



Rep. Justin Slaughter

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10400HB3574ham001

LRB104 03868 HLH 25037 a

1 AMENDMENT TO HOUSE BILL 3574

2 AMENDMENT NO. _____. Amend House Bill 3574 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Procurement Code is amended by
5 adding Section 45-115 as follows:

6 (30 ILCS 500/45-115 new)

7 Sec. 45-115. State data residency credit.

8 (a) As used in this Section:

9 "Earned credit" means the amount of the bid preference
10 allocated to a vendor upon completion of a contract described
11 in this Section with respect to which the vendor met the data
12 residency requirement under this Section during the
13 performance of the contract.

14 "Qualified area" means an opportunity zone designated by
15 the Department of Commerce and Economic Opportunity.

16 "State data" means the final version of information that:

1 (1) is presented in alphanumeric form in a list, table, graph,
2 chart, or other non-narrative form; (2) can be digitally
3 stored and retrieved; (3) is created or maintained by or on
4 behalf of a State agency; (4) is controlled by the State
5 agency; and (5) is related to the mission of the State agency.

6 "State data" does not include information that is: (1)
7 provided to a State agency by another entity; (2) created or
8 maintained by or on behalf of a State or federal public safety
9 official operating in that person's official capacity outside
10 of the United States; (3) subject to one or more international
11 exchange agreements for the exchange of criminal justice
12 information with one or more foreign government agencies; or
13 (4) created or maintained for the purpose of backup or
14 recovery.

15 "Telecommunications service" means the provision of voice
16 and data communications services, regardless of the format or
17 mode of delivery, including communications services delivered
18 over cable, Internet Protocol, wireless, fiber optic cable, or
19 other transmission mechanisms, as well as arrangements for
20 network interconnection, transport, messaging, routing, or
21 international voice, text, and data roaming.

22 (b) Unless otherwise authorized by the chief procurement
23 officer of the applicable State agency, any contract
24 advertised and entered into by the State on or after the
25 effective date of this amendatory Act of the 104th General
26 Assembly that provides for the storage of any State data shall

1 include a requirement that the State data must be processed,
2 stored, and disposed of within the territory of the United
3 States.

4 (c) If, as part of the closeout procedure for a contract
5 described in subsection (b), a State agency certifies to the
6 applicable chief procurement officer that the State data
7 covered by the contract has not been processed, stored, or
8 disposed of outside of the State of Illinois during the term of
9 the contract, then the chief procurement officer shall issue
10 to the contractor an earned credit certificate that evidences
11 the amount of the earned credit allocated to the contractor.
12 The amount of the credit shall be as described in subsection
13 (d). To receive the earned credit certificate, the contractor
14 shall maintain accurate and detailed records necessary to
15 monitor compliance with this Section and shall submit to the
16 chief procurement officer, the State Purchasing Officer, or
17 the contracting State agency any reports required by the chief
18 procurement officer, State Purchasing Officer, or contracting
19 State agency. Vendors that are subject to the provisions of
20 this Section shall allow the chief procurement officer, State
21 Purchasing Officer, contracting State agency, or any designee
22 of the chief procurement officer, State Purchasing Officer, or
23 contracting State agency, to have full access to the records
24 described in this subsection. The contractor shall maintain
25 all relevant records for at least 3 years after the contract is
26 completed.

1 (d) Unless otherwise prohibited by federal or State law,
2 if, during the entire term of the contract, the State data was
3 stored within the State of Illinois but outside of any
4 qualified area, then the amount of the earned credit shall be
5 2% of the contract's value for storage of the State data and
6 (ii) if, during the entire term of the contract, the State data
7 was stored within the State of Illinois and all or part of the
8 State data was stored within a qualified area, then the amount
9 of the earned credit shall be 4% of the contract's value for
10 storage of the State data.

11 (e) A vendor may apply its earned credit as the bid
12 preference for any future contract bid of equal or greater
13 dollar value relative to the contract for which the credit was
14 awarded. The credit certificate earned is valid for 3 years
15 from the date of issuance and shall not be applied to any
16 future contract bid after the expiration of that period.

17 (f) Subsections (b), (c), (d), and (e) of this Section do
18 not apply to contracts that are primarily for the provision of
19 telecommunications services. A contract is considered to be
20 primarily for the provision of telecommunications services if
21 50% or more of the contract's value comes from the provision of
22 telecommunications services.

23 (g) Any procurement that uses a request for proposals and
24 is issued for a data center to host State data shall include a
25 provision that, if the data center is hosted within the State,
26 then the proposal shall be awarded additional points equal to

1 10% of the total available points. If the data center is
2 located in a qualified area, then, in addition to the points
3 awarded under this subsection (g) for hosting within the
4 State, the proposal shall be awarded an additional 10% of the
5 total available points.

6 (h) Each chief procurement officer may adopt rules for the
7 proper administration and enforcement of this Section,
8 including, but not limited to, rules concerning eligibility
9 for data centers to receive the additional points under
10 subsection (g)."