is required to be disclosed. Failure to provide 7 notice to an affiliated entity or affiliated person is a 8 business offense for which the business entity is subject to a 9 fine not to exceed \$1,001.

10 (e) In addition to any penalty under Section 20-160 of the Illinois Procurement Code, Section 3-109 of the Illinois 11 12 Governmental Ethics Act, Section 5-1135 of the Counties Code, 13 or Section 11-42.1-5 of the Illinois Municipal Code, 14 intentional, willful, or material failure to disclose 15 information required for registration is subject to a civil 16 penalty imposed by the State Board of Elections. The State 17 Board shall impose a civil penalty of \$1,000 per business day for failure to update a registration. 18

19 (f) Any business entity required to register under Section 20-160 of the Illinois Procurement Code, Section 3-109 of the 20 Illinois Governmental Ethics Act, Section 5-1135 of the 21 22 Counties Code, or Section 11-42.1-5 of the Illinois Municipal 23 Code shall notify any political committee to which it makes a contribution, at the time of the contribution, that the 24 25 business entity is registered with the State Board of Elections 26 under Section 20-160 of the Illinois Procurement Code, Section

3-109 of the Illinois Governmental Ethics Act, Section 5-1135 1 of the Counties Code, or Section 11-42.1-5 of the Illinois 2 Municipal Code. Any affiliated entity or affiliated person of a 3 4 business entity required to register under Section 20-160 of 5 the Illinois Procurement Code, Section 3-109 of the Illinois 6 Governmental Ethics Act, Section 5-1135 of the Counties Code, or Sect<u>ion 11-42.1-5 of the Illinois Municipal Code</u> shall 7 notify any political committee to which it makes a contribution 8 9 that it is affiliated with a business entity registered with the State Board of Elections under Section 20-160 of the 10 11 Illinois Procurement Code, Section 3-109 of the Illinois 12 Governmental Ethics Act, Section 5-1135 of the Counties Code, 13 or Section 11-42.1-5 of the Illinois Municipal Code.

(q) The State Board of Elections on its official website 14 15 shall have a searchable database containing (i) all information 16 required to be submitted to the Board under Section 20-160 of the Illinois Procurement Code, Section 3-109 of the Illinois 17 Governmental Ethics Act, Section 5-1135 of the Counties Code, 18 and Section 11-42.1-5 of the Illinois Municipal Code and (ii) 19 20 all reports filed under this Article with the State Board of Elections by all political committees. For the purposes of 21 22 databases maintained by the State Board of Elections, 23 "searchable" means able to search by "political committee", as defined in this Article, and by "officeholder", "State agency", 24 25 "business entity", "affiliated entity", and "affiliated person". No more than 90 days after the effective date of this 26

amendatory Act of the 96th General Assembly, the database must 1 be searchable by "county" and "municipality". The Board shall 2 3 not place the name of a minor child on the website. However, the Board shall provide a link to all contributions made by 4 5 anyone reporting the same residential address as any affiliated person. In addition, the State Board of Elections on its 6 7 official website shall provide an electronic connection to any searchable database of State contracts maintained by the 8 9 Comptroller, searchable by business entity.

10 (h) The State Board of Elections shall have rulemaking11 authority to implement this Section.

12 (Source: P.A. 95-971, eff. 1-1-09; 95-1038, eff. 3-11-09.)

Section 15. The Counties Code is amended by adding Sections 5-1133, 5-1135, and 5-1137 as follows:

15 (55 ILCS 5/5-1133 new)

16 <u>Sec. 5-1133. Prohibition of political contributions.</u>

17 (a) As used in this Section:

18 <u>"Affiliated entity" means (i) any corporate parent and</u> 19 <u>each operating subsidiary of the bidding or contracting</u> 20 <u>business entity; (ii) each operating subsidiary of the</u> 21 <u>corporate parent of the bidding or contracting business</u> 22 <u>entity; (iii) any organization recognized by the United</u> 23 <u>States Internal Revenue Service as a tax-exempt</u> 24 <u>organization described in Section 501(c) of the Internal</u>

