



Sen. Rachel Ventura

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1 AMENDMENT TO SENATE BILL 3518

2 AMENDMENT NO. _____. Amend Senate Bill 3518 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Procurement Code is amended by
5 adding Article 54 as follows:

6 (30 ILCS 500/Art. 54 heading new)

7 ARTICLE 54. DEFORESTATION-FREE ILLINOIS LAW

8 (30 ILCS 500/54-1 new)

9 Sec. 54-1. Short title. This Article 54 may be cited as the
10 Deforestation-Free Illinois Law.

11 (30 ILCS 500/54-2 new)

12 Sec. 54-2. Legislative findings.

13 (a) The General Assembly finds and declares the following:

14 (1) According to the Food and Agriculture Organization

1 of the United Nations, 31% of land on earth is covered in
2 forests, but that area is rapidly decreasing. An estimated
3 1,600,000 square miles of forest have been converted to
4 other land uses since 1990, with 42,500 square miles
5 converted annually since 2010.

6 (2) Studies show that preventing deforestation is
7 among the most cost-effective climate mitigation
8 strategies with large global mitigation benefits.
9 Preventing deforestation is also one of the few large
10 mitigation options that does not risk trade-offs to
11 solving other challenges. On the contrary, it provides
12 co-benefits, such as enhanced health, clean water, and
13 sanitation.

14 (3) Cost-effective greenhouse gas emission mitigation
15 from forests and land use can provide roughly one-third of
16 the mitigation required by 2030 to hold the increase in
17 the global average temperature to below 2 degrees Celsius
18 above preindustrial levels. Studies also suggest that
19 protecting existing forests and allowing them to mature
20 could potentially store 151.7 gigatons of carbon or about
21 a quarter of the excess carbon emissions since
22 industrialization.

23 (4) Deforestation and forest degradation generate
24 between 4.3 and 5.5 gigatons of carbon dioxide equivalent
25 emissions annually. This amount is between 7% and 10% of
26 all carbon dioxide equivalent emissions from all sources

1 globally. Emissions associated with deforestation and
2 forest degradation contribute most of the 13% of total
3 anthropogenic carbon dioxide emissions attributed to
4 agriculture.

5 (5) The Intergovernmental Science-Policy Platform on
6 Biodiversity and Ecosystem Services found, in 2019, that
7 (i) the rate of global species extinction is accelerating
8 and is now tens to hundreds of times higher than the
9 average rate over the last 10,000,000 years, threatening
10 the loss of 1,000,000 species, and (ii) rampant land-use
11 change has an overwhelming relative impact on terrestrial
12 ecosystems.

13 (6) Most forest destruction is caused by a few
14 high-risk commodities, including, but not limited to,
15 cocoa, coffee, soy, palm oil, paper, rubber, and foreign
16 cattle products.

17 (b) The State should endeavor to use and purchase products
18 from supply chains that do not contribute to deforestation,
19 forest degradation, and interrelated human rights abuses.

20 (30 ILCS 500/54-3 new)

21 Sec. 54-3. Definitions. As used in this Article:

22 "Contractor" means any person or entity that receives
23 grant moneys from the State or has a contract with a State
24 agency for any of the following:

25 (1) public works or improvements;

1 (2) a franchise, concession, or lease of property; or
2 (3) goods and services or supplies to be purchased at
3 the expense of the State agency or to be paid for out of
4 moneys deposited into the State treasury or out of trust
5 fund moneys that are under the control of or collected by
6 the State agency.

7 "Deforestation" means direct, human-induced conversion of
8 forest to a tree plantation or other agricultural or
9 non-forest land use.

10 "Foreign beef" means beef that does not qualify for the
11 voluntary "Product of U.S.A." label under rules adopted by the
12 Food Safety and Inspection Service of the U.S. Department of
13 Agriculture.

14 "Forest degradation" means changes to forest structure
15 that result from human intervention and negatively impact
16 species composition or natural ecological functions, as
17 indicated by factors, including reductions in carbon storage
18 and other ecosystem services, abundance of native species, or
19 distribution of trees by age class.

