



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3197

Introduced 2/18/2025, by Rep. Daniel Didech, Margaret Croke, Will Guzzardi, Abdelnasser Rashid and Nabeela Syed

SYNOPSIS AS INTRODUCED:

New Act

Creates the Deforestation-Free Illinois Act. Provides that neither the State nor any government agency of the State shall purchase, at wholesale or retail, or obtain for any purpose any tropical hardwood or tropical hardwood product. Provides that no bid proposal or solicitation, request for bid or proposal, or contract for the construction of any public work, building maintenance, or improvement for or on behalf of the State or any government agency of the State shall require or permit the use of any tropical hardwood or tropical hardwood product. Provides that every contract entered into by a State agency that includes the procurement of any product that consists, in whole or in part, of a forest-risk commodity shall require the contractor to confirm that the commodity furnished to the State under the contract was not extracted from, grown, derived, harvested, reared, or produced on land where deforestation or forest degradation occurred. Effective immediately.

LRB104 09398 HLH 19457 b

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 1. Short title. This Act may be cited as the
5 Deforestation-Free Illinois Act.

6 Section 5. Legislative findings. The General Assembly
7 finds and declares the following:

8 (1) Studies show that preventing deforestation is
9 among the most cost-effective climate mitigation
10 strategies with large global mitigation benefits.
11 Preventing deforestation is also one of the few large
12 mitigation options that does not risk trade-offs to
13 solving other challenges; on the contrary, it provides
14 co-benefits like enhancing health, clean water, and
15 sanitation.

16 (2) Studies also suggest that protecting existing
17 forests and allowing them to mature could potentially
18 store 151.7 gigatons of carbon, or about a quarter of
19 excess emissions since industrialization.

20 (3) Deforestation and forest degradation generates
21 between 4.3 and 5.5 GtCO₂eq annually. This is between 7%
22 and 10% of all CO₂ equivalent emissions from all sources
23 globally. Emissions associated with deforestation and

1 forest degradation contribute most of the 13% of total
2 anthropogenic CO₂ emissions attributed to agriculture.

3 (4) Most forest destruction is caused by a few
4 high-risk commodities we can avoid - cattle products,
5 cocoa, coffee, soy, palm oil, paper, and rubber - by
6 selecting products from supply chains not contributing to
7 deforestation, forest degradation, and interrelated human
8 rights abuses.

9 Article 60. Deforestation-Free Procurement.

10 Section 60-1. Definitions. As used in this Section:

11 "Contractor" means any person or entity that has a
12 contract with a State agency for any of the following:

13 (1) public works or improvements;

14 (2) a franchise, concession, or lease of property; or

15 (3) grant moneys or goods and services or supplies to
16 be purchased at the expense of the State agency or to be
17 paid for out of moneys deposited into the State treasury
18 or out of trust moneys under the control of or collected by
19 the State agency.

20 "Deforestation" means direct human-induced conversion of
21 forest to agriculture, a tree plantation, or other non-forest
22 land use.

23 "Forest degradation" means structural changes to forest
24 cover that result in a change in species composition,

1 structure, or ecological function of that forest, as indicated
2 by factors including impacts to carbon storage and other
3 ecosystem services, native species abundance and composition,
4 forest structure, and tree age class distribution. "Forest
5 degradation" includes converting primary forest or naturally
6 regenerating forest into plantation forest or into other
7 wooded land and the conversion of primary forest into planted
8 forests.

9 "Forest-risk commodity" means:

10 (1) any commodity, including any agricultural or
11 nonagricultural commodity, whether in raw or processed
12 form, that is commonly extracted from or grown, derived,
13 harvested, reared, or produced on land where deforestation
14 or forest degradation has occurred or is likely to occur;
15 or

16 (2) any product derived from a product described in
17 paragraph (1).

18 "Forest-risk commodity" includes beef, cocoa, coffee,
19 leather, logs, lumber, palm oil, paper, soy, rubber, wood
20 pulp, and any other commodity identified as such by the
21 Director of Central Management Services by rule. "Forest-risk
22 commodity" does not include wood pulp or paper made entirely
23 from recovered fiber. For any wood pulp or paper product made
24 partially from recovered fiber, the contractor must only
25 confirm that the components that were not derived from
26 recovered fibers were not extracted from, grown, derived,

1 harvested, reared, or produced on land where deforestation or
2 forest degradation occurred in accordance with rules as
3 provided in Section 60-11.

4 "Free, prior, and informed consent" means an authorization
5 that embodies the principle that a community has the right to
6 give or withhold its approval of a proposed development that
7 may affect the land and waters it legally or customarily owns,
8 occupies, or otherwise uses, as described in the United
9 Nations Declaration on the Rights of Indigenous Peoples, the
10 Indigenous and Tribal Peoples Convention of 1989, and other
11 international instruments. "Free, prior, and informed consent"
12 includes informed, noncoercive negotiations between investors,
13 companies, or governments and Indigenous peoples prior to
14 project development, and the formalized ability for impacted
15 Indigenous peoples to say no if projects do not meet their
16 needs and, where the risk of harm to Indigenous Peoples'
17 rights is significant, projects should not proceed without the
18 affected People's consent.