1	Revenue Code of 1986 (or any successor provision of federal
2	tax law) established by the bidding or contracting business
3	entity, any affiliated entity of that business entity, or
4	any affiliated person of that business entity; or (iv) any
5	political committee for which the bidding or contracting
6	business entity, or any 501(c) organization described in
7	item (iii) related to that business entity, is the
8	sponsoring entity. "Affiliated entity" does not include an
9	entity prohibited by federal law from making contributions
10	or expenditures in connection with a federal, state, or
11	local election.
12	"Affiliated person" means (i) any person with any
13	ownership interest or distributive share of the bidding or
14	contracting business entity in excess of 7.5%, (ii)
15	executive employees of the bidding or contracting business
16	entity, and (iii) the spouse of any of those persons.
17	"Affiliated person" does not include a person prohibited by
18	federal law from making contributions or expenditures in
19	connection with a federal, state, or local election.
20	"Business entity" means any entity doing business for
21	profit, whether organized as a corporation, partnership,
22	sole proprietorship, limited liability company or
23	partnership, or otherwise.
2.4	"Contract" means all turned of agreements entered into

24 <u>"Contract" means all types of agreements entered into</u>
 25 <u>by counties, including change orders and renewals,</u>
 26 <u>regardless of what they may be called, for the procurement,</u>

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1 use, or disposal of supplies, services, professional or 2 artistic services, or construction or for leases of real 3 property, whether the county is lessor or lessee, or 4 capital improvements, and including master contracts, 5 contracts for financing through use of installment or 6 lease-purchase arrangements, renegotiated contracts, 7 amendments to contracts, and change orders.

8 <u>"Contract with a county" means any contract, as defined</u> 9 <u>in this subsection (a), between a business entity and a</u> 10 <u>county let or awarded pursuant to this Code. The term</u> 11 <u>"contract" does not include cost reimbursement contracts;</u> 12 <u>grants, including but are not limited to grants for job</u> 13 <u>training or transportation; and grants, loans, or tax</u> 14 <u>credit agreements for economic development purposes.</u>

15 <u>"Contribution" means a contribution as defined in</u>
 16 <u>Section 9-1.4 of the Election Code.</u>

17"Declared candidate" means a person who has filed a18statement of candidacy and petition for nomination or19election as required under the Election Code.

20 <u>"Executive employee" means (i) the President,</u> 21 <u>Chairperson, or Chief Executive Officer of a business</u> 22 <u>entity and any other individual that fulfills equivalent</u> 23 <u>duties as the President, Chairperson of the Board, or Chief</u> 24 <u>Executive Officer of a business entity; and (ii) any</u> 25 <u>employee of a business entity whose compensation is</u> 26 <u>determined directly, in whole or in part, by the award or</u>

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1	payment of contracts by a county to the entity employing
2	the employee. A regular salary that is paid irrespective of
3	the award or payment of a contract with a county shall not
4	constitute "compensation" under item (ii) of this
5	definition. "Executive employee" does not include any
6	person prohibited by federal law from making contributions
7	or expenditures in connection with a federal, state, or
8	local election.
9	"Officeholder" means any county official elected or
10	appointed to fill a vacancy in an elected county office.
11	"Sponsoring entity" means a sponsoring entity as
12	defined in Section 9-3 of the Election Code.
13	(b) Any business entity whose contracts with a county, in
14	the aggregate, annually total more than \$25,000, and any
15	affiliated entities or affiliated persons of that business
16	entity, are prohibited from making any contributions to any
17	political committees established to promote the candidacy of
18	(i) the officeholder responsible for awarding the contracts,
19	(ii) any member of the governing body of the county if the
20	governing body awarded or approved the contracts, or (iii) any
21	other declared candidate for that office or the governing body
22	of the county. This prohibition is effective for the duration
23	of the term of office of the incumbent officeholder awarding
24	the contracts or any member of the governing body of the county
25	if the governing body awarded or approved the contracts or for
26	a period of 2 years following the expiration or termination of

1		~ ~ ~ + ~ ~ ~ + ~			1
\perp	τne	contracts,	whichever	lS	longer.

2 (c) Any business entity whose aggregate pending bids and 3 proposals on contracts with a county total more than \$25,000, or whose aggregate pending bids and proposals on contracts with 4 5 a county combined with the business entity's aggregate annual total value of contracts with a county exceed \$25,000, and any 6 7 affiliated entities or affiliated persons of that business 8 entity, are prohibited from making any contributions to any 9 political committee established to promote the candidacy of the officeholder responsible for awarding the contract or any 10 11 member of the governing body of the county if the governing 12 body awarded or approved the contracts on which the business entity has submitted a bid or proposal during the period 13 14 beginning on the date the invitation for bids or request for proposals is issued and ending on the day after the date the 15 16 contract is awarded.