20 "Forest-risk commodity" means:

21 (1) any commodity, including any agricultural or
22 nonagricultural commodity, whether in raw or processed
23 form, that is commonly extracted from or grown, derived,
24 harvested, reared, or produced on land where deforestation
25 or primary forest or old-growth forest degradation has
26 occurred or is likely to occur; or

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

3 "Forest-risk commodity" includes: cocoa, foreign beef, and
4 any other commodity identified as a forest-risk commodity by
5 the State Procurement Task Force in consultation with the
6 Director of Central Management Services in accordance with
7 Section 54-13. "Forest-risk commodity" does not include (i)
8 primary, secondary, or tertiary packaging used for the purpose
9 of containment, protection, handling, delivery, transport,
10 distribution, or presentation of a covered product or (ii) a
11 product made entirely from recycled or reused material,
12 including recovered fiber. For any product made partially from
13 recovered or reused material, the contractor must confirm only
14 that the components that were not derived from recycled or
15 reused materials were not extracted from, grown, derived,
16 harvested, reared, or produced on land where deforestation or
17 primary forest or old-growth forest degradation occurred upon
18 the issuance of rules as described in Section 54-13.

19 "Free, prior, and informed consent" means an authorization
20 that embodies the principle that a community has the right to
21 give or withhold its approval of a proposed development that
22 may affect the land and waters it legally or customarily owns,
23 occupies, or otherwise uses, as described in the United
24 Nations Declaration on the Rights of Indigenous Peoples, the
25 Indigenous and Tribal Peoples Convention of 1989, and other
26 international instruments. "Free, prior, and informed consent"

1 includes informed, noncoercive negotiations between investors,
2 companies, or governments and indigenous peoples prior to
3 project development, and the formalized ability for impacted
4 indigenous peoples to say no if projects do not meet their
5 needs and, where the risk of harm to indigenous peoples'
6 rights is significant, projects should not proceed without the
7 affected people's consent.

8 "Illinois State product" means:

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

11 (2) a product that is processed inside or outside of
12 this State and is composed of over 51%, by weight or
13 volume, raw materials that are grown, harvested, or
14 produced in this State.

15 "Industrial development" means the processes and
16 operations involved in the large-scale production of goods,
17 including, but not limited to, manufacturing, processing,
18 warehousing, transporting, or repairing. "Industrial
19 development" also means the creation of facilities and
20 transportation infrastructure for these activities, such as
21 power generation, ship building, road development, and waste
22 storage and treatment.

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

26 "Master contract" has the meaning given to that term in

1 Section 1-15.47.

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

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

8 "Old-growth forest" means a forest ecosystem distinguished
9 by old trees and related structural attributes, encompassing
10 the later stages of stand development that typically differ
11 from earlier stages in a variety of characteristics, which may
12 include advanced tree size, accumulations of large dead woody
13 material, multiple canopy layers, later successional species
14 composition, and ecosystem function. In the United States, the
15 attributes of old-growth forests vary depending on forest
16 type, geography and history, but typically contain trees over
17 120 years of age and least 40 centimeters in diameter.

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

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

25 "Primary forest" or "pre-industrial forest" means a forest
26 that has never been disturbed by industrial development or

1 large-scale harvesting and has developed following natural
2 disturbances and under natural processes, regardless of its
3 age. "Primary forest" includes a forest in any geography that
4 has experienced nonindustrial-scale human impacts, including
5 traditional or subsistence activities carried out by
6 indigenous communities.

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

24 "Small business" has the meaning given to that term in
25 Section 45-45.

26 "Tropical forest" means a natural ecosystem within the

1 tropical regions, approximately bounded geographically by the
2 tropics of Cancer and Capricorn, but possibly affected by
3 other factors, such as prevailing winds, containing native
4 species composition, structure, and ecological function, with
5 a tree canopy cover of more than 10% over an area of at least
6 0.5 hectares. "Tropical forest" includes all of the following:
7 (i) human-managed tropical forests or partially degraded
8 tropical forests that are regenerating; and (ii) tropical
9 forests identified by multi-objective conservation-based
10 assessment methodologies, such as High Conservation Value
11 areas (HCV), as defined by the HCV Resource Network, or High
12 Carbon Stock Forests, as defined by the High Carbon Stock
13 Approach, or by another methodology with equivalent or higher
14 standards that includes primary forests and tropical peatlands
15 of any depth. "Tropical forest" does not include plantations
16 of any type.