19 "Illinois State product" means:

20 (1) a product that is grown, harvested, or produced in
21 this State; or

22 (2) a product that is processed inside or outside of
23 this State comprising over 51%, by weight or volume, raw
24 materials that are grown, harvested, or produced in this
25 State.

26 "Industrial development" means the processes and

1 operations involved in the large-scale production of goods,
2 including, but not limited to, manufacturing, processing,
3 warehousing, transporting, or repairing. "Industrial
4 development" also means the creation of facilities and
5 transportation infrastructure for these activities, such as
6 power generation, ship building, road development, and waste
7 storage and treatment.

8 "Large contractor" means any contractor whose annual
9 revenue, or that of its parent company, is equal to or greater
10 than \$100,000,000.

11 "Medium-sized business" means a business that operates in
12 this State, is independently owned and operated, not dominant
13 in its field, and employs between 100 and 500 persons.

14 "Minority-owned business" has the meaning given to that
15 term in Section 2 of the Business Enterprise for Minorities,
16 Women, and Persons with Disabilities Act.

17 "Peat" means a soil that is rich in organic matter
18 composed of partially decomposed and decaying plant materials,
19 and comprises 40 centimeters of the top 100 centimeters of the
20 soil profile.

21 "Peatlands" means wetlands with a layer of peat.
22 "Peatlands" includes moors, bogs, mires, peat swamp forests,
23 and permafrost tundra.

24 "Point of origin" means the geographic location, as
25 identified by the smallest administrative unit of land, where
26 a commodity is grown, derived, harvested, reared, or produced.

1 "Primary forest" or "pre-industrial forest" means a forest
2 that has never been disturbed by industrial development or
3 large-scale harvesting and has developed following natural
4 disturbances and under natural processes, regardless of its
5 age. "Primary forest" includes a forest in any geography that
6 has experienced nonindustrial-scale human impacts, including
7 traditional or subsistence activities carried out by
8 Indigenous communities.

9 "Recovered fiber" means postconsumer fiber such as paper,
10 paperboard, and fibrous materials from places including retail
11 stores, office buildings, and homes, after having passed
12 through its end usage, including used corrugated boxes, old
13 newspapers, old magazines, mixed waste paper, tabulating
14 cards, and used cordage, and all paper, paperboard, and
15 fibrous materials that enter and are collected from municipal
16 solid waste, and manufacturing wastes such as dry paper and
17 paperboard waste generated after completion of the papermaking
18 process, including envelope cuttings, bindery trimmings, and
19 other paper and paperboard waste resulting from printing,
20 cutting, forming, and other converting operations, bag, box,
21 and carton manufacturing wastes, and butt rolls, mill
22 wrappers, and rejected unused stock, and repulped finished
23 paper and paperboard from obsolete inventories of paper and
24 paperboard manufacturers, merchants, wholesalers, dealers,
25 printers, converters, and others.

26 "Secondary material" means any material recovered from or

1 otherwise destined for the waste stream, including, but not
2 limited to, post-consumer material, industrial scrap material
3 and overstock or obsolete inventories from distributors,
4 wholesalers and other companies. "Secondary material" does not
5 include those materials and byproducts generated from, and
6 commonly reused within, an original manufacturing process.

7 "Small business" has the same meaning given to that term
8 in Section 45-45 of the Illinois Procurement Code.

9 "Tropical hardwood" means any and all hardwood,
10 specifically classified as angiosperm, that grows in any
11 tropical forest. "Tropical hardwood" includes, but is not
12 limited to, the following species:

- 13 (1) *Prunus Africana* (African cherry, red stinkwood)
- 14 (2) *Caryocar Costaricense* (garlic tree)
- 15 (3) *Calophyllum* species (bintangor)
- 16 (4) *Cedrela* species (cedar, Spanish cedar, South
17 American cedar)
- 18 (5) *Neobalanocarpus Heimii* (chengal)
- 19 (6) *Octomeles Sumatrana* (Benuang)
- 20 (7) *Myroxylon Balsamum* (balsamo)
- 21 (8) *Apuleia Leiocarpa* (garapa)
- 22 (9) *Parastemon Urophyllus* (malas)
- 23 (10) *Spicatus Ridley Hopea* species (merawan)
- 24 (11) *Araucaria Araucana* (monkey puzzle, Chilean pine)
- 25 (12) *Senna Siamea* (Siamese cassia)
- 26 (13) *Pometia Pinnata* (taun)