17 (d) All contracts between a county and a business entity that violate subsection (b) or (c) are voidable. If a business 18 19 entity violates subsection (b) 3 or more times within a 20 36-month period, then all contracts between the county and that 21 business entity are void, and that business entity may not bid 22 or respond to any invitation to bid or request for proposals 23 from the county or otherwise enter into any contract with the 24 county for 3 years after the date of the last violation. A 25 notice of each violation and the penalty imposed shall be published in a newspaper of general circulation within the 26

1 <u>county.</u>

2	(e) Any political committee that has received a
3	contribution in violation of subsection (b) or (c) shall pay an
4	amount equal to the value of the contribution to the county no
5	more than 30 days after notice of the violation concerning the
6	contribution appears in a newspaper of general circulation
7	within the county. Payments received by the county pursuant to
8	this subsection shall be deposited into the county's general
9	<u>fund.</u>
10	(f) A county may not regulate campaign contributions in a
11	manner inconsistent with this Section. This Section is a
12	limitation under subsection (i) of Section 6 of Article VII of
13	the Illinois Constitution on the concurrent exercise by home
14	rule units of powers and functions exercised by the State.
15	(55 ILCS 5/5-1135 new)
16	Sec. 5-1135. Business entities; registration with the
17	State Board of Elections.
18	(a) For purposes of this Section, the terms "business
19	entity", "contract", "contract with a county", "affiliated
20	entity", and "affiliated person" have the meanings ascribed to
21	those terms in Section 5-1133.
22	(b) Every bid submitted to and every contract executed by a
23	county on or after the effective date of this amendatory Act of
24	the 96th General Assembly shall contain (1) a certification by
25	the bidder or contractor that either (i) the bidder or

1 contractor is not required to register as a business entity
2 with the State Board of Elections pursuant to this Section or
3 (ii) the bidder or contractor has registered as a business
4 entity with the State Board of Elections and acknowledges a
5 continuing duty to update the registration and (2) a statement
6 that the contract is voidable for the bidder's or contractor's
7 failure to comply with this Section.

8 (c) Within 30 days after the effective date of this 9 amendatory Act of the 96th General Assembly, each business 10 entity (i) whose aggregate bids and proposals on contracts with 11 a county annually total more than \$25,000, (ii) whose aggregate 12 bids and proposals on contracts with a county combined with the business entity's aggregate annual total value of contracts 13 14 with the county exceed \$25,000, or (iii) whose contracts with a county, in the aggregate, annually total more than \$25,000 15 16 shall register with the State Board of Elections in accordance 17 with Section 9-35 of the Election Code. A business entity required to register under this subsection shall submit a copy 18 19 of the certificate of registration to the county clerk within 20 90 days after the effective date of this amendatory Act of the 96th General Assembly. A business entity required to register 21 22 under this subsection due to item (i) or (ii) has a continuing 23 duty to ensure that the registration is accurate during the 24 period beginning on the date of registration and ending on the 25 day after the date the contract is awarded; any change in 26 information must be reported to the State Board of Elections

1 within 2 business days following the change. A business entity 2 required to register under this subsection due to item (iii) 3 has a continuing duty to ensure that the registration is 4 accurate in accordance with subsection (e).

5 (d) Any business entity, not required under subsection (c) to register within 30 days after the effective date of this 6 7 amendatory Act of the 96th General Assembly, whose aggregate 8 bids and proposals on contracts with a county annually total 9 more than \$25,000, or whose aggregate bids and proposals on 10 contracts with a county combined with the business entity's 11 aggregate annual total value of contracts with a county exceed 12 \$25,000, shall register with the State Board of Elections in accordance with Section 9-35 of the Election Code before 13 14 submitting to a county the bid or proposal whose value causes 15 the business entity to fall within the monetary description of 16 this subsection. A business entity required to register under 17 this subsection has a continuing duty to ensure that the registration is accurate during the period beginning on the 18 19 date of registration and ending on the day after the date the 20 contract is awarded. Any change in information must be reported to the State Board of Elections within 5 business days 21 22 following that change or no later than a day before the 23 contract is awarded, whichever date is earlier.