17 "Tropical hardwood" means a hardwood that is classified as
18 an angiosperm and that grows in a tropical forest. "Tropical
19 hardwood" includes, but is not limited to, the following
20 species:

21 (1) Prunus Africana (African cherry, red stinkwood);

22 (2) Caryocar Costaricense (garlic tree);

23 (3) Calophyllum species (bintangor);

24 (4) Cedrela species (cedar, Spanish cedar, South
25 American cedar);

26 (5) Neobalanocarpus Heimii (chengal);

- 1 (6) Octomeles Sumatrana (Benuang);
- 2 (7) Myroxylon Balsamum (balsamo);
- 3 (8) Apuleia Leiocarpa (garapa);
- 4 (9) Parastemon Urophyllus (malas);
- 5 (10) Spicatus Ridley Hopea species (merawan);
- 6 (11) Araucaria Araucana (monkey puzzle, Chilean pine);
- 7 (12) Senna Siamea (Siamese cassia);
- 8 (13) Pometia Pinnata (taun);
- 9 (14) Millettia Leucantha, Millettia Stuhlmannii,
10 Millettia Laurentii (sathon, panga panga, wenge);
- 11 (15) Bulnesia Arborea, Bulnesia Sarmientoi (verawood,
12 Argentine lignum vitae);
- 13 (16) Tristaniopsis Laurina (water gum);
- 14 (17) Terminalia species (limba, afara, ofram, idigbo,
15 framire, black afara, amarillo, nargusta);
- 16 (18) Homalium Foetidum (malas);
- 17 (19) Dillenia Papuana (dillenia);
- 18 (20) Canarium species (red canarium, grey canarium);
- 19 (21) Burkrella Macropoda (rang rang);
- 20 (22) Dracontomelon Dao (New Guinea walnut);
- 21 (23) Planchonella species (white planchonella, red
22 planchonella);
- 23 (24) Lophopetalum species (perupok);
- 24 (25) Cariniana Pyriformis (Colombian mahogany, abarco,
25 jequitiba);
- 26 (26) Mitragyna Ciliata (abura);

- 1 (27) Vouacapoua Americana (acapu);
2 (28) Amburana Cearensis (amburana, cerejeira, cumare);
3 (29) Looea species (African walnut, tigerwood);
4 (30) Pericopsis Elata (afromosia);
5 (31) Peltoogyne species (amaranth, purpleheart);
6 (32) Pterogyne Nitens (amendoim);
7 (33) Carapa Guianensis, Dicorynia Guianensis, Bagassa
8 Guianensis, Couratari Guianensis (andiroba, angelique,
9 tatajuba, bagasse);
10 (34) Aningeria species (aningeria, anegre, anigre);
11 (35) Dipterocarpus species (apitong, keruing);
12 (36) Centrolobium species (arariba);
13 (37) Brosimum Utile, Brosimum Alicastrum (baco,
14 breadnut);
15 (38) Ochroma Lagopus, Ochroma Pyramidale (balsa);
16 (39) Berlinia species (berlinia, rose zebrano);
17 (40) Symphonia Globulifera (boarwood);
18 (41) Detarium Senegalense (boire);
19 (42) Caesalpinia Echinata, Paubrasilia Echinata
20 (Brazilwood, pernambuco);
21 (43) Bertholletia Excelsa (Brazil nut, mora);
22 (44) Guibourtia species (bubinga, African rosewood,
23 kevazingo, amazique);
24 (45) Toona Calantas (calantas);
25 (46) Prioria copaifera (cativo);
26 (47) Ceiba Pentandra (ceiba);

- 1 (48) Antiaris africana (chechen, antiaris);
2 (49) Tabebuia Donnell-Smithii (copal);
3 (50) Daniellia species (daniellia);
4 (51) Cordia species (cordia wood, bocote, ziricote,
5 louro, freijo);
6 (52) Hymenaea Courbaril (courbaril, West Indian
7 locust, brazilian cherry);
8 (53) Dipteryx Odorata (cumaru, Brazilian teak);
9 (54) Piptadeniastrum Africanum (dahoma);
10 (55) Calycophyllum Candidissimum (dagame, lemonwood);
11 (56) Afzelia species (doussie);
12 (57) Diospyros species (ebony, ceylon ebony,
13 marblewood);
14 (58) Lophira Alata (ekki, azobe, red ironwood);
15 (59) Combretodendron Macrocarpum (esia);
16 (60) Chlorophora Tinctoria, Chlorophora Excelsa
17 (fustic, iroko, African teak);
18 (61) Aucoumea Klaineana (gaboon, okoume);
19 (62) Astronium species (goncalo alves, tigerwood);
20 (63) Ocotea Rodiei (greenheart);
21 (64) Enterolobium Cyclocarpum (guanacaste,
22 elephant-ear tree);
23 (65) Guarea species (guarea, bosse);
24 (66) Phoebe Porosa (imbuia, Brazilian walnut);
25 (67) Handroanthus species (ipe, pau d'arco, lapacho);
26 (68) Jacaranda Copaia (jacaranda);