- 1 (14) *Millettia Leucantha*, *Millettia Stuhlmannii*,
- 2 *Millettia Laurentii* (sathon, panga panga, wenge)
- 3 (15) *Bulnesia Arborea*, *Bulnesia Sarmientoi* (verawood,
- 4 Argentine *lignum vitae*)
- 5 (16) *Tristaniopsis Laurina* (water gum)
- 6 (17) *Terminalia* species (limba, afara, ofram, idigbo,
- 7 framire, black afara, amarillo, nargusta)
- 8 (18) *Homalium Foetidum* (malas)
- 9 (19) *Dillenia Papuana* (dillenia)
- 10 (20) *Canarium* species (red canarium, grey canarium)
- 11 (21) *Burkrella Macropoda* (rang rang)
- 12 (22) *Dracontomelon Dao* (New Guinea walnut)
- 13 (23) *Planchonella* species (white planchonella, red
- 14 planchonella)
- 15 (24) *Lophopetalum* species (perupok)
- 16 (25) *Cariniana Pyriformis* (Colombian mahogany, abarco,
- 17 jequitiba)
- 18 (26) *Mitragyna Ciliata* (abura)
- 19 (27) *Vouacapoua Americana* (acapu)
- 20 (28) *Amburana Cearensis* (amburana, cerejeira, cumare)
- 21 (29) *Lovoa* species (African walnut, tigerwood)
- 22 (30) *Pericopsis Elata* (afroormosia)
- 23 (31) *Peltogyne* species (amaranth, purpleheart)
- 24 (32) *Pterogyne Nitens* (amendoim)
- 25 (33) *Carapa Guianensis*, *Dicorynia Guianensis*, *Bagassa*
- 26 *Guianensis*, *Couratari Guianensis* (andiroba, angelique,

- 1 tatajuba, bagasse)
- 2 (34) Aningeria species (aningeria, anegre, anigre)
- 3 (35) Dipterocarpus species (apitong, keruing)
- 4 (36) Centrolobium species (arariba)
- 5 (37) Brosimum Utile, Brosimum Alicastrum (baco,
- 6 breadnut)
- 7 (38) Ochroma Lagopus, Ochroma Pyramidale (balsa)
- 8 (39) Berlinia species (berlinia, rose zebrano)
- 9 (40) Symphonia Globulifera (boarwood)
- 10 (41) Detarium Senegalense (boire)
- 11 (42) Caesalpinia Echinata, Paubrasilia Echinata
- 12 (Brazilwood, pernambuco)
- 13 (43) Bertholletia Excelsa (Brazil nut, mora)
- 14 (44) Guibourtia species (bubinga, African rosewood,
- 15 kevazingo, amazique)
- 16 (45) Toona Calantas (calantas)
- 17 (46) Pioria copaifera (cativo)
- 18 (47) Ceiba Pentandra (ceiba)
- 19 (48) Antiaris africana (chechen, antiaris)
- 20 (49) Tabebuia Donnell-Smithii (copal)
- 21 (50) Daniellia species (daniellia)
- 22 (51) Cordia species (cordia wood, bocote, ziricote,
- 23 louro, freijo)
- 24 (52) Hymenaea Courbaril (courbaril, West Indian
- 25 locust)
- 26 (53) Dipteryx Odorata (cumaru, Brazilian teak)

- 1 (54) Piptadeniastrum Africanum (dahoma)
- 2 (55) Calycophyllum Candidissimum (dagame, lemonwood)
- 3 (56) Afzelia species (doussie)
- 4 (57) Diospyros species (ebony, ceylon ebony,
- 5 marblewood)
- 6 (58) Lophira Alata (ekki, azobe, red ironwood)
- 7 (59) Combretodendron Macrocarpum (esia)
- 8 (60) Chlorophora Tinctoria, Chlorophora Excelsa
- 9 (fustic, iroko, African teak)
- 10 (61) Aucoumea Klaineana (gaboon, okoume)
- 11 (62) Astronium species (goncalo alves, tigerwood)
- 12 (63) Ocotea Rodiei (greenheart)
- 13 (64) Enterolobium Cyclocarpum (guanacaste,
- 14 elephant-ear tree)
- 15 (65) Guarea species (guarea, bosse)
- 16 (66) Phoebe Porosa (imbuia, Brazilian walnut)
- 17 (67) Handroanthus species (ipe, pau d'arco, lapacho)
- 18 (68) Jacaranda Copaia (jacaranda)
- 19 (69) Machaerium Villosum (jacaranda pardo)
- 20 (70) Dyera Costulata (jelutong)
- 21 (71) Dryobalanops species (kapur, keladan)
- 22 (72) Koompassia Malaccensis (kempas)
- 23 (73) Acacia Koa (koa)
- 24 (74) Pterygota Macrocarpa (koto, African pterygota)
- 25 (75) Oxandra Lanceolata (lancewood)
- 26 (76) Shorea species (lauan, luan, lawaan, meranti,