(e) A business entity whose contracts with a county, in the
 aggregate, annually total more than \$25,000 must maintain its
 registration under this Section and has a continuing duty to

1	ensure that the registration is accurate for the duration of
2	the term of office of the incumbent officeholder awarding the
3	contracts or any member of the governing body of the county if
4	the governing body awarded or approved the contracts or for a
5	period of 2 years following the expiration or termination of
6	the contracts, whichever is longer. A business entity, required
7	to register under this subsection, has a continuing duty to
8	report any changes on a quarterly basis to the State Board of
9	Elections within 10 business days following the last day of
10	January, April, July, and October of each year. Any update
11	pursuant to this paragraph that is received beyond that date is
12	presumed late and the civil penalty authorized by subsection
13	(e) of Section 9-35 of the Election Code may be assessed.
14	Also if a business entity required to register under this

Also, if a business entity required to register under this subsection has a pending bid or proposal, any change in information shall be reported to the State Board of Elections within 5 business days or no later than a day before the contract is awarded, whichever date is earlier.

19 (f) A business entity's continuing duty under this Section 20 to ensure the accuracy of its registration includes the 21 requirement that the business entity notify the State Board of 22 Elections of any change in information, including but not 23 limited to changes of affiliated entities or affiliated 24 persons.

25 (g) A copy of a certificate of registration must accompany
 26 any bid or proposal for a contract with a county by a business

1 <u>entity required to register under this Section. A county shall</u>
2 <u>not accept a bid or proposal unless the certificate is</u>
3 submitted to the county with the bid or proposal.

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

8 <u>In addition to any penalty under Section 9-35 of the</u> 9 <u>Election Code, intentional, willful, or material failure to</u> 10 <u>disclose information required for registration shall render</u> 11 <u>the contract, bid, proposal, or other procurement relationship</u> 12 <u>voidable by the governing body of the county if the members of</u> 13 <u>the governing body deem it to be in the best interest of the</u> 14 <u>county.</u>

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

17 (j) A county may not regulate the submission of bids in a 18 manner inconsistent with this Section. This Section is a 19 limitation under subsection (i) of Section 6 of Article VII of 20 the Illinois Constitution on the concurrent exercise by home 21 rule units of powers and functions exercised by the State.

22	(55 I	LCS 5/5-113	7 new)		
23	Sec.	5-1137.	Procurement	communications	reporting
24	requireme	ent.			
25	<u>(a)</u>	Any written	or oral commun	ication received	by a county

1	officeholder that imparts or requests material information or
2	makes a material argument regarding potential action
3	concerning a procurement matter, including, but not limited to,
4	an application, a contract, or a project, shall be reported to
5	the ethics officer for the county that the officeholder
6	represents. These communications do not include the following:
7	(i) statements by a person publicly made in a public forum;
8	(ii) statements regarding matters of procedure and practice,
9	such as format, the number of copies required, the manner of
10	filing, and the status of a matter; and (iii) statements made
11	by a county officeholder to the ethics officer for the county.
12	The provisions of this Section shall not apply to
13	communications regarding the administration and implementation
14	of an existing contract, except communications regarding
15	change orders or the renewal or extension of a contract.
16	
	(b) The report required by subsection (a) shall be
17	(b) The report required by subsection (a) shall be submitted monthly and include at least the following: (i) the
17	submitted monthly and include at least the following: (i) the
17 18	submitted monthly and include at least the following: (i) the date and time of each communication; (ii) the identity of each
17 18 19	submitted monthly and include at least the following: (i) the date and time of each communication; (ii) the identity of each person from whom the written or oral communication was
17 18 19 20	submitted monthly and include at least the following: (i) the date and time of each communication; (ii) the identity of each person from whom the written or oral communication was received, the individual or entity represented by that person,
17 18 19 20 21	submitted monthly and include at least the following: (i) the date and time of each communication; (ii) the identity of each person from whom the written or oral communication was received, the individual or entity represented by that person, and any action the person requested or recommended; (iii) the
17 18 19 20 21 22	submitted monthly and include at least the following: (i) the date and time of each communication; (ii) the identity of each person from whom the written or oral communication was received, the individual or entity represented by that person, and any action the person requested or recommended; (iii) the identity and job title of the person to whom each communication
17 18 19 20 21 22 23	submitted monthly and include at least the following: (i) the date and time of each communication; (ii) the identity of each person from whom the written or oral communication was received, the individual or entity represented by that person, and any action the person requested or recommended; (iii) the identity and job title of the person to whom each communication was made; (iv) if a response is made, the identity and job

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the location or locations of all persons involved in the communication and, if the communication occurred by telephone, the telephone numbers for the callers and recipients of the communication; and (viii) any other pertinent information.

