



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

HB4333

by Rep. Barbara Flynn Currie

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Illinois Procurement Code. Re-enacts a provision concerning the applicability of the Illinois Procurement Code to public institutions of higher education. Defines "master contract" and "multiple award". Sets forth provisions concerning multi-step sealed bidding, competitive sealed proposals, small purchases, sole source procurements emergency purchases, and multi-step sealed proposals. Sets forth provisions with respect to a bidder or offeror's noncompliance with the registration requirements as of the date bids or proposals are due. Removes provisions with respect to the competitive request for proposal process. Makes other changes. Amends the Small Business Contract Act. Makes conforming changes. Amends the Governmental Joint Purchasing Act. Provides that each chief procurement officer may authorize the purchase or lease of personal property, supplies, and services which have been procured through a competitive process by a federal agency or other entities. Effective immediately.

LRB099 15086 SXM 39296 b

FISCAL NOTE ACT  
MAY APPLY

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 Sections 1-12, 1-13, 20-10, 20-15, 20-20, 20-25,  
6 20-30, 20-43, 20-160, 35-5, 35-30, 45-30, and 45-57 and by  
7 adding Sections 1-13.1, 1-15.47, and 1-15.48 as follows:

8 (30 ILCS 500/1-12)

9 (Section scheduled to be repealed on December 31, 2016)

10 Sec. 1-12. Applicability to artistic or musical services.

11 (a) This Code shall not apply to procurement expenditures  
12 necessary to provide artistic or musical services,  
13 performances, or theatrical productions held at a venue  
14 operated or leased by a State agency.

15 (b) Notice of each contract entered into by a State agency  
16 that is related to the procurement of goods and services  
17 identified in this Section shall be published in the Illinois  
18 Procurement Bulletin within 14 calendar days after contract  
19 execution. The chief procurement officer shall prescribe the  
20 form and content of the notice. Each State agency shall provide  
21 the chief procurement officer, on a monthly basis, in the form  
22 and content prescribed by the chief procurement officer, a  
23 report of contracts that are related to the procurement of

1 goods and services identified in this Section. At a minimum,  
2 this report shall include the name of the contractor, a  
3 description of the supply or service provided, the total amount  
4 of the contract, the term of the contract, and the exception to  
5 the Code utilized. A copy of any or all of these contracts  
6 shall be made available to the chief procurement officer  
7 immediately upon request. The chief procurement officer shall  
8 submit a report to the Governor and General Assembly no later  
9 than November 1 of each year that shall include, at a minimum,  
10 an annual summary of the monthly information reported to the  
11 chief procurement officer.

12 (c) (Blank). ~~This Section is repealed December 31, 2016.~~

13 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

14 (30 ILCS 500/1-13)

15 (Section scheduled to be repealed on December 31, 2016)

16 Sec. 1-13. Applicability to public institutions of higher  
17 education.

18 (a) This Code shall apply to public institutions of higher  
19 education, regardless of the source of the funds with which  
20 contracts are paid, except as provided in this Section.

21 (b) Except as provided in this Section, this Code shall not  
22 apply to procurements made by or on behalf of public  
23 institutions of higher education for any of the following:

24 (1) Memberships in professional, academic, research,  
25 or athletic organizations on behalf of a public institution

1 of higher education, an employee of a public institution of  
2 higher education, or a student at a public institution of  
3 higher education.

4 (2) Procurement expenditures for events or activities  
5 paid for exclusively by revenues generated by the event or  
6 activity, gifts or donations for the event or activity,  
7 private grants, or any combination thereof.

8 (3) Procurement expenditures for events or activities  
9 for which the use of specific potential contractors is  
10 mandated or identified by the sponsor of the event or  
11 activity, provided that the sponsor is providing a majority  
12 of the funding for the event or activity.

13 (4) Procurement expenditures necessary to provide  
14 artistic or musical services, performances, or productions  
15 held at a venue operated by a public institution of higher  
16 education.

17 (5) Procurement expenditures for periodicals and books  
18 procured for use by a university library or academic  
19 department, except for expenditures related to procuring  
20 textbooks for student use or materials for resale or  
21 rental.

22 (6) Procurement expenditures for placement of students  
23 in externships, practicums, field experiences, and medical  
24 residencies and rotations.

25 (7) Contracts for programming and broadcast license  
26 rights for university-operated radio and television

1 stations.

