

SB2877



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2877

Introduced 1/16/2026, by Sen. Steve McClure

SYNOPSIS AS INTRODUCED:

30 ILCS 500/1-10

Amends the Illinois Procurement Code. Provides that the Code does not apply to procurements made in connection with Lincoln's New Salem State Historic Site.

LRB104 18604 HLH 32047 b

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The Illinois Procurement Code is amended by
5 changing Section 1-10 as follows:

6 (30 ILCS 500/1-10)

7 Sec. 1-10. Application.

8 (a) This Code applies only to procurements for which
9 bidders, offerors, potential contractors, or contractors were
10 first solicited on or after July 1, 1998. This Code shall not
11 be construed to affect or impair any contract, or any
12 provision of a contract, entered into based on a solicitation
13 prior to the implementation date of this Code as described in
14 Article 99, including, but not limited to, any covenant
15 entered into with respect to any revenue bonds or similar
16 instruments. All procurements for which contracts are
17 solicited between the effective date of Articles 50 and 99 and
18 July 1, 1998 shall be substantially in accordance with this
19 Code and its intent.

20 (b) This Code shall apply regardless of the source of the
21 funds with which the contracts are paid, including federal
22 assistance moneys. This Code shall not apply to:

23 (1) Contracts between the State and its political

1 subdivisions or other governments, or between State
2 governmental bodies, except as specifically provided in
3 this Code.

4 (2) Grants, except for the filing requirements of
5 Section 20-80.

6 (3) Purchase of care, except as provided in Section
7 5-30.6 of the Illinois Public Aid Code and this Section.

8 (4) Hiring of an individual as an employee and not as
9 an independent contractor, whether pursuant to an
10 employment code or policy or by contract directly with
11 that individual.

12 (5) Collective bargaining contracts.

13 (6) Purchase of real estate, except that notice of
14 this type of contract with a value of more than \$25,000
15 must be published in the Procurement Bulletin within 10
16 calendar days after the deed is recorded in the county of
17 jurisdiction. The notice shall identify the real estate
18 purchased, the names of all parties to the contract, the
19 value of the contract, and the effective date of the
20 contract.

21 (7) Contracts necessary to prepare for anticipated
22 litigation, enforcement actions, or investigations,
23 provided that the chief legal counsel to the Governor
24 shall give his or her prior approval when the procuring
25 agency is one subject to the jurisdiction of the Governor,
26 and provided that the chief legal counsel of any other

1 procuring entity subject to this Code shall give his or
2 her prior approval when the procuring entity is not one
3 subject to the jurisdiction of the Governor.

4 (8) (Blank).

5 (9) Procurement expenditures by the Illinois
6 Conservation Foundation when only private funds are used.

7 (10) (Blank).

8 (11) Public-private agreements entered into according
9 to the procurement requirements of Section 20 of the
10 Public-Private Partnerships for Transportation Act and
11 design-build agreements entered into according to the
12 procurement requirements of Section 25 of the
13 Public-Private Partnerships for Transportation Act.

14 (12) (A) Contracts for legal, financial, and other
15 professional and artistic services entered into by the
16 Illinois Finance Authority in which the State of Illinois
17 is not obligated. Such contracts shall be awarded through
18 a competitive process authorized by the members of the
19 Illinois Finance Authority and are subject to Sections
20 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code,
21 as well as the final approval by the members of the
22 Illinois Finance Authority of the terms of the contract.

23 (B) Contracts for legal and financial services entered
24 into by the Illinois Housing Development Authority in
25 connection with the issuance of bonds in which the State
26 of Illinois is not obligated. Such contracts shall be

1 awarded through a competitive process authorized by the
2 members of the Illinois Housing Development Authority and
3 are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35,
4 and 50-37 of this Code, as well as the final approval by
5 the members of the Illinois Housing Development Authority
6 of the terms of the contract.

7 (13) Contracts for services, commodities, and
8 equipment to support the delivery of timely forensic
9 science services in consultation with and subject to the
10 approval of the Chief Procurement Officer as provided in
11 subsection (d) of Section 5-4-3a of the Unified Code of
12 Corrections, except for the requirements of Sections
13 20-60, 20-65, 20-70, and 20-160 and Article 50 of this
14 Code; however, the Chief Procurement Officer may, in
15 writing with justification, waive any certification
16 required under Article 50 of this Code. For any contracts
17 for services which are currently provided by members of a
18 collective bargaining agreement, the applicable terms of
19 the collective bargaining agreement concerning
20 subcontracting shall be followed.

21 On and after January 1, 2019, this paragraph (13),
22 except for this sentence, is inoperative.

23 (14) Contracts for participation expenditures required
24 by a domestic or international trade show or exhibition of
25 an exhibitor, member, or sponsor.