- 1 seraya, Philippine mahogany, balau)
2 (77) Nothofagus Pumilio, Nothofagus Obliqua (lenga
3 beech, roble)
4 (78) Guaiacum Officinale (roughbark lignum-vitae)
5 (79) Aniba Rosaeodora, Aniba Duckei (pau rosa)
6 (80) Nectandra species (louro preto)
7 (81) Khaya species (African mahogany)
8 (82) Swietenia species (mahogany, West Indian
9 mahogany, Honduran mahogany, Cuban mahogany, big-leaf
10 mahogany)
11 (83) Tieghemella Heckelii (makora)
12 (84) Intsia Bijuga, Intsia Palembanica (Borneo teak,
13 merbau)
14 (85) Anisoptera species (mersawa, krabak, palosapis)
15 (86) Distemonanthus Benthamianus (movingui, ayan)
16 (87) Pterocarpus species (narra, amboyna, Papua New
17 Guinea rosewood, mukula, kosso, zitan, hongmu, padauk,
18 vermillion wood)
19 (88) Palaquium species (nyatoh)
20 (89) Triplochiton Scleroxylon (African whitewood,
21 obeche, sambawawa)
22 (90) Nauclea Diderrichii (opepe)
23 (91) Balfourodendron Riedelianum (marfim)
24 (92) Aspidosperma species (peroba rosa)
25 (93) Paratecoma Peroba (peroba branca)
26 (94) Gonystylus species (ramin)

- 1 (95) *Melanorrhoea Curtisii* (rengas, Borneo rosewood)
- 2 (96) *Hevea Brasiliensis* (rubber tree)
- 3 (97) *Dalbergia* species (rosewood, Indian rosewood,
4 Honduras rosewood, cocobolo, granadillo, pinkwood,
5 tulipwood, African blackwood)
- 6 (98) *Entandrophragma cylindricum*, *Entandrophragma*
7 *Candollei*, *Entandrophragma Utile* (sapele, sapelli, kosipo,
8 omu, utile, sipo)
- 9 (99) *Acanthopanax Ricinofolius* (sen)
- 10 (100) *Brosimum Aubletti*, *Piratinera* (snakewood,
11 letterwood, leopardwood)
- 12 (101) *Juglans* species (South American walnut, Peruvian
13 walnut)
- 14 (102) *Sterculia Rhinopetalia* (sterculia)
- 15 (103) *Tectona Grandis* (teak)
- 16 (104) *Virola* species (virola, cumala)
- 17 (105) *Pentacme Contorta* (white lauan)
- 18 (106) *Microberlinia* species (zebra wood, zingana)

19 "Tropical forest" means a natural ecosystem within the
20 tropical regions, approximately bounded geographically by the
21 tropics of Cancer and Capricorn, but possibly affected by
22 other factors such as prevailing winds, containing native
23 species composition, structure, and ecological function, with
24 a tree canopy cover of more than 10% over an area of at least
25 0.5 hectares. "Tropical forest" includes all of the following:
26 (i) human-managed tropical forests or partially degraded

1 tropical forests that are regenerating; and (ii) tropical
2 forests identified by multi-objective conservation-based
3 assessment methodologies, such as High Conservation Value
4 areas (HCV), as defined by the HCV Resource Network, or High
5 Carbon Stock Forests, as defined by the High Carbon Stock
6 Approach, or by another methodology with equivalent or higher
7 standards that includes primary forests and tropical peatlands
8 of any depth. "Tropical forest" does not include plantations
9 of any type.

10 "Tropical hardwood product" means any product that
11 contains tropical hardwood, regardless of whether it is sold
12 at wholesale or retail, including, but not limited to,
13 plywood, veneer, furniture, cabinets, paneling, siding,
14 moldings, doors, doorskins, joinery, flooring, or sawnwood.

15 "Tropical peatland" means tropical wetlands with a layer
16 of peat. "Tropical peatland" includes moors, bogs, mires, and
17 peat swamp forests.

18 "Women-owned business" has the meaning given to that term
19 in Section 2 of the Business Enterprise for Minorities, Women,
20 and Persons with Disabilities Act.

21 Section 60-2. Purchase of tropical hardwoods prohibited.

22 (a) Except as otherwise provided in this Act, neither the
23 State nor any government agency of the State shall purchase,
24 at wholesale or retail, or obtain for any purpose any tropical
25 hardwood or tropical hardwood product.

1 (b) Subsection (a) shall not apply to:

2 (1) any binding contractual obligations for the
3 purchase of commodities entered into prior to issuance of
4 rules as described in Section 60-11; or

5 (2) any grant, subvention, or contract with an agency
6 of the United States or instruction of an authorized
7 representative of any such agency if the inclusion or
8 application of such provisions violates or is inconsistent
9 with the terms or conditions of the grant, subvention,
10 contract, or instruction.