2 Notice of each contract entered into by a public institution of  
3 higher education that is related to the procurement of goods  
4 and services identified in items (1) through (7) of this  
5 subsection shall be published in the Procurement Bulletin  
6 within 14 calendar days after contract execution. The Chief  
7 Procurement Officer shall prescribe the form and content of the  
8 notice. Each public institution of higher education shall  
9 provide the Chief Procurement Officer, on a monthly basis, in  
10 the form and content prescribed by the Chief Procurement  
11 Officer, a report of contracts that are related to the  
12 procurement of goods and services identified in this  
13 subsection. At a minimum, this report shall include the name of  
14 the contractor, a description of the supply or service  
15 provided, the total amount of the contract, the term of the  
16 contract, and the exception to the Code utilized. A copy of any  
17 or all of these contracts shall be made available to the Chief  
18 Procurement Officer immediately upon request. The Chief  
19 Procurement Officer shall submit a report to the Governor and  
20 General Assembly no later than November 1 of each year that  
21 shall include, at a minimum, an annual summary of the monthly  
22 information reported to the Chief Procurement Officer.

23 (b-5) Except as provided in this subsection, the provisions  
24 of this Code shall not apply to contracts for FDA-regulated  
25 supplies, and to contracts for medical services necessary for  
26 the delivery of care and treatment at medical, dental, or

1 veterinary teaching facilities utilized by Southern Illinois  
2 University or the University of Illinois. Other supplies and  
3 services needed for these teaching facilities shall be subject  
4 to the jurisdiction of the Chief Procurement Officer for Public  
5 Institutions of Higher Education who may establish expedited  
6 procurement procedures and may waive or modify certification,  
7 contract, hearing, process and registration requirements  
8 required by the Code. All procurements made under this  
9 subsection shall be documented and may require publication in  
10 the Illinois Procurement Bulletin.

11 (c) Procurements made by or on behalf of public  
12 institutions of higher education for any of the following shall  
13 be made in accordance with the requirements of this Code to the  
14 extent practical as provided in this subsection:

15 (1) Contracts with a foreign entity necessary for  
16 research or educational activities, provided that the  
17 foreign entity either does not maintain an office in the  
18 United States or is the sole source of the service or  
19 product.

20 (2) (Blank).

21 (3) (Blank).

22 (4) Procurements required for fulfillment of a grant.

23 Upon the written request of a public institution of higher  
24 education, the Chief Procurement Officer may waive  
25 registration, certification, and hearing requirements of this  
26 Code if, based on the item to be procured or the terms of a

1 grant, compliance is impractical. The public institution of  
2 higher education shall provide the Chief Procurement Officer  
3 with specific reasons for the waiver, including the necessity  
4 of contracting with a particular potential contractor, and  
5 shall certify that an effort was made in good faith to comply  
6 with the provisions of this Code. The Chief Procurement Officer  
7 shall provide written justification for any waivers. By  
8 November 1 of each year, the Chief Procurement Officer shall  
9 file a report with the General Assembly identifying each  
10 contract approved with waivers and providing the justification  
11 given for any waivers for each of those contracts. Notice of  
12 each waiver made under this subsection shall be published in  
13 the Procurement Bulletin within 14 calendar days after contract  
14 execution. The Chief Procurement Officer shall prescribe the  
15 form and content of the notice.

16 (d) Notwithstanding this Section, a waiver of the  
17 registration requirements of Section 20-160 does not permit a  
18 business entity and any affiliated entities or affiliated  
19 persons to make campaign contributions if otherwise prohibited  
20 by Section 50-37. The total amount of contracts awarded in  
21 accordance with this Section shall be included in determining  
22 the aggregate amount of contracts or pending bids of a business  
23 entity and any affiliated entities or affiliated persons.

24 (e) Notwithstanding subsection (e) of Section 50-10.5 of  
25 this Code, the Chief Procurement Officer, with the approval of  
26 the Executive Ethics Commission, may permit a public

1 institution of higher education to accept a bid or enter into a  
2 contract with a business that assisted the public institution  
3 of higher education in determining whether there is a need for  
4 a contract or assisted in reviewing, drafting, or preparing  
5 documents related to a bid or contract, provided that the bid  
6 or contract is essential to research administered by the public  
7 institution of higher education and it is in the best interest  
8 of the public institution of higher education to accept the bid  
9 or contract. For purposes of this subsection, "business"  
10 includes all individuals with whom a business is affiliated,  
11 including, but not limited to, any officer, agent, employee,  
12 consultant, independent contractor, director, partner,  
13 manager, or shareholder of a business. The Executive Ethics  
14 Commission may promulgate rules and regulations for the  
15 implementation and administration of the provisions of this  
16 subsection (e).