- 1 (69) Machaerium Villosum (jacaranda pardo);
2 (70) Dyera Costulata (jelutong);
3 (71) Dryobalanops species (kapur, keladan);
4 (72) Koompassia Malaccensis (kempas);
5 (73) Acacia Koa (koa);
6 (74) Pterygota Macrocarpa (koto, African pterygota);
7 (75) Oxandra Lanceolata (lancewood);
8 (76) Shorea species (lauan, luan, lawaan, meranti,
9 seraya, Philippine mahogany, balau);
10 (77) Nothofagus Pumilio, Nothofagus Obliqua (lenga
11 beech, roble);
12 (78) Guaiacum Officinale (roughbark lignum-vitae);
13 (79) Aniba Rosaeodora, Aniba Duckei (pau rosa);
14 (80) Nectandra species (louro preto);
15 (81) Khaya species (African mahogany);
16 (82) Swietenia species (mahogany, West Indian
17 mahogany, Honduran mahogany, Cuban mahogany, big-leaf
18 mahogany);
19 (83) Tieghemella Heckelii (makora);
20 (84) Intsia Bijuga, Intsia Palembanica (Borneo teak,
21 merbau);
22 (85) Anisoptera species (mersawa, krabak, palosapis);
23 (86) Distemonanthus Benthamianus (movingui, ayan);
24 (87) Pterocarpus species (narra, amboyna, Papua New
25 Guinea rosewood, mukula, kosso, zitan, hongmu, padauk,
26 vermillion wood);

- 1 (88) Palaquium species (nyatoh);
- 2 (89) Triplochiton Scleroxylon (African whitewood,
3 obeche, sambawawa);
- 4 (90) Nauclea Diderrichii (opepe);
- 5 (91) Balfourodendron Riedelianum (marfim);
- 6 (92) Aspidosperma species (peroba rosa);
- 7 (93) Paratecoma Peroba (peroba branca);
- 8 (94) Gonystylus species (ramin);
- 9 (95) Melanorrhoea Curtisii (rengas, Borneo rosewood);
- 10 (96) Hevea Brasiliensis (rubber tree);
- 11 (97) Dalbergia species (rosewood, Indian rosewood,
12 Honduras rosewood, cocobolo, granadillo, pinkwood,
13 tulipwood, African blackwood);
- 14 (98) Entandrophragma cylindricum, Entandrophragma
15 Candollei, Entandrophragma Utile (sapele, sapelli, kosipo,
16 omu, utile, sipo);
- 17 (99) Acanthopanax Ricinofolius (sen);
- 18 (100) Brosimum Aubletti, Piratinera (snakewood,
19 letterwood, leopardwood);
- 20 (101) Juglans species (South American walnut, Peruvian
21 walnut);
- 22 (102) Sterculia Rhinopetalia (sterculia);
- 23 (103) Tectona Grandis (teak);
- 24 (104) Virola species (virola, cumala);
- 25 (105) Pentacme Contorta (white lauan);
- 26 (106) Microberlinia species (zebrawood, zingana);

1 "Tropical hardwood" does not include wood grown in a tree
2 plantation.

3 "Tropical hardwood product" means any product that
4 contains tropical hardwood, regardless of whether it is sold
5 at wholesale or retail, including, but not limited to,
6 plywood, veneer, furniture, cabinets, paneling, siding,
7 moldings, doors, doorskins, joinery, flooring, or sawnwood.

8 "Tropical peatland" means tropical wetlands with a layer
9 of peat. "Tropical peatland" includes moors, bogs, mires, and
10 peat swamp forests.

11 "Wholly or in part" has the meaning given to that term by
12 rule, as described in Section 54-13. The term shall be defined
13 in a manner designed to limit the administrative burden on the
14 State while maximizing this Article's effectiveness at
15 preventing deforestation and primary forest and old-growth
16 forest degradation.