26 (15) Contracts with a railroad or utility that

1 requires the State to reimburse the railroad or utilities
2 for the relocation of utilities for construction or other
3 public purpose. Contracts included within this paragraph
4 (15) shall include, but not be limited to, those
5 associated with: relocations, crossings, installations,
6 and maintenance. For the purposes of this paragraph (15),
7 "railroad" means any form of non-highway ground
8 transportation that runs on rails or electromagnetic
9 guideways and "utility" means: (1) public utilities as
10 defined in Section 3-105 of the Public Utilities Act, (2)
11 telecommunications carriers as defined in Section 13-202
12 of the Public Utilities Act, (3) electric cooperatives as
13 defined in Section 3.4 of the Electric Supplier Act, (4)
14 telephone or telecommunications cooperatives as defined in
15 Section 13-212 of the Public Utilities Act, (5) rural
16 water or waste water systems with 10,000 connections or
17 less, (6) a holder as defined in Section 21-201 of the
18 Public Utilities Act, and (7) municipalities owning or
19 operating utility systems consisting of public utilities
20 as that term is defined in Section 11-117-2 of the
21 Illinois Municipal Code.

22 (16) Procurement expenditures necessary for the
23 Department of Public Health to provide the delivery of
24 timely newborn screening services in accordance with the
25 Newborn Metabolic Screening Act.

26 (17) Procurement expenditures necessary for the

1 Department of Agriculture, the Department of Financial and
2 Professional Regulation, the Department of Human Services,
3 and the Department of Public Health to implement the
4 Compassionate Use of Medical Cannabis Program and Opioid
5 Alternative Pilot Program requirements and ensure access
6 to medical cannabis for patients with debilitating medical
7 conditions in accordance with the Compassionate Use of
8 Medical Cannabis Program Act.

9 (18) This Code does not apply to any procurements
10 necessary for the Department of Agriculture, the
11 Department of Financial and Professional Regulation, the
12 Department of Human Services, the Department of Commerce
13 and Economic Opportunity, and the Department of Public
14 Health to implement the Cannabis Regulation and Tax Act if
15 the applicable agency has made a good faith determination
16 that it is necessary and appropriate for the expenditure
17 to fall within this exemption and if the process is
18 conducted in a manner substantially in accordance with the
19 requirements of Sections 20-160, 25-60, 30-22, 50-5,
20 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35,
21 50-36, 50-37, 50-38, and 50-50 of this Code; however, for
22 Section 50-35, compliance applies only to contracts or
23 subcontracts over \$100,000. Notice of each contract
24 entered into under this paragraph (18) that is related to
25 the procurement of goods and services identified in
26 paragraph (1) through (9) of this subsection shall be

1 published in the Procurement Bulletin within 14 calendar
2 days after contract execution. The Chief Procurement
3 Officer shall prescribe the form and content of the
4 notice. Each agency shall provide the Chief Procurement
5 Officer, on a monthly basis, in the form and content
6 prescribed by the Chief Procurement Officer, a report of
7 contracts that are related to the procurement of goods and
8 services identified in this subsection. At a minimum, this
9 report shall include the name of the contractor, a
10 description of the supply or service provided, the total
11 amount of the contract, the term of the contract, and the
12 exception to this Code utilized. A copy of any or all of
13 these contracts shall be made available to the Chief
14 Procurement Officer immediately upon request. The Chief
15 Procurement Officer shall submit a report to the Governor
16 and General Assembly no later than November 1 of each year
17 that includes, at a minimum, an annual summary of the
18 monthly information reported to the Chief Procurement
19 Officer. This exemption becomes inoperative 5 years after
20 June 25, 2019 (the effective date of Public Act 101-27).

21 (19) Acquisition of modifications or adjustments,
22 limited to assistive technology devices and assistive
23 technology services, adaptive equipment, repairs, and
24 replacement parts to provide reasonable accommodations (i)
25 that enable a qualified applicant with a disability to
26 complete the job application process and be considered for

1 the position such qualified applicant desires, (ii) that
2 modify or adjust the work environment to enable a
3 qualified current employee with a disability to perform
4 the essential functions of the position held by that
5 employee, (iii) to enable a qualified current employee
6 with a disability to enjoy equal benefits and privileges
7 of employment as are enjoyed by other similarly situated
8 employees without disabilities, and (iv) that allow a
9 customer, client, claimant, or member of the public
10 seeking State services full use and enjoyment of and
11 access to its programs, services, or benefits.

12 For purposes of this paragraph (19):

13 "Assistive technology devices" means any item, piece
14 of equipment, or product system, whether acquired
15 commercially off the shelf, modified, or customized, that
16 is used to increase, maintain, or improve functional
17 capabilities of individuals with disabilities.

18 "Assistive technology services" means any service that
19 directly assists an individual with a disability in
20 selection, acquisition, or use of an assistive technology
21 device.