11 Section 60-3. Use of tropical hardwood or tropical
12 hardwood products prohibited.

13 (a) No bid proposal or solicitation, request for bid or
14 proposal, or contract for the construction of any public work,
15 building maintenance, or improvement for or on behalf of the
16 State or any government agency of the State shall require or
17 permit the use of any tropical hardwood or tropical hardwood
18 product.

19 (b) Every bid proposal, solicitation, request for bid or
20 proposal, and contract for the construction of any public
21 work, building maintenance, or improvement shall contain a
22 statement that any bid, proposal, or other response to a
23 solicitation for bid or proposal which proposes or calls for
24 the use of any tropical hardwood or tropical hardwood product
25 in performance of the contract shall be void.

1 (c) The use of any tropical hardwood or tropical hardwood
2 product on lands owned or managed by the State or by any
3 governmental agency of the State is prohibited.

4 (d) Subsections (a) and (b) shall not apply to the
5 following:

6 (1) bid packages advertised and made available to the
7 public or any competitive and sealed bids received or
8 entered into prior to issuance of rules as described in
9 Section 60-11;

10 (2) any amendment, modification, or renewal of a
11 contract if the contract was entered into prior to the
12 issuance of rules as described in Section 60-11, and in
13 which such application would delay timely completion of a
14 project or involve an increase in the total moneys to be
15 paid under that contract; or

16 (3) any grant, subvention, contract with any agency of
17 the United States or instruction of an authorized
18 representative of any such agency if the contracting
19 officer finds that the inclusion or application of such
20 provisions violates or is inconsistent with the terms or
21 conditions of a grant, subvention, contract, or
22 instruction.

23 Section 60-4. Forest-risk commodity procurement.

24 (a) Every contract entered into by a State agency that
25 includes the procurement of any product that consists, in

1 whole or in part, of a forest-risk commodity shall require the
2 contractor to confirm that the commodity furnished to the
3 State under the contract was not extracted from, grown,
4 derived, harvested, reared, or produced on land where
5 deforestation or forest degradation occurred on or after the
6 date of issuance of the rules adopted under Section 60-11. The
7 contractor shall agree to comply with this provision of the
8 contract.

9 (b) This Section does not apply to any grant, subvention,
10 or contract with an agency of the United States or instruction
11 of an authorized representative of any such agency if the
12 inclusion or application of such provisions violates or is
13 inconsistent with the terms or conditions of the grant,
14 subvention, contractor, or instruction.

15 Section 60-5. Compliance.

16 (a) Every contract shall specify that the contractor is
17 required to cooperate fully in providing access to the
18 contractor's records, documents, agents, employees, or
19 premises if required by authorized officials of the
20 contracting State agency, Central Management Services, or the
21 Office of the Attorney General to determine the contractor's
22 compliance with the requirements under Section 60-4.

23 (b) Contractors shall exercise due diligence in ensuring
24 that their subcontractors comply with Section 60-4.
25 Contractors shall require each subcontractor to certify in

1 writing that the subcontractor complies with Section 60-4.

2 Section 60-6. Required forest policies. In addition to the
3 requirements of Sections 60-4 and 60-5, large contractors
4 subject to Section 60-4 must confirm that they have adopted a
5 forest policy that complies with the rules issued under
6 paragraph (f) of Section 60-11. The adoption of a forest
7 policy by a contractor, subcontractor, or supplier is not
8 required for compliance with this Section if that entity is
9 not a large contractor, but the adoption of such a policy may
10 be used to demonstrate the entity's compliance with Section
11 60-6. Such a forest policy and all corresponding data shall be
12 made publicly available and shall contain, at a minimum, all
13 of the following:

14 (1) due diligence measures on the point of origin of
15 forest-risk commodities that ensure compliance with the
16 policy where supply chain risks are present;

17 (2) data detailing the complete list of direct and
18 indirect suppliers and supply chain traceability
19 information, including refineries, processing plants,
20 farms, and plantations, and their respective owners,
21 parent companies, and farmers, maps, and geolocations, for
22 each forest-risk commodity found in products that may be
23 furnished to the State;

24 (3) measures to be taken to ensure that the product
25 does not contribute to deforestation or forest

1 degradation, including measures to ensure:

2 (A) no industrial development or logging in
3 primary forests;

4 (B) no origination from a site where commodity
5 production has replaced primary forests in accordance
6 with this Act;

7 (C) no industrial development of high carbon stock
8 forests;

9 (D) no industrial development of high conservation
10 value areas;

11 (E) no industrial development on forests deemed
12 critical habitat for threatened or endangered species;

13 (F) no burning for the purposes of clearing land
14 for agriculture and cultivation of land for non-wood
15 products regulated by this Act;

16 (G) progressive reductions of greenhouse gas
17 emissions on existing plantations;