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

20 (30 ILCS 500/54-4 new)

21 Sec. 54-4. Purchase of tropical hardwoods prohibited.

22 (a) Except as otherwise provided in this Code, on and
23 after January 1, 2028, neither the State nor any State agency
24 shall allow any person having a contract with the State or with
25 a State agency to purchase, at wholesale or retail, or obtain

1 any tropical hardwood or tropical hardwood product for use in
2 completing a contract with the State or with any State agency.

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

4 (1) any binding contractual obligation for the
5 purchase of commodities entered into before the adoption
6 of rules under Section 54-13; or

7 (2) any grant, subvention, or contract with an agency
8 of the United States, or any instruction of an authorized
9 representative of an agency of the United States, if the
10 application of subsection (a) violates or is inconsistent
11 with the terms or conditions of the grant, subvention,
12 contract, or instruction.

13 (c) Tropical hardwood or tropical hardwood products
14 sourced via a small-scale harvesting operation by indigenous
15 communities on their traditional lands may be exempted from
16 this Section and Section 54-6 if the extraction rates are
17 demonstrated to be ecologically sustainable. Any exemptions
18 and associated justifications under this subsection (c) shall
19 be posted publicly on the BidBuy eProcurement system.

20 (30 ILCS 500/54-6 new)

21 Sec. 54-6. Phase-in of forest-risk commodity procurement.

22 (a) One year after the adoption of rules under Section
23 54-13, every master contract entered into by the Department of
24 Central Management Services that includes the procurement of
25 any covered product made, in whole or in part, of a forest-risk

1 commodity shall require the contractor to certify that the
2 product furnished to the State under the contract was not
3 extracted from, grown, derived, harvested, reared, or produced
4 on land where deforestation or primary forest or old-growth
5 forest degradation occurred. The contractor shall agree to
6 comply with this provision of the contract.

7 (b) Two years after the adoption of rules under Section
8 54-13 of this Article, every contract entered into by a State
9 agency that includes the procurement of any product that
10 consists, in whole or in part, of a forest-risk commodity
11 shall require the contractor to confirm that the commodity
12 furnished to the State under the contract was not extracted
13 from, grown, derived, harvested, reared, or produced on land
14 where deforestation or primary forest or old-growth forest
15 degradation occurred on or after the adoption of rules
16 described in Section 54-13. The contractor shall agree to
17 comply with this provision of the contract.

18 (c) This Section does not apply to any grant, subvention,
19 or contract with an agency of the United States, or to any
20 instruction of an authorized representative of an agency of
21 the United States, if the application of subsection (a)
22 violates or is inconsistent with the terms or conditions of
23 the grant, subvention, contract, or instruction.

24 (30 ILCS 500/54-7 new)

25 Sec. 54-7. Compliance.

1 (a) Every bid and resulting contract award shall specify
2 that the contractor is required to cooperate fully in
3 providing access to the contractor's records, documents,
4 agents, employees, or premises if required by authorized
5 officials of the contracting State agency, the Department of
6 Central Management Services, or the Office of the Attorney
7 General to determine the contractor's compliance with the
8 requirements of this Article.

9 (b) Contractors shall exercise due diligence in ensuring
10 that their subcontractors comply with Section 54-6.
11 Contractors shall require each subcontractor to certify in
12 writing that the subcontractor complies with this Article.

13 (30 ILCS 500/54-8 new)

14 Sec. 54-8. Required forest policies. In addition to the
15 requirements of Sections 54-6 and 54-7, large contractors that
16 are subject to Section 54-6 must confirm that they have
17 adopted a forest policy that includes, at a minimum, the
18 following for each forest-risk commodity:

19 (1) procedures for identifying and mitigating the risk
20 of deforestation and primary forest and old-growth forest
21 degradation in forest-risk commodity supply chains; and

22 (2) procedures to ensure compliance with source
23 country laws regarding forest-risk commodity supply chains
24 and respect for national and international human rights
25 standards, including recognized rights of indigenous

1 peoples and local communities; the principle of free,
2 prior, and informed consent; the rights and safety of
3 local environmental and human rights defenders; and the
4 rights of workers.