5 (c) Additionally, when an oral communication made by a person required to register as a lobbyist by the county or 6 7 under the Lobbyist Registration Act is received by a county 8 officeholder that is covered under this Section, all 9 individuals who initiate or participate in the oral 10 communication shall submit a written report to that county 11 officeholder that memorializes the communication and includes, 12 but is not limited to, the items listed in subsection (b).

13 (d) The ethics officer for the county shall make each 14 report submitted pursuant to this Section available on the county's official website within 7 days after his or her 15 16 receipt of the report. If the county does not maintain a 17 website, then the ethics officer shall publish each report in a newspaper of general circulation within the county within 7 18 19 days after his or her receipt of the report. The governing body 20 of the county may promulgate rules to ensure compliance with 21 this Section.

(e) The reporting requirements shall also be conveyed
 through ethics training under the State Officials and Employees
 Ethics Act and county resolution or ordinance. An employee who
 knowingly and intentionally violates this Section shall be
 subject to suspension or discharge. The governing body of the

1 county shall promulgate rules to implement this Section. 2 (f) For the purposes of this Section, "county officeholder" 3 means any county official elected or appointed to fill a vacancy in an elected county office. 4 5 (q) A county may not regulate the reporting of procurement communications in a manner inconsistent with this Section. This 6 7 Section is a limitation under subsection (i) of Section 6 of 8 Article VII of the Illinois Constitution on the concurrent 9 exercise by home rule units of powers and functions exercised 10 by the State. 11 Section 20. The Illinois Municipal Code is amended by 12 adding Sections 11-42.1-3, 11-42.1-5, and 11-42.1-10 as 13 follows: 14 (65 ILCS 5/11-42.1-3 new) 15 Sec. 11-42.1-3. Prohibition of political contributions. (a) As used in this Section: 16 17 "Affiliated entity" means (i) any corporate parent and each operating subsidiary of the bidding or contracting 18 business entity; (ii) each operating subsidiary of the 19 20 corporate parent of the bidding or contracting business 21 entity; (iii) any organization recognized by the United 22 States Internal Revenue Service as a tax-exempt 23 organization described in Section 501(c) of the Internal 24 Revenue Code of 1986 (or any successor provision of federal

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1	tax law) established by the bidding or contracting business
2	entity, any affiliated entity of that business entity, or
3	any affiliated person of that business entity; or (iv) any
4	political committee for which the bidding or contracting
5	business entity, or any 501(c) organization described in
6	item (iii) related to that business entity, is the
7	sponsoring entity. "Affiliated entity" does not include an
8	entity prohibited by federal law from making contributions
9	or expenditures in connection with a federal, state, or
10	local election.
11	"Affiliated person" means (i) any person with any
12	ownership interest or distributive share of the bidding or
13	contracting business entity in excess of 7.5%, (ii)
14	executive employees of the bidding or contracting business
15	entity, and (iii) the spouse of any of those persons.
16	"Affiliated person" does not include a person prohibited by
17	federal law from making contributions or expenditures in
18	connection with a federal, state, or local election.
19	"Business entity" means any entity doing business for

19 <u>"Business entity" means any entity doing business for</u> 20 profit, whether organized as a corporation, partnership, 21 <u>sole proprietorship, limited liability company or</u> 22 <u>partnership, or otherwise.</u>

<u>"Contract" means all types of agreements entered into</u>
 by municipalities, including change orders and renewals,
 <u>regardless of what they may be called, for the procurement,</u>
 <u>use, or disposal of supplies, services, professional or</u>

1artistic services, or construction or for leases of real2property, whether the municipality is lessor or lessee, or3capital improvements, and including master contracts,4contracts for financing through use of installment or5lease-purchase arrangements, renegotiated contracts,6amendments to contracts, and change orders.

7 <u>"Contract with a municipality" means any contract, as</u> 8 <u>defined in this subsection (a), between a business entity</u> 9 <u>and a municipality let or awarded pursuant to this Code.</u> 10 <u>The term "contract" does not include cost reimbursement</u> 11 <u>contracts; grants, including but are not limited to grants</u> 12 <u>for job training or transportation; and grants, loans, or</u> 13 <u>tax credit agreements for economic development purposes.</u>

14"Contribution" means a contribution as defined in15Section 9-1.4 of the Election Code.

16 <u>"Declared candidate" means a person who has filed a</u>
17 <u>statement of candidacy and petition for nomination or</u>
18 election as required under the Election Code.