18 (H) no development of peat, regardless of depth;

19 (I) best management practices for existing
20 plantations on peat; and

21 (J) where feasible, activities are oriented toward
22 peat restoration; and

23 (4) measures taken to prevent exploitation and redress
24 grievances of Indigenous peoples, workers and local
25 communities, including measures to ensure:

26 (A) respect for and recognition of the rights of

1 all workers including contract, temporary, and migrant
2 workers;

3 (B) respect for and recognition of land tenure of
4 rights of communities;

5 (C) respect for the rights of Indigenous peoples
6 to give or withhold their free, prior, and informed
7 consent to operations on lands to which they hold
8 legal, communal, or customary rights;

9 (D) explicit policies and processes to prevent
10 violence, intimidation, and coercion of workers and
11 local communities; and

12 (E) formal, open, transparent, and consultative
13 processes to address all complaints and conflicts;

14 (5) measures to be taken to protect biodiversity and
15 prevent the poaching of endangered species in all
16 operations and adjacent areas;

17 (6) measures to be taken to ensure compliance with the
18 laws of countries where forest-risk commodities in a
19 company's supply chain were produced; and

20 (7) measures to deter violence, threats, and
21 harassment against environmental human rights defenders,
22 including respecting internationally recognized human
23 rights standards, and educating employees, contractors,
24 and partners on the rights of EHRDs to express their
25 views, conduct peaceful protests, and criticize practices
26 without intimidation or retaliation.

1 Section 60-7. Stakeholder advisory group. The Director of
2 Central Management Services shall convene a stakeholder
3 advisory group, which shall be consulted on the creation of
4 rules for the implementation of this Act. Members of the
5 advisory group shall be selected by the Director of Central
6 Management Services and shall consist of at least:

7 (1) representatives of current or former contractors
8 dealing in each of the forest-risk commodities, with an
9 emphasis on small and medium-sized businesses;

10 (2) representatives from civil society with relevant
11 expertise in supply chain traceability, forest
12 sustainability, biodiversity, forest carbon dynamics,
13 natural history, climate science, human and labor rights,
14 and indigenous rights; members selected under this
15 paragraph should be of at least equal number to members
16 selected under paragraph (1); and

17 (3) a minimum of 2 additional representatives from
18 indigenous communities residing within forests covered by
19 this Act.

20 The advisory group shall meet virtually. Membership in the
21 group shall be voluntary, and, therefore, members shall
22 receive no salary or compensation for participation.

23 Section 60-8. Violations and sanctions.

24 (a) If it is determined that any contractor contracting

1 with the State knew or should have known that a product that
2 consists, in whole or in part, of a forest-risk commodity was
3 furnished to the State in violation of Sections 60-4, 60-5, or
4 60-6, the contracting State agency shall issue a written
5 notice of violation and provide an opportunity for the
6 contractor to come into compliance with the Act. If, after
7 such notice, a contractor fails to come into compliance with a
8 timeframe established by the Department of Central Management
9 Services after consultation with the advisory group, the
10 contractor may have either one or both of the following
11 sanctions imposed:

12 (1) the contract under which the prohibited
13 forest-risk commodity was furnished may be voided at the
14 option of the State agency to which the commodity was
15 furnished; or

16 (2) the contractor may be assessed a penalty that
17 shall be the greater of \$1,000 or an amount equaling 20% of
18 the value of the product that the State agency
19 demonstrates was comprised, in whole or in part, of a
20 forest-risk commodity and furnished to the State in
21 violation of Sections 60-4, 60-5, or 60-6.

22 A hearing or opportunity to be heard shall be provided
23 prior to the assessment of any penalty.

24 (b) Notwithstanding subsection (a), a contractor that
25 complies with Section 60-5 shall not be subject to sanctions
26 for violations if the contractor had no knowledge of the

1 requirements of Sections 60-4, 60-5, and 60-6, and if the
2 violations were committed solely by a subcontractor. Under
3 this subsection (b), sanctions described under subsection (a)
4 shall instead be imposed against the subcontractor that
5 committed the violation.

6 Section 60-9. Investigation of violations.

7 (a) Any State agency that investigates a complaint against
8 a contractor or subcontractor for violation of this Act may
9 limit its investigation to evaluating the information provided
10 by the person or entity submitting the complaint and the
11 information provided by the contractor or subcontractor.

12 (b) Whenever a contracting officer of the contracting
13 State agency has reason to believe that the contractor failed
14 to comply with Sections 60-4, 60-5, or 60-6, the State Agency
15 shall refer the matter for investigation to the head of the
16 State agency and, as the head of the State agency determines
17 appropriate, to the Office of the Attorney General, in
18 consultation with the stakeholder advisory group established
19 under Section 60-7.