5 The forest policy shall be published on the bid in
6 addition to information demonstrating implementation of the
7 policy, disaggregated by product and updated at least
8 annually, as well as publicly on the BidBuy eProcurement
9 system when a large contractor has received a contract award.

10 (30 ILCS 500/54-9 new)

11 Sec. 54-9. Stakeholder advisory group. As needed
12 throughout the rulemaking process and throughout the process
13 of implementing this Article, including during the
14 investigation of violations as outlined in Section 54-11, the
15 State Procurement Task Force shall consult with a stakeholder
16 advisory group and the Director of Central Management Services
17 on the adoption of rules for the implementation of this
18 Article. Members of the advisory group shall be selected by
19 the Director of Central Management Services and shall consist
20 of at least:

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

24 (2) representatives from civil society with relevant
25 expertise in supply chain traceability, forest

1 sustainability, biodiversity, forest carbon dynamics,
2 natural history, climate science, human and labor rights,
3 and indigenous rights; members selected under this
4 paragraph should be of at least equal number to members
5 selected under paragraph (1); and

6 (3) a minimum of 2 additional representatives from
7 indigenous communities residing within forests covered by
8 this Article.

9 The advisory group shall meet virtually. Membership in the
10 group shall be voluntary, and members shall receive no salary
11 or compensation for participation in the advisory group.

12 (30 ILCS 500/54-10 new)

13 Sec. 54-10. Violations and sanctions.

14 (a) If it is determined that any contractor contracting
15 with the State knew or should have known that a product made,
16 wholly or in part, of a forest-risk commodity was furnished to
17 the State in violation of Sections 54-4, 54-5, 54-6, 54-7, or
18 54-8, the contracting State agency shall issue a written
19 notice of violation and provide an opportunity for the
20 contractor to come into compliance with this Article. If,
21 after such notice, a contractor fails to come into compliance
22 within a timeframe established by the Department of Central
23 Management Services and the Capital Development Board, the
24 contractor may have either one or both of the following
25 sanctions imposed:

1 (1) the contract under which the prohibited
2 forest-risk commodity was furnished may be voided at the
3 option of the State agency to which the commodity was
4 furnished; or

5 (2) the contractor may be assessed a penalty that
6 shall be the greater of \$1,000 or an amount equaling 20% of
7 the value of the product that the State agency
8 demonstrates was made, wholly or in part, of a forest-risk
9 commodity and furnished to the State in violation of
10 Sections 54-4, 54-5, 54-6, 54-7, and 54-8.

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

13 (b) Notwithstanding subsection (a), a contractor that
14 complies with Section 54-7 shall not be subject to sanctions
15 for violations if the contractor had no knowledge of the
16 requirements of Sections 54-4, 54-5, 54-6, 54-7, and 54-8, and
17 if the violations were committed solely by a subcontractor. In
18 that case, the sanctions described under subsection (a) shall
19 instead be imposed on the subcontractor that committed the
20 violation.

21 (30 ILCS 500/54-11 new)

22 Sec. 54-11. Investigation of violations.

23 (a) Any State agency that investigates a complaint against
24 a contractor or subcontractor for a violation of this Article
25 may limit its investigation to evaluating the information

1 provided by the person or entity submitting the complaint and
2 the information provided by the contractor or subcontractor.

3 (b) Whenever a contracting officer of the contracting
4 State agency has reason to believe that the contractor failed
5 to comply with Sections 54-4, 54-5, 54-6, 54-7, and 54-8, the
6 State agency shall refer the matter for investigation to the
7 head of the State agency and, if the head of the State agency
8 determines appropriate, in consultation with the stakeholder
9 advisory group established under Section 54-9, to the Office
10 of the Attorney General, who may consult with the stakeholder
11 advisory group established under Section 54-9.

12 (30 ILCS 500/54-12 new)

13 Sec. 54-12. Preference for Illinois State products.

14 (a) If a contract for the purchase of a commodity or
15 product covered by this Article is to be awarded to the lowest
16 responsible bidder, an otherwise qualified bidder who is a
17 small business, medium-sized business, minority-owned
18 business, women-owned business, or who will fulfill the
19 contract through the use of Illinois State products may be
20 given preference over other bidders, as long as (i) the
21 product does not contribute to deforestation or primary forest
22 or old-growth forest degradation and (ii) the cost included in
23 the bid is not more than 10% greater than the cost included in
24 a bid that is not from a small business, medium-sized
25 business, minority-owned business, women-owned business, or

1 fulfilled through the use of Illinois State products.