19 "Executive employee" means (i) the President, Chairperson, or Chief Executive Officer of a business 20 21 entity and any other individual that fulfills equivalent 22 duties as the President, Chairperson of the Board, or Chief Executive Officer of <u>a business entity; and (ii) any</u> 23 24 employee of a business entity whose compensation is 25 determined directly, in whole or in part, by the award or 26 payment of contracts by a municipality to the entity

employing the employee. A regular salary that is paid irrespective of the award or payment of a contract with a municipality shall not constitute "compensation" under item (ii) of this definition. "Executive employee" does not include any person prohibited by federal law from making contributions or expenditures in connection with a federal, state, or local election.

8 <u>"Officeholder" means any municipal official elected or</u>
 9 <u>appointed to fill a vacancy in an elected municipal office.</u>
 10 <u>"Sponsoring entity" means a sponsoring entity as</u>
 11 <u>defined in Section 9-3 of the Election Code.</u>

12 (b) Any business entity whose contracts with a municipality, in the aggregate, annually total more than 13 14 \$25,000, and any affiliated entities or affiliated persons of that business entity, are prohibited from making any 15 16 contributions to any political committees established to promote the candidacy of (i) the officeholder responsible for 17 awarding the contracts, (ii) any member of the governing body 18 19 of the municipality if the governing body awarded or approved 20 the contracts, or (iii) any other declared candidate for that 21 office or the governing body of the municipality. This 22 prohibition is effective for the duration of the term of office 23 of the incumbent officeholder awarding the contracts or any 24 member of the governing body of the municipality if the 25 governing body awarded or approved the contracts or for a period of 2 years following the expiration or termination of 26

2 (c) Any business entity whose aggregate pending bids and 3 proposals on contracts with a municipality total more than \$25,000, or whose aggregate pending bids and proposals on 4 5 contracts with a municipality combined with the business entity's aggregate annual total value of contracts with a 6 municipality exceed \$25,000, and any affiliated entities or 7 8 affiliated persons of that business entity, are prohibited from 9 making any contributions to any political committee established to promote the candidacy of the officeholder 10 11 responsible for awarding the contract or any member of the 12 governing body of the municipality if the governing body awarded or approved the contracts on which the business entity 13 14 has submitted a bid or proposal during the period beginning on the date the invitation for bids or request for proposals is 15 16 issued and ending on the day after the date the contract is 17 awarded.

(d) All contracts between a municipality and a business 18 19 entity that violate subsection (b) or (c) are voidable. If a 20 business entity violates subsection (b) 3 or more times within 21 a 36-month period, then all contracts between the municipality 22 and that business entity are void, and that business entity may 23 not bid or respond to any invitation to bid or request for 24 proposals from the municipality or otherwise enter into any 25 contract with the municipality for 3 years after the date of the last violation. A notice of each violation and the penalty 26

1	imposed	shall	be	published	in	а	newspaper	of	general
2	circulat	ion wit	hin t	he municipa	litv	_			

3 Any political committee that has received a (e) 4 contribution in violation of subsection (b) or (c) shall pay an amount equal to the value of the contribution to the 5 6 municipality no more than 30 days after notice of the violation 7 concerning the contribution appears in a newspaper of general circulation within the municipality. Payments received by the 8 9 municipality pursuant to this subsection shall be deposited 10 into the municipality's general fund.

11 (f) A municipality may not regulate campaign contributions 12 in a manner inconsistent with this Section. This Section is a 13 limitation under subsection (i) of Section 6 of Article VII of 14 the Illinois Constitution on the concurrent exercise by home 15 rule units of powers and functions exercised by the State.

16	(65 ILCS 5/11-42.1-5 new)
17	Sec. 11-42.1-5. Business entities; registration with the
18	State Board of Elections.
19	(a) For purposes of this Section, the terms "business
20	entity", "contract", "contract with a municipality",
21	"affiliated entity", and "affiliated person" have the meanings
22	ascribed to those terms in Section 11-42.1-3.
23	(b) Every bid submitted to and every contract executed by a
24	municipality on or after the effective date of this amendatory
25	Act of the 96th General Assembly shall contain (1) a

1 certification by the bidder or contractor that either (i) the 2 bidder or contractor is not required to register as a business 3 entity with the State Board of Elections pursuant to this 4 Section or (ii) the bidder or contractor has registered as a 5 business entity with the State Board of Elections and 6 acknowledges a continuing duty to update the registration and 7 (2) a statement that the contract is voidable for the bidder's 8 or contractor's failure to comply with this Section.