20 Section 60-10. Preference for Illinois State products.

21 (a) When a State's agency's contract for the purchase of a
22 commodity or product covered by this Act is to be awarded to
23 the lowest responsible bidder, an otherwise qualified bidder
24 who is a small business, medium-sized business, minority-owned

1 business, women-owned business, or who will fulfill the
2 contract through the use of Illinois State products may be
3 given preference over other bidders, as long as (i) the
4 product does not contribute to deforestation or forest
5 degradation and (ii) the cost included in the bid is not more
6 than 10% greater than the cost included in a bid that is not
7 from a small business, medium-sized business, minority-owned
8 business, women-owned business, or fulfilled through the use
9 of Illinois State products.

10 (b) This Section shall not apply if the head of the
11 contracting State agency purchasing the products determines
12 that giving preference to bidders under this Section:

13 (1) would be against the public interest;

14 (2) would increase the cost of the contract by an
15 unreasonable amount; or

16 (3) would be impracticable because Illinois State
17 products cannot be obtained in sufficient and reasonable
18 available quantities and of satisfactory quality to meet
19 the contracting State agency's requirements.

20 (c) Nothing in this Section shall be construed to conflict
21 with or otherwise limit the goals and requirements set forth
22 by Article 45 of the Illinois Procurement Code and the
23 Business Enterprise for Minorities, Women, and Persons with
24 Disabilities Act.

25 Section 60-11. Rules.

1 (a) The Department of Central Management Services shall
2 facilitate a rule-making process outlined below and issue
3 rules for the implementation of this Act to be completed on or
4 before July 1, 2026. The rules shall be developed in
5 consultation with the stakeholder advisory group established
6 under Section 60-7. The rules shall include, but shall not be
7 limited to, all of the following:

8 (1) Rules establishing a list of forest-risk
9 commodities that are subject to the requirements of this
10 Act, including, but not limited to, beef, cocoa, coffee,
11 leather, palm oil, rubber, soy, and wood and paper
12 products, referring to any product derived from wood,
13 including lumber, pulp, paper, fuel wood, particle board,
14 and cardboard; the list shall be reviewed and updated at
15 least every 4 years by the Department of Central
16 Management Services in consultation with the stakeholder
17 advisory group established under 60-7. When evaluating
18 inclusion of additional commodities in the list, the
19 Director of Central Management Services and the
20 stakeholder advisory group shall consider the impact of
21 the commodity as a driver of deforestation or forest
22 degradation, the state of existing supply chain
23 transparency and traceability systems for the commodity
24 across all the regions from which it is sourced, and the
25 feasibility of including the commodity in the requirements
26 of Section 60-4. The first issuance of rules on or before

1 July 1, 2026, shall include, but not be limited to, the
2 additional evaluation of bananas; corn; mining products,
3 including bauxite, coal, copper, diamonds, gold, iron,
4 manganese, nickel, petroleum, and tin; and other
5 cattle-derived products. Following review of the list of
6 forest-risk commodities, the Director of Central
7 Management Services shall issue a report to the Governor
8 and the General Assembly outlining the reasons for the
9 inclusion or non-inclusion of any reviewed commodities.

10 (2) Rules establishing a list of products derived, in
11 whole or in part, from forest-risk commodities.

12 (3) Rules establishing a list of products furnished to
13 the State or used by State contractors in high-volume
14 purchases that contain or are comprised in whole or in
15 part of forest-risk commodities.

16 (4) Rules establishing a set of responsible sourcing
17 guidelines and policies derived from best practices in
18 supply chain transparency to the point-of-origin.

19 (5) Rules establishing guidance to assist contractors
20 in identifying forest-risk commodities in their supply
21 chain, performing necessary due diligence to meet the
22 requirements of this Act, and certifying that the
23 commodity did not contribute to deforestation or forest
24 degradation.

25 (6) Rules establishing the full set of requirements
26 for a large contractor's forest policy under Section 60-6.

1 (7) Rules establishing the process through which
2 contractors shall certify to the Department of Central
3 Management Services that they are in compliance with
4 Sections 60-4, 60-5, and 60-6.

5 (8) Rules establishing a process to ensure that
6 details of certified contracts are made available for
7 public inspection of the website of the Department of
8 Central Management Services.

9 (9) Rules establishing an easily accessible system
10 through which members of the public may make complaints
11 and submit information regarding violations of this Act.

12 (10) Rules establishing an information-sharing system
13 between State Agencies purchasing products subject to the
14 regulations under this Act and the Department of Central
15 Management Services regarding contracts involving
16 purchases of hardwoods and forest-risk commodities after
17 the effective date of this Act.

18 (11) Rules establishing any information-sharing
19 systems with external partners implementing regulations
20 comparable to this Act.