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

5 (1) would be against the public interest;

6 (2) would increase the cost of the contract by an
7 unreasonable amount; or

8 (3) would be impracticable because Illinois products
9 cannot be obtained in sufficient and reasonable available
10 quantities and of satisfactory quality to meet the
11 contracting State agency's requirements.

12 (c) Nothing in this Section shall be construed to conflict
13 with or otherwise limit the goals and requirements set forth
14 by Article 45 of this Code or the Business Enterprise for
15 Minorities, Women, and Persons with Disabilities Act.

16 (30 ILCS 500/54-13 new)

17 Sec. 54-13. Rules.

18 (a) On or before July 1, 2026, the Department of Central
19 Management Services shall adopt rules for the implementation
20 of this Article. The rules shall be developed in consultation
21 with the stakeholder advisory group established under Section
22 54-9 and shall allow for public input. The rules shall
23 include, but shall not be limited to, all of the following:

24 (1) Rules establishing a list of products that are
25 made in whole or in part from forest-risk commodities that

1 are furnished to the State or used by State contractors
2 and that are subject to the requirements of this Article,
3 designed in a manner to limit the administrative burden of
4 the State while deterring deforestation and primary forest
5 and old-growth forest degradation.

6 (2) Rules establishing what certifications or other
7 standards are sufficient or necessary for contractors to
8 supply products that meet the requirements of this
9 Article.

10 (3) Rules establishing review of and additions to the
11 list of covered forest-risk commodities and products made
12 in whole or in part of those forest-risk commodities,
13 which shall occur no less often than every 2 years. When
14 evaluating the inclusion of additional commodities in the
15 list, the State Procurement Task Force, in consultation
16 with a stakeholder advisory group and the Director of
17 Central Management Services, shall consider (i) the impact
18 of the commodity as a driver of deforestation or primary
19 forest or old-growth forest degradation, (ii) the state of
20 existing supply chain transparency and traceability
21 systems for the commodity across all the regions from
22 which it is sourced, and (iii) the feasibility of
23 including the commodity in the requirements of Section
24 54-6. Rules adopted under this item (3) shall not be made
25 to weaken existing deforestation-free procurement
26 provisions. The first review of the list of covered

1 forest-risk commodities shall include, but shall not be
2 limited to, the addition of palm oil, coffee, avocados,
3 and all wood products, including pulp and paper, that are
4 not currently covered by the regulation.

5 (4) Rules establishing guidance to assist contractors
6 in identifying covered forest-risk commodities supplied to
7 the State, performing necessary risk-based supply chain
8 due diligence to meet the requirements of this Article,
9 and certifying that the commodity did not contribute to
10 deforestation or primary forest or old-growth forest
11 degradation. For any product that contains a component
12 part that was produced on land in a country where the
13 production of the component part is not a direct cause of
14 deforestation or primary or old growth forest degradation,
15 according to scientific assessments of recent land use
16 trends, the contractor shall be required only to
17 demonstrate that the component part originated in that
18 country.

19 (5) Rules establishing the full set of requirements
20 for a large contractor's forest policy under Section 54-8,
21 including parameters around what information must be
22 publicly disclosed in compliance with the requirements of
23 this Article.

24 (6) Rules establishing a process to ensure that
25 details of certified contracts are made available for
26 public inspection on the website of the Department of

1 Central Management Services after approval of the
2 contract, including the specific covered products included
3 in the contract and the basis for its certification.

4 (7) Rules establishing an easily accessible system
5 through which members of the public may make complaints
6 and submit information regarding violations of this
7 Article.

8 (8) Rules establishing an information-sharing system
9 between State Agencies purchasing products subject to the
10 requirements of this Article and the Department of Central
11 Management Services regarding contracts involving
12 purchases of tropical hardwoods and forest-risk
13 commodities after the effective date of this Article.

14 (9) Rules establishing any information-sharing systems
15 with external partners implementing regulations comparable
16 to this Article.

17 (10) Rules detailing information provided in
18 accordance with Section 54-17.

19 (b) The Director of Central Management Services may
20 establish a voluntary certification process for current or
21 aspiring contractors to be recognized as supplying
22 deforestation-free products as a part of the rulemaking
23 process if the Director of Central Management Services, in
24 consultation with the stakeholder advisory group established
25 under Section 54-9, deems it would be advantageous to the
26 ongoing implementation of this Article. If the Director of

1 Central Management Services, in consultation with the
2 stakeholder advisory group established under Section 54-9,
3 deems it would be advantageous to establish a voluntary
4 certification process for current or aspiring contractors to
5 be recognized as supplying deforestation-free products,
6 certification shall include the following purchase
7 restrictions:

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

11 (2) that the total amount of goods exempted under
12 paragraph (1) shall not exceed \$7,500 per year for each
13 contractor from which a State agency is purchasing goods.

14 It shall be the responsibility of each State agency to
15 monitor the use of this exemption and adhere to these
16 restrictions on these purchases.

17 (30 ILCS 500/54-14 new)

18 Sec. 54-14. Assessment. All work products produced under
19 Section 54-6 shall be made available to the public on the
20 BidBuy eProcurement system.

21 (30 ILCS 500/54-15 new)

22 Sec. 54-15. The supply chain transparency assistance
23 program.

24 (a) As used in this Section, "eligible business" means a

1 small business, medium-sized business, minority-owned
2 business, or woman-owned business seeking to comply with the
3 requirements of this Article.

4 (b) In partnership with the Chief Procurement Officer for
5 General Services, the Business Enterprise Program, and the
6 Department of Central Management Services, the stakeholder
7 advisory group established under Section 54-9 of this Article
8 is hereby authorized and directed, within one year after the
9 effective date of this amendatory Act of the 104th General
10 Assembly, to establish, develop, and issue, within available
11 appropriations, a supply chain transparency assistance program
12 to assist small businesses, medium-sized businesses, and
13 minority-owned and women-owned businesses in achieving supply
14 chains that comply with the requirements of this Article.

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

17 (1) help participating eligible businesses with
18 compliance with supply chain related regulations,
19 procurement standards, or contracting requirements
20 established under this Article; and

21 (2) identify funding streams, grant moneys, financial
22 assistance and other resources that may be available to
23 help participating eligible businesses achieve
24 transparent, traceable, ethical, and sustainable supply
25 chains as it pertains to this Article.

26 (d) The Chief Procurement Officer for General Services,

1 the Business Enterprise Program, and the Department of Central
2 Management Services are responsible for publishing the
3 resources compiled under this Article by the stakeholder
4 advisory group and facilitating communications between
5 eligible businesses and the stakeholder advisory group.

6 (30 ILCS 500/54-16 new)

7 Sec. 54-16. Report. Beginning 2 years after the effective
8 date of this amendatory Act of the 104th General Assembly and
9 biennially thereafter, the Director of Central Management
10 Services and the Director of the Capital Development Board
11 shall issue a report on the implementation of this Article to
12 the State Procurement Task Force, the Governor, and the
13 General Assembly.

14 (30 ILCS 500/54-17 new)

15 Sec. 54-17. Applicability.

16 (a) This Act applies to all contracts entered into,
17 extended, or renewed on or after the adoption of rules as
18 described in Section 54-13.

19 (b) If the Governor or the Director of Public Health has
20 issued a disaster declaration because of a disaster as defined
21 in Section 4 of the Illinois Emergency Management Agency Act
22 and compliance with all the terms of this Article would be
23 impracticable because critical commodities cannot be obtained
24 in sufficient and reasonable available quantities and of

1 satisfactory quality to meet the contracting State agency's
2 requirements, then the comprehensive requirements of this
3 Article shall be suspended for a period of 60 days beginning
4 the day the disaster declaration, in accordance with which
5 critical commodities regulated by this Article cannot be
6 obtained in sufficient and reasonable available quantities and
7 of satisfactory quality to meet the contracting State agency's
8 requirements.

9 (c) Ongoing suspension of the comprehensive requirements
10 of this Article for terms beyond the initial 60 days must be
11 formally renewed by the Department of Central Management
12 Services and:

13 (1) must be dependent upon the existence of an ongoing
14 disaster declaration as defined in Section 4 of the
15 Illinois Emergency Management Agency Act, and

16 (2) a reality where compliance with all of the terms
17 of this Article would be impracticable because critical
18 commodities cannot be obtained in sufficient and
19 reasonable available quantities and of satisfactory
20 quality to meet the contracting State agency's
21 requirements.

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.".