17 (f) As used in this Section:

18 "Grant" means non-appropriated funding provided by a  
19 federal or private entity to support a project or program  
20 administered by a public institution of higher education and  
21 any non-appropriated funding provided to a sub-recipient of the  
22 grant.

23 "Public institution of higher education" means Chicago  
24 State University, Eastern Illinois University, Governors State  
25 University, Illinois State University, Northeastern Illinois  
26 University, Northern Illinois University, Southern Illinois



1 University, University of Illinois, Western Illinois  
2 University, and, for purposes of this Code only, the Illinois  
3 Mathematics and Science Academy.

4 (g) This Section is repealed on December 31, 2016.

5 (Source: P.A. 97-643, eff. 12-20-11; 97-895, eff. 8-3-12;  
6 98-1076, eff. 1-1-15.)

7 (30 ILCS 500/1-13.1 new)

8 Sec. 1-13.1. Continuation of Section 1-13 of this Code;  
9 validation.

10 (a) The General Assembly finds and declares that:

11 (1) Public Act 98-1076, which took effect on January 1,  
12 2015, changed the repeal date set for Section 1-13 of this  
13 Code from December 31, 2014 to December 31, 2016.

14 (2) The Statute on Statutes sets forth general rules on  
15 the repeal of statutes and the construction of multiple  
16 amendments, but Section 1 of that Act also states that  
17 these rules will not be observed when the result would be  
18 "inconsistent with the manifest intent of the General  
19 Assembly or repugnant to the context of the statute".

20 (3) This amendatory Act of the 99th General Assembly  
21 manifests the intention of the General Assembly to extend  
22 the repeal of Section 1-13 of this Code and have Section  
23 1-13 of this Code continue in effect until December 31,  
24 2016.

25 (4) Section 1-13 of this Code was originally enacted to

1 protect, promote, and preserve the general welfare. Any  
2 construction of Section 1-13 of this Code that results in  
3 the repeal of that Section on December 31, 2014 would be  
4 inconsistent with the manifest intent of the General  
5 Assembly and repugnant to the context of this Code.

6 (b) It is hereby declared to have been the intent of the  
7 General Assembly that Section 1-13 of this Code not be subject  
8 to repeal on December 31, 2014.

9 (c) Section 1-13 of this Code shall be deemed to have been  
10 in continuous effect since December 20, 2011 (the effective  
11 date of Public Act 97-643), and it shall continue to be in  
12 effect henceforward until it is otherwise lawfully repealed.  
13 All previously enacted amendments to Section 1-13 of this Code  
14 taking effect on or after December 31, 2014, are hereby  
15 validated.

16 (d) All actions taken in reliance on or pursuant to Section  
17 1-13 of this Code by any public institution of higher  
18 education, person, or entity are hereby validated.

19 (e) In order to ensure the continuing effectiveness of  
20 Section 1-13 of this Code, it is set forth in full and  
21 re-enacted by this amendatory Act of the 99th General Assembly.  
22 This re-enactment is intended as a continuation of that  
23 Section. It is not intended to supersede any amendment to that  
24 Section that is enacted by the 99th General Assembly.

25 (f) In this amendatory Act of the 99th General Assembly,  
26 the base text of the reenacted Section is set forth as amended

1 by Public Act 98-1076. Striking and underscoring is used only  
2 to show changes being made to the base text. In this instance,  
3 no underscoring or striking is shown in the base text because  
4 no additional changes are being made.

5 (g) Section 1-13 of this Code applies to all procurements  
6 made on or before the effective date of this amendatory Act of  
7 the 99th General Assembly.

8 (30 ILCS 500/1-15.47 new)

9 Sec. 1-15.47. Master contract. "Master contract" means a  
10 definite quantity, indefinite quantity, or requirements  
11 contract awarded in accordance with this Code, against which  
12 subsequent orders may be placed to meet the needs of a State  
13 agency. A master contract may be for use by a single State  
14 agency or for multiple State agencies and other entities as  
15 authorized under the Governmental Joint Purchasing Act.

16 (30 ILCS 500/1-15.48 new)

17 Sec. 1-15.48. Multiple award. "Multiple award" means an  
18 award that is made to 2 or more bidders or offerors for similar  
19 supplies, services, or construction-related services.

20 (30 ILCS 500/20-10)

21 (Text of Section from P.A. 96-159, 96-588, 97-96, 97-895,  
22 and 98-1076)

23 Sec. 20-10. Competitive sealed bidding; reverse auction.

1           (a) Conditions for use. All contracts shall be awarded by  
2 competitive sealed bidding except as otherwise provided in  
3 Section 20-5.

4           (b) Invitation for bids. An invitation for bids shall be  
5 issued and shall include a purchase description and the  
6 material contractual terms and conditions applicable to the  
7 procurement.