21 (b) The Director of Central Management Services may
22 establish a voluntary certification process for current or
23 aspiring contractors to be recognized as supplying
24 deforestation-free products as a part of the rulemaking
25 process if the Director of Central Management Services, in
26 consultation with the stakeholder advisory group established

1 under Section 60-7, deems it would be advantageous to the
2 ongoing implementation of this Act. If the Director of Central
3 Management Services, in consultation with the stakeholder
4 advisory group established under Section 60-7, deems it would
5 be advantageous to establish a voluntary certification process
6 for current or aspiring contractors to be recognized as
7 supplying deforestation-free products, certification shall
8 include the following purchase restrictions:

9 (1) that the certification requirements set forth in
10 this Act shall not apply to a purchase of goods of \$2,500
11 or less; and

12 (2) that the total amount of goods exempted under
13 paragraph (1) shall not exceed \$7,500 per year for each
14 contractor from which a State agency is purchasing goods.
15 It shall be the responsibility of each State agency to
16 monitor the use of this exemption and adhere to these
17 restrictions on these purchases.

18 Section 60-12. Assessment.

19 (a) At any time after issuance of rules as described in
20 Section 60-11, but no less frequently than every 6 months
21 thereafter, the Director of Central Management Services shall
22 submit to the General Assembly the details of all contracts
23 certified under this Act. The Director of Central Management
24 Services shall assess the compliance of all or a
25 representative subject of all contracts with the requirements

1 of this Act. Following such assessment, and subject to the
2 approval by a majority of members, the General Assembly may:

3 (1) make recommendations to the Director of Central
4 Management Services regarding changes to the rules
5 implementing this Act; or

6 (2) make recommendations to the Director of Central
7 Management Services, the Office of the Attorney General,
8 the Office of the State Comptroller, or a contracting
9 State agency regarding deficiencies in contract
10 certifications, violations of this Act, or enforcement
11 actions.

12 (b) All work products produced under Section 60-4 shall be
13 made available to the public on the website of the Department
14 of Central Management Services.

15 Section 60-13. The supply chain transparency assistance
16 program.

17 (a) As used in this Section, "eligible business" means a
18 small business, medium-sized business, minority-owned
19 business, or woman-owned business seeking to comply with the
20 requirements of this Act.

21 (b) In partnership with the Department of Central
22 Management Services, the stakeholder advisory group
23 established under Section 60-7 of this Act is hereby
24 authorized and directed, within one year after the effective
25 date of this Act, to establish, develop, and issue, within

1 available appropriations, a supply chain transparency
2 assistance program to assist small businesses, medium-sized
3 businesses, and minority-owned and women-owned businesses in
4 achieving supply chains that comply with the requirements of
5 this Act.

6 (c) The purpose of the program developed under this
7 Section is to compile and share resources that:

8 (1) help participating eligible businesses with
9 compliance with supply chain related regulations,
10 procurement standards, or contracting requirements
11 established under this Act; and

12 (2) identify funding streams, grant moneys, financial
13 assistance and other resources that may be available to
14 help participating eligible businesses achieve
15 transparent, traceable, ethical, and sustainable supply
16 chains as it pertains to this Act.

17 (d) The Department of Central Management Services is
18 responsible for publishing the resources compiled by the
19 stakeholder advisory group and facilitating communications
20 between eligible businesses and the stakeholder advisory
21 group.

22 Section 60-14. Report. Beginning 2 years after the
23 effective date of this Act and biennially thereafter, the
24 Director of Central Management Services shall issue a report
25 to the State Procurement Task Force, the Governor, and the

1 General Assembly on the implementation of this Act.

2 Section 60-15. Applicability.

3 (a) This Act shall apply to all contracts entered into,
4 extended, or renewed on or after issuance of rules as
5 described in Section 60-11.

6 (b) If the Governor or the Director of the Department of
7 Public Health has issued a disaster declaration because of a
8 disaster as defined in Section 4 of the Illinois Emergency
9 Management Act and compliance with all the terms of this Act
10 would be impracticable because critical commodities cannot be
11 obtained in sufficient and reasonable available quantities and
12 of satisfactory quality to meet the contracting State agency's
13 requirements, then the comprehensive requirements of this Act
14 shall be suspended for a period of 60 days beginning the day
15 the disaster declaration, in accordance with which critical
16 commodities regulated by this Act cannot be obtained in
17 sufficient and reasonable available quantities and of
18 satisfactory quality to meet the contracting State agency's
19 requirements.

20 (b) Ongoing suspension of the comprehensive requirements
21 of this Act for terms beyond the initial 60 days must be
22 formally renewed by the Department of Central Management
23 Services and

24 (1) must be dependent upon the existence of an ongoing
25 disaster declaration as defined in Section 4 of the

1 Illinois Emergency Management Act, and
2 (2) a reality where compliance with all of the terms
3 of this Act would be impracticable because critical
4 commodities cannot be obtained in sufficient and
5 reasonable available quantities and of satisfactory
6 quality to meet the contracting State agency's
7 requirements.

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