

SB3828



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB3828

Introduced 1/21/2022, by Sen. Antonio Muñoz

SYNOPSIS AS INTRODUCED:

30 ILCS 500/40-25

Amends the Illinois Procurement Code. Provides that a lease of real property owned by a public institution of higher education (rather than the University of Illinois) to be used for healthcare uses, academic facilities, dormitory facilities, or other support uses may exceed 10 years in length under specified circumstances. Makes conforming changes.

LRB102 23882 RJF 33076 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 40-25 as follows:

6 (30 ILCS 500/40-25)

7 Sec. 40-25. Length of leases.

8 (a) Maximum term. Except as otherwise provided under
9 subsection (a-5), leases shall be for a term not to exceed 10
10 years inclusive, beginning January, 1, 2010, of proposed
11 contract renewals and shall include a termination option in
12 favor of the State after 5 years. The length of energy
13 conservation program contracts or energy savings contracts or
14 leases shall be in accordance with the provisions of Section
15 25-45.

16 (a-5) Extended term. A lease for real property owned by a
17 public institution of higher education to be used for
18 healthcare uses, academic facilities, dormitory facilities, or
19 other support uses ~~the University of Illinois to be used by the~~
20 ~~University of Illinois at Chicago for an ambulatory surgical~~
21 ~~center, which would include both clinical services and retail~~
22 ~~space,~~ may exceed 10 years in length when ~~where~~: (i) the lease
23 requires the lessor to make capital improvements in excess of

1 \$100,000; and (ii) the Board of Trustees of the public
2 institution of higher education ~~University of Illinois~~
3 determines a term of more than 10 years is necessary and is in
4 the best interest of the institution ~~University~~. A lease under
5 this subsection (a-5) may not exceed 30 years in length.

6 (b) Renewal. Leases may include a renewal option. An
7 option to renew may be exercised only when a State purchasing
8 officer determines in writing that renewal is in the best
9 interest of the State and notice of the exercise of the option
10 is published in the appropriate volume of the Procurement
11 Bulletin at least 30 calendar days prior to the exercise of the
12 option.

13 (c) Subject to appropriation. All leases shall recite that
14 they are subject to termination and cancellation in any year
15 for which the General Assembly fails to make an appropriation
16 to make payments under the terms of the lease.

17 (d) Holdover. Beginning January 1, 2010, no lease may
18 continue on a month-to-month or other holdover basis for a
19 total of more than 6 months. Beginning July 1, 2010, the
20 Comptroller shall withhold payment of leases beyond this
21 holdover period.

22 (Source: P.A. 100-23, eff. 7-6-17; 100-1047, eff. 1-1-19;
23 101-426, eff. 1-1-20.)