22 "Qualified" has the same meaning and use as provided
23 under the federal Americans with Disabilities Act when
24 describing an individual with a disability.

25 (20) Procurement expenditures necessary for the
26 Illinois Commerce Commission to hire third-party

1 facilitators pursuant to Sections 16-105.17 and 16-108.18
2 of the Public Utilities Act or an ombudsman pursuant to
3 Section 16-107.5 of the Public Utilities Act, a
4 facilitator pursuant to Section 16-105.17 of the Public
5 Utilities Act, or a grid auditor pursuant to Section
6 16-105.10 of the Public Utilities Act.

7 (21) Procurement expenditures for the purchase,
8 renewal, and expansion of software, software licenses, or
9 software maintenance agreements that support the efforts
10 of the Illinois State Police to enforce, regulate, and
11 administer the Firearm Owners Identification Card Act, the
12 Firearm Concealed Carry Act, the Firearms Restraining
13 Order Act, the Firearm Dealer License Certification Act,
14 the Law Enforcement Agencies Data System (LEADS), the
15 Uniform Crime Reporting Act, the Criminal Identification
16 Act, the Illinois Uniform Conviction Information Act, and
17 the Gun Trafficking Information Act, or establish or
18 maintain record management systems necessary to conduct
19 human trafficking investigations or gun trafficking or
20 other stolen firearm investigations. This paragraph (21)
21 applies to contracts entered into on or after January 10,
22 2023 (the effective date of Public Act 102-1116) and the
23 renewal of contracts that are in effect on January 10,
24 2023 (the effective date of Public Act 102-1116).

25 (22) Contracts for project management services and
26 system integration services required for the completion of

1 the State's enterprise resource planning project. This
2 exemption becomes inoperative 5 years after June 7, 2023
3 (the effective date of the changes made to this Section by
4 Public Act 103-8). This paragraph (22) applies to
5 contracts entered into on or after June 7, 2023 (the
6 effective date of the changes made to this Section by
7 Public Act 103-8) and the renewal of contracts that are in
8 effect on June 7, 2023 (the effective date of the changes
9 made to this Section by Public Act 103-8).

10 (23) Procurements necessary for the Department of
11 Insurance to implement the Illinois Health Benefits
12 Exchange Law if the Department of Insurance has made a
13 good faith determination that it is necessary and
14 appropriate for the expenditure to fall within this
15 exemption. The procurement process shall be conducted in a
16 manner substantially in accordance with the requirements
17 of Sections 20-160 and 25-60 and Article 50 of this Code. A
18 copy of these contracts shall be made available to the
19 Chief Procurement Officer immediately upon request. This
20 paragraph is inoperative 5 years after June 27, 2023 (the
21 effective date of Public Act 103-103).

22 (24) Contracts for public education programming,
23 noncommercial sustaining announcements, public service
24 announcements, and public awareness and education
25 messaging with the nonprofit trade associations of the
26 providers of those services that inform the public on

1 immediate and ongoing health and safety risks and hazards.

2 (25) Procurements necessary for the Department of
3 Early Childhood to implement the Department of Early
4 Childhood Act if the Department has made a good faith
5 determination that it is necessary and appropriate for the
6 expenditure to fall within this exemption. This exemption
7 shall only be used for products and services procured
8 solely for use by the Department of Early Childhood. The
9 procurements may include those necessary to design and
10 build integrated, operational systems of programs and
11 services. The procurements may include, but are not
12 limited to, those necessary to align and update program
13 standards, integrate funding systems, design and establish
14 data and reporting systems, align and update models for
15 technical assistance and professional development, design
16 systems to manage grants and ensure compliance, design and
17 implement management and operational structures, and
18 establish new means of engaging with families, educators,
19 providers, and stakeholders. The procurement processes
20 shall be conducted in a manner substantially in accordance
21 with the requirements of Article 50 (ethics) and Sections
22 5-5 (Procurement Policy Board), 5-7 (Commission on Equity
23 and Inclusion), 20-80 (contract files), 20-120
24 (subcontractors), 20-155 (paperwork), 20-160
25 (ethics/campaign contribution prohibitions), 25-60
26 (prevailing wage), and 25-90 (prohibited and authorized

1 cybersecurity) of this Code. Beginning January 1, 2025,
2 the Department of Early Childhood shall provide a
3 quarterly report to the General Assembly detailing a list
4 of expenditures and contracts for which the Department
5 uses this exemption. This paragraph is inoperative on and
6 after July 1, 2027.

7 (26) Procurements that are necessary for increasing
8 the recruitment and retention of State employees,
9 particularly minority candidates for employment,
10 including:

11 (A) procurements related to registration fees for
12 job fairs and other outreach and recruitment events;

13 (B) production of recruitment materials; and

14 (C) other services related to recruitment and
15 retention of State employees.