8           (c) Public notice. Public notice of the invitation for bids  
9 shall be published in the Illinois Procurement Bulletin at  
10 least 14 calendar days before the date set in the invitation  
11 for the opening of bids.

12           (d) Bid opening. Bids shall be opened publicly in the  
13 presence of one or more witnesses at the time and place  
14 designated in the invitation for bids. The name of each bidder,  
15 the amount of each bid, and other relevant information as may  
16 be specified by rule shall be recorded. After the award of the  
17 contract, the winning bid and the record of each unsuccessful  
18 bid shall be open to public inspection.

19           (e) Bid acceptance and bid evaluation. Bids shall be  
20 unconditionally accepted without alteration or correction,  
21 except as authorized in this Code. Bids shall be evaluated  
22 based on the requirements set forth in the invitation for bids,  
23 which may include criteria to determine acceptability such as  
24 inspection, testing, quality, workmanship, delivery, and  
25 suitability for a particular purpose. Those criteria that will  
26 affect the bid price and be considered in evaluation for award,

1 such as discounts, transportation costs, and total or life  
2 cycle costs, shall be objectively measurable. The invitation  
3 for bids shall set forth the evaluation criteria to be used.

4 (f) Correction or withdrawal of bids. Correction or  
5 withdrawal of inadvertently erroneous bids before or after  
6 award, or cancellation of awards of contracts based on bid  
7 mistakes, shall be permitted in accordance with rules. After  
8 bid opening, no changes in bid prices or other provisions of  
9 bids prejudicial to the interest of the State or fair  
10 competition shall be permitted. All decisions to permit the  
11 correction or withdrawal of bids based on bid mistakes shall be  
12 supported by written determination made by a State purchasing  
13 officer.

14 (g) Award. The contract shall be awarded with reasonable  
15 promptness by written notice to the lowest responsible and  
16 responsive bidder whose bid meets the requirements and criteria  
17 set forth in the invitation for bids, except when a State  
18 purchasing officer determines it is not in the best interest of  
19 the State and by written explanation determines another bidder  
20 shall receive the award. The explanation shall appear in the  
21 appropriate volume of the Illinois Procurement Bulletin. The  
22 written explanation must include:

23 (1) a description of the agency's needs;

24 (2) a determination that the anticipated cost will be  
25 fair and reasonable;

26 (3) a listing of all responsible and responsive

1 bidders; and

2 (4) the name of the bidder selected, the total contract  
3 price, and the reasons for selecting that bidder.

4 When a multiple award is contemplated, the solicitation  
5 shall identify the award criteria and a detailed method of  
6 selecting from among the multiple awardees.

7 Each chief procurement officer may adopt guidelines to  
8 implement the requirements of this subsection (g).

9 The written explanation shall be filed with the Legislative  
10 Audit Commission and the Procurement Policy Board, and be made  
11 available for inspection by the public, within 30 calendar days  
12 after the agency's decision to award the contract.

13 (h) Multi-step sealed bidding. When it is considered  
14 impracticable to initially prepare a purchase description to  
15 support an award based on price, an invitation for bids may be  
16 issued requesting the submission of unpriced offers to be  
17 followed by written requests for sealed quotes with pricing to  
18 meet the immediate need and ~~an invitation for bids~~ limited to  
19 those bidders whose offers have been qualified under the  
20 criteria set forth in the first solicitation. An award shall be  
21 made to the responsible vendor with the lowest priced quote  
22 meeting the needs of the State agency.

23 (i) Alternative procedures. Notwithstanding any other  
24 provision of this Act to the contrary, the Director of the  
25 Illinois Power Agency may create alternative bidding  
26 procedures to be used in procuring professional services under

1 subsection (a) of Section 1-75 and subsection (d) of Section  
2 1-78 of the Illinois Power Agency Act and Section 16-111.5(c)  
3 of the Public Utilities Act and to procure renewable energy  
4 resources under Section 1-56 of the Illinois Power Agency Act.  
5 These alternative procedures shall be set forth together with  
6 the other criteria contained in the invitation for bids, and  
7 shall appear in the appropriate volume of the Illinois  
8 Procurement Bulletin.

9 (j) Reverse auction. Notwithstanding any other provision  
10 of this Section and in accordance with rules adopted by the  
11 chief procurement officer, that chief procurement officer may  
12 procure supplies or services through a competitive electronic  
13 auction bidding process after the chief procurement officer  
14 determines that the use of such a process will be in the best  
15 interest of the State. The chief procurement officer shall  
16 publish that determination in his or her next volume of the  
17 Illinois Procurement Bulletin.