9 (c) Within 30 days after the effective date of this 10 amendatory Act of the 96th General Assembly, each business 11 entity (i) whose aggregate bids and proposals on contracts with 12 a municipality annually total more than \$25,000, (ii) whose 13 aggregate bids and proposals on contracts with a municipality 14 combined with the business entity's aggregate annual total 15 value of contracts with the municipality exceed \$25,000, or 16 (iii) whose contracts with a municipality, in the aggregate, 17 annually total more than \$25,000 shall register with the State Board of Elections in accordance with Section 9-35 of the 18 19 Election Code. A business entity required to register under 20 this subsection shall submit a copy of the certificate of 21 registration to the municipal clerk within 90 days after the 22 effective date of this amendatory Act of the 96th General 23 Assembly. A business entity required to register under this 24 subsection due to item (i) or (ii) has a continuing duty to 25 ensure that the registration is accurate during the period beginning on the date of registration and ending on the day 26

1 after the date the contract is awarded; any change in
2 information must be reported to the State Board of Elections
3 within 2 business days following the change. A business entity
4 required to register under this subsection due to item (iii)
5 has a continuing duty to ensure that the registration is
6 accurate in accordance with subsection (e).

7 (d) Any business entity, not required under subsection (c) to register within 30 days after the effective date of this 8 9 amendatory Act of the 96th General Assembly, whose aggregate 10 bids and proposals on contracts with a municipality annually 11 total more than \$25,000, or whose aggregate bids and proposals 12 on contracts with a municipality combined with the business entity's aggregate annual total value of contracts with a 13 municipality exceed \$25,000, shall register with the State 14 Board of Elections in accordance with Section 9-35 of the 15 16 Election Code before submitting to a municipality the bid or 17 proposal whose value causes the business entity to fall within the monetary description of this subsection. A business entity 18 19 required to register under this subsection has a continuing 20 duty to ensure that the registration is accurate during the 21 period beginning on the date of registration and ending on the 22 day after the date the contract is awarded. Any change in 23 information must be reported to the State Board of Elections 24 within 5 business days following that change or no later than a 25 day before the contract is awarded, whichever date is earlier. 26 (e) A business entity whose contracts with a municipality,

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1	in the aggregate, annually total more than \$25,000 must						
2	maintain its registration under this Section and has a						
3	continuing duty to ensure that the registration is accurate for						
4	the duration of the term of office of the incumbent						
5	officeholder awarding the contracts or any member of the						
6	governing body of the municipality if the governing body						
7	awarded or approved the contracts or for a period of 2 years						
8	following the expiration or termination of the contracts,						
9	whichever is longer. A business entity, required to register						
10	under this subsection, has a continuing duty to report any						
11	changes on a quarterly basis to the State Board of Elections						
12	within 10 business days following the last day of January,						
13	April, July, and October of each year. Any update pursuant to						
14	this paragraph that is received beyond that date is presumed						
15	late and the civil penalty authorized by subsection (e) of						
16	Section 9-35 of the Election Code may be assessed.						
17	Also, if a business entity required to register under this						
18	subsection has a pending bid or proposal, any change in						
19	information shall be reported to the State Board of Elections						
20	within I husing a dave on a later than a dave before the						
20	within 5 business days or no later than a day before the						
21	contract is awarded, whichever date is earlier.						
21	contract is awarded, whichever date is earlier.						
21 22	<u>contract is awarded, whichever date is earlier.</u> (f) A business entity's continuing duty under this Section						
21 22 23	<u>contract is awarded, whichever date is earlier.</u> (f) A business entity's continuing duty under this Section to ensure the accuracy of its registration includes the						

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1 persons.

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2	(g) A copy of a certificate of registration must accompany
3	any bid or proposal for a contract with a municipality by a
4	business entity required to register under this Section. A
5	municipality shall not accept a bid or proposal unless the
6	certificate is submitted to the municipality with the bid or
7	proposal.
8	(h) A registration, and any changes to a registration, must
9	include the business entity's verification of accuracy and
10	subjects the business entity to the penalties of the laws of
11	this State for perjury.
12	In addition to any penalty under Section 9-35 of the
13	Election Code, intentional, willful, or material failure to
14	disclose information required for registration shall render
15	the contract, bid, proposal, or other procurement relationship
16	voidable by the governing body of the municipality if the
17	members of the governing body deem it to be in the best
18	interest of the municipality.
19	(i) This Section applies regardless of the method of source
20	selection used in awarding the contract.
21	(j) A municipality may not regulate the submission of bids
22	in a manner inconsistent with this Section. This Section is a
23	limitation under subsection (i) of Section 6 of Article VII of
24	the Illinois Constitution on the concurrent exercise by home
25	rule units of powers and functions exercised by the State.