16 The exemption under this paragraph (26) applies only
17 if the State agency has made a good faith determination
18 that it is necessary and appropriate for the expenditure
19 to fall within this paragraph (26). The procurement
20 process under this paragraph (26) shall be conducted in a
21 manner substantially in accordance with the requirements
22 of Sections 20-160 and 25-60 and Article 50 of this Code. A
23 copy of these contracts shall be made available to the
24 Chief Procurement Officer immediately upon request.
25 Nothing in this paragraph (26) authorizes the replacement
26 or diminishment of State responsibilities in hiring or the

1 positions that effectuate that hiring. This paragraph (26)
2 is inoperative on and after June 30, 2029.

3 (27) Procurements necessary for the Department of
4 Healthcare and Family Services to implement changes to the
5 State's Integrated Eligibility System to ensure the
6 system's compliance with federal implementation mandates
7 and deadlines, if the Department of Healthcare and Family
8 Services has made a good faith determination that it is
9 necessary and appropriate for the procurement to fall
10 within this exemption.

11 (28) Procurements made in connection with Lincoln's
12 New Salem State Historic Site.

13 Notwithstanding any other provision of law, for contracts
14 with an annual value of more than \$100,000 entered into on or
15 after October 1, 2017 under an exemption provided in any
16 paragraph of this subsection (b), except paragraph (1), (2),
17 or (5), each State agency shall post to the appropriate
18 procurement bulletin the name of the contractor, a description
19 of the supply or service provided, the total amount of the
20 contract, the term of the contract, and the exception to the
21 Code utilized. The chief procurement officer shall submit a
22 report to the Governor and General Assembly no later than
23 November 1 of each year that shall include, at a minimum, an
24 annual summary of the monthly information reported to the
25 chief procurement officer.

26 (c) This Code does not apply to the electric power

1 procurement process provided for under Section 1-75 of the
2 Illinois Power Agency Act and Section 16-111.5 of the Public
3 Utilities Act. This Code does not apply to the procurement of
4 technical and policy experts pursuant to Section 1-129 of the
5 Illinois Power Agency Act.

6 (d) Except for Section 20-160 and Article 50 of this Code,
7 and as expressly required by Section 9.1 of the Illinois
8 Lottery Law, the provisions of this Code do not apply to the
9 procurement process provided for under Section 9.1 of the
10 Illinois Lottery Law.

11 (e) This Code does not apply to the process used by the
12 Capital Development Board to retain a person or entity to
13 assist the Capital Development Board with its duties related
14 to the determination of costs of a clean coal SNG brownfield
15 facility, as defined by Section 1-10 of the Illinois Power
16 Agency Act, as required in subsection (h-3) of Section 9-220
17 of the Public Utilities Act, including calculating the range
18 of capital costs, the range of operating and maintenance
19 costs, or the sequestration costs or monitoring the
20 construction of clean coal SNG brownfield facility for the
21 full duration of construction.

22 (f) (Blank).

23 (g) (Blank).

24 (h) This Code does not apply to the process to procure or
25 contracts entered into in accordance with Sections 11-5.2 and
26 11-5.3 of the Illinois Public Aid Code.

1 (i) Each chief procurement officer may access records
2 necessary to review whether a contract, purchase, or other
3 expenditure is or is not subject to the provisions of this
4 Code, unless such records would be subject to attorney-client
5 privilege.

6 (j) This Code does not apply to the process used by the
7 Capital Development Board to retain an artist or work or works
8 of art as required in Section 14 of the Capital Development
9 Board Act.

10 (k) This Code does not apply to the process to procure
11 contracts, or contracts entered into, by the State Board of
12 Elections or the State Electoral Board for hearing officers
13 appointed pursuant to the Election Code.

14 (l) This Code does not apply to the processes used by the
15 Illinois Student Assistance Commission to procure supplies and
16 services paid for from the private funds of the Illinois
17 Prepaid Tuition Fund. As used in this subsection (l), "private
18 funds" means funds derived from deposits paid into the
19 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

20 (m) This Code shall apply regardless of the source of
21 funds with which contracts are paid, including federal
22 assistance moneys. Except as specifically provided in this
23 Code, this Code shall not apply to procurement expenditures
24 necessary for the Department of Public Health to conduct the
25 Healthy Illinois Survey in accordance with Section 2310-431 of
26 the Department of Public Health Powers and Duties Law of the

1 Civil Administrative Code of Illinois.

2 (Source: P.A. 103-8, eff. 6-7-23; 103-103, eff. 6-27-23;
3 103-570, eff. 1-1-24; 103-580, eff. 12-8-23; 103-594, eff.
4 6-25-24; 103-605, eff. 7-1-24; 103-865, eff. 1-1-25; 104-2,
5 eff. 6-16-25; 104-417, eff. 8-15-25)