18 An invitation for bids shall be issued and shall include  
19 (i) a procurement description, (ii) all contractual terms,  
20 whenever practical, and (iii) conditions applicable to the  
21 procurement, including a notice that bids will be received in  
22 an electronic auction manner.

23 Public notice of the invitation for bids shall be given in  
24 the same manner as provided in subsection (c).

25 Bids shall be accepted electronically at the time and in  
26 the manner designated in the invitation for bids. During the

1 auction, a bidder's price shall be disclosed to other bidders.  
2 Bidders shall have the opportunity to reduce their bid prices  
3 during the auction. At the conclusion of the auction, the  
4 record of the bid prices received and the name of each bidder  
5 shall be open to public inspection.

6 After the auction period has terminated, withdrawal of bids  
7 shall be permitted as provided in subsection (f).

8 The contract shall be awarded within 60 calendar days after  
9 the auction by written notice to the lowest responsible bidder,  
10 or all bids shall be rejected except as otherwise provided in  
11 this Code. Extensions of the date for the award may be made by  
12 mutual written consent of the State purchasing officer and the  
13 lowest responsible bidder.

14 This subsection does not apply to (i) procurements of  
15 professional and artistic services, (ii) telecommunications  
16 services, communication services, and information services,  
17 and (iii) contracts for construction projects, including  
18 design professional services.

19 (Source: P.A. 97-96, eff. 7-13-11; 97-895, eff. 8-3-12;  
20 98-1076, eff. 1-1-15.)

21 (Text of Section from P.A. 96-159, 96-795, 97-96, 97-895,  
22 and 98-1076)

23 Sec. 20-10. Competitive sealed bidding; reverse auction.

24 (a) Conditions for use. All contracts shall be awarded by  
25 competitive sealed bidding except as otherwise provided in



1 Section 20-5.

2 (b) Invitation for bids. An invitation for bids shall be  
3 issued and shall include a purchase description and the  
4 material contractual terms and conditions applicable to the  
5 procurement.

6 (c) Public notice. Public notice of the invitation for bids  
7 shall be published in the Illinois Procurement Bulletin at  
8 least 14 calendar days before the date set in the invitation  
9 for the opening of bids.

10 (d) Bid opening. Bids shall be opened publicly in the  
11 presence of one or more witnesses at the time and place  
12 designated in the invitation for bids. The name of each bidder,  
13 the amount of each bid, and other relevant information as may  
14 be specified by rule shall be recorded. After the award of the  
15 contract, the winning bid and the record of each unsuccessful  
16 bid shall be open to public inspection.

17 (e) Bid acceptance and bid evaluation. Bids shall be  
18 unconditionally accepted without alteration or correction,  
19 except as authorized in this Code. Bids shall be evaluated  
20 based on the requirements set forth in the invitation for bids,  
21 which may include criteria to determine acceptability such as  
22 inspection, testing, quality, workmanship, delivery, and  
23 suitability for a particular purpose. Those criteria that will  
24 affect the bid price and be considered in evaluation for award,  
25 such as discounts, transportation costs, and total or life  
26 cycle costs, shall be objectively measurable. The invitation

1 for bids shall set forth the evaluation criteria to be used.

2 (f) Correction or withdrawal of bids. Correction or  
3 withdrawal of inadvertently erroneous bids before or after  
4 award, or cancellation of awards of contracts based on bid  
5 mistakes, shall be permitted in accordance with rules. After  
6 bid opening, no changes in bid prices or other provisions of  
7 bids prejudicial to the interest of the State or fair  
8 competition shall be permitted. All decisions to permit the  
9 correction or withdrawal of bids based on bid mistakes shall be  
10 supported by written determination made by a State purchasing  
11 officer.

12 (g) Award. The contract shall be awarded with reasonable  
13 promptness by written notice to the lowest responsible and  
14 responsive bidder whose bid meets the requirements and criteria  
15 set forth in the invitation for bids, except when a State  
16 purchasing officer determines it is not in the best interest of  
17 the State and by written explanation determines another bidder  
18 shall receive the award. The explanation shall appear in the  
19 appropriate volume of the Illinois Procurement Bulletin. The  
20 written explanation must include:

- 21 (1) a description of the agency's needs;
- 22 (2) a determination that the anticipated cost will be  
23 fair and reasonable;
- 24 (3) a listing of all responsible and responsive  
25 bidders; and
- 26 (4) the name of the bidder selected, the total contract

1 price, and the reasons for selecting that bidder.

2 When a multiple award is contemplated, the solicitation  