1	(65 ILCS 5/11-42.1-10 new)
2	Sec. 11-42.1-10. Procurement communications reporting
3	requirement.
4	(a) Any written or oral communication received by a
5	municipal officeholder that imparts or requests material
6	information or makes a material argument regarding potential
7	action concerning a procurement matter, including, but not
8	limited to, an application, a contract, or a project, shall be
9	reported to the ethics officer for the municipality that the
10	officeholder represents. These communications do not include
11	the following: (i) statements by a person publicly made in a
12	public forum; (ii) statements regarding matters of procedure
13	and practice, such as format, the number of copies required,
14	the manner of filing, and the status of a matter; and (iii)
15	statements made by a municipal officeholder to the ethics
16	officer for the municipality. The provisions of this Section
17	shall not apply to communications regarding the administration
18	and implementation of an existing contract, except
19	communications regarding change orders or the renewal or
20	extension of a contract.
21	(b) The report required by subsection (a) shall be
22	submitted monthly and include at least the following: (i) the
23	date and time of each communication; (ii) the identity of each
24	person from whom the written or oral communication was
25	received, the individual or entity represented by that person,
26	and any action the person requested or recommended; (iii) the

1	identity and job title of the person to whom each communication
2	was made; (iv) if a response is made, the identity and job
3	title of the person making each response; (v) a detailed
4	summary of the points made by each person involved in the
5	communication; (vi) the duration of the communication; (vii)
6	the location or locations of all persons involved in the
7	communication and, if the communication occurred by telephone,
8	the telephone numbers for the callers and recipients of the
9	communication; and (viii) any other pertinent information.

(c) Additionally, when an oral communication made by a 10 11 person required to register as a lobbyist by the municipality 12 or under the Lobbyist Registration Act is received by a municipal officeholder that is covered <u>under this Section, all</u> 13 individuals who initiate or participate in the oral 14 communication shall submit a written report to that municipal 15 16 officeholder that memorializes the communication and includes, 17 but is not limited to, the items listed in subsection (b).

(d) The ethics officer for the municipality shall make each 18 19 report submitted pursuant to this Section available on the 20 municipality's official website within 7 days after his or her receipt of the report. If the municipality does not maintain a 21 22 website, then the ethics officer shall publish each report in a 23 newspaper of general circulation within the municipality 24 within 7 days after his or her receipt of the report. The 25 governing body of the municipality may promulgate rules to 26 ensure compliance with this Section.

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1	(e) The reporting requirements shall also be conveyed
2	through ethics training under the State Officials and Employees
3	Ethics Act and municipal resolution or ordinance. An employee
4	who knowingly and intentionally violates this Section shall be
5	subject to suspension or discharge. The governing body of the
6	municipality shall promulgate rules to implement this Section.
7	(f) For the purposes of this Section, "municipal
8	officeholder" means any municipal official elected or
9	appointed to fill a vacancy in an elected municipal office.
10	(q) A municipality may not regulate the reporting of
11	procurement communications in a manner inconsistent with this
12	Section. This Section is a limitation under subsection (i) of
13	Section 6 of Article VII of the Illinois Constitution on the
14	concurrent exercise by home rule units of powers and functions
15	exercised by the State.

Section 90. The State Mandates Act is amended by adding Section 8.34 as follows:

18 (30 ILCS 805/8.34 new)

19 Sec. 8.34. Exempt mandate. Notwithstanding Sections 6 and 8
20 of this Act, no reimbursement by the State is required for the
21 implementation of any mandate created by this amendatory Act of
22 the 96th General Assembly.

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3	5 ILCS 420/3-108 new						
4	5 ILCS 420/3-109 new						
5	5 ILCS 420/3-110 new						
6	10 ILCS 5/9-35						
7	55 ILCS 5/5-1133 new						
8	55 ILCS 5/5-1135 new						
9	55 ILCS 5/5-1137 new						
10	65 ILCS 5/11-42.1-3 new						
11	65 ILCS 5/11-42.1-5 new						
12	65 ILCS 5/11-42.1-10 new						
13	30 ILCS 805/8.34 new						