

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 Procurement of Domestic Products Act is
5 amended by changing Sections 5, 10, and 25 as follows:

6 (30 ILCS 517/5)

7 Sec. 5. Definitions. As used in this Act:

8 "Commercially available off-the-shelf item" has the same
9 meaning ascribed to that term under Section 104 of Title 41 of
10 the United States Code.

11 "Component" and "cost of components" have the meanings
12 given to those terms in the federal Buy American Act of 1933.

13 "Manufactured in Illinois" means: (1) in the case of
14 products that are not assembled articles, materials, or
15 supplies, that the product is mined or produced in Illinois;
16 (2) in the case of assembled articles, materials, or supplies,
17 that design, final assembly, processing, packaging, testing,
18 or other process that adds value, quality, or reliability
19 occurs in Illinois and the cost of components produced in
20 Illinois exceeds 50% of the cost of all of the components; or
21 (3) that the product is a commercially available off-the-shelf
22 item.

23 "Manufactured in the United States" means: (1) in the case

1 of products that are not assembled articles, materials, or
2 supplies, that the product is mined or produced in the United
3 States; (2) that in the case of assembled articles, materials, or
4 supplies, that design, final assembly, processing, packaging,
5 testing, or other process that adds value, quality, or
6 reliability occurs in the United States and the cost of
7 domestic components exceeds 50% of the cost of all of the
8 components; or (3) that the product is a commercially available
9 off-the-shelf item.

10 "Procured products" means assembled articles, materials,
11 or supplies purchased by a State agency.

12 "Purchasing agency" means a State agency.

13 "State agency" means each agency, department, authority,
14 board, or commission of the executive branch of State
15 government, including each university, whether created by
16 statute or by executive order of the Governor.

17 "United States" means the United States and any place
18 subject to the jurisdiction of the United States.

19 (Source: P.A. 98-463, eff. 8-16-13.)

20 (30 ILCS 517/10)

21 Sec. 10. Domestic ~~United States~~ products.

22 (a) Each purchasing agency making purchases of procured
23 products shall promote the purchase of and give preference to
24 manufactured articles, materials, and supplies that have been
25 manufactured in Illinois ~~the United States~~. Procured products

1 manufactured in Illinois ~~the United States~~ shall be specified
2 and purchased unless the purchasing agency determines that any
3 of the following applies:

4 (1) The procured products are not manufactured in
5 Illinois ~~the United States~~ in reasonably available
6 quantities.

7 (2) The price of the procured products manufactured in
8 Illinois ~~the United States~~ exceeds ~~by an unreasonable~~
9 ~~amount~~ the price of available and comparable procured
10 products manufactured outside of Illinois ~~the United~~
11 ~~States~~ by 12% or more. To be eligible for an exemption
12 under this paragraph (2), the purchasing agency must first
13 obtain a written waiver from the chief procurement officer.

14 (3) The quality of the procured products manufactured
15 in Illinois ~~the United States~~ is substantially less than
16 the quality of the comparably priced, available, and
17 comparable procured products manufactured outside of
18 Illinois ~~the United States~~.

19 (4) The purchase of the procured products manufactured
20 outside of Illinois ~~the United States~~ better serves the
21 public interest by helping to protect or save life,
22 property, or the environment.

23 (5) The purchase of the procured products is made in
24 conjunction with contracts or offerings of
25 telecommunications, fire suppression, security systems,
26 communications services, Internet services, or information

1 services.

2 (6) The purchase is of pharmaceutical products, drugs,
3 biologics, vaccines, medical devices used to provide
4 medical and health care or treat disease or used in medical
5 or research diagnostic tests, and medical nutritionals
6 regulated by the Food and Drug Administration under the
7 federal Food, Drug and Cosmetic Act.

8 (b) If the purchasing agency determines that any of
9 paragraphs (1) through (4) of subsection (a) applies to a
10 procured product, then, with respect to that procurement, the
11 purchasing agency shall give preference to manufactured
12 articles, materials, and supplies that have been manufactured
13 in the United States. In that case, procured products
14 manufactured in the United States shall be specified and
15 purchased unless the purchasing agency determines that any of
16 the following applies:

17 (1) The procured products are not manufactured in the
18 United States in reasonably available quantities.

19 (2) The price of the procured products manufactured in
20 the United States exceeds the price of available and
21 comparable procured products manufactured outside the
22 United States by 12% or more. To be eligible for an
23 exemption under this paragraph (2), the purchasing agency
24 must first obtain a written waiver from the chief
25 procurement officer.

26 (3) The quality of the procured products manufactured

1 in the United States is substantially less than the quality
2 of the comparably priced, available, and comparable
3 procured products manufactured outside the United States.

4 (4) The purchase of the procured products manufactured
5 outside the United States better serves the public interest
6 by helping to protect or save life, property, or the
7 environment.

8 (5) The purchase of the procured products is made in
9 conjunction with contracts or offerings of
10 telecommunications, fire suppression, security systems,
11 communications services, Internet services, or information
12 services.

13 (6) The purchase is of pharmaceutical products, drugs,
14 biologics, vaccines, medical devices used to provide
15 medical and health care or treat disease or used in medical
16 or research diagnostic tests, and medical nutritionals
17 regulated by the Food and Drug Administration under the
18 federal Food, Drug and Cosmetic Act.

19 (c) In determining the price of procured products for
20 purposes of this Section, consideration shall be given to the
21 life-cycle cost, including maintenance and repair of those
22 procured products.

23 (Source: P.A. 93-954, eff. 1-1-05; 94-540, eff. 1-1-06.)

24 (30 ILCS 517/25)

25 Sec. 25. Penalties. If a contractor is awarded a contract

1 through the use of a preference under this Act and knowingly
2 supplies procured products under that contract that are not
3 manufactured in Illinois or the United States, as applicable,
4 then (i) the contractor is barred from obtaining any State
5 contract for a period of 5 years after the violation is
6 discovered by the purchasing agency, (ii) the purchasing agency
7 may void the contract, and (iii) the purchasing agency may
8 recover damages in a civil action in an amount 3 times the
9 value of the preference.

10 (Source: P.A. 93-954, eff. 1-1-05; 94-540, eff. 1-1-06.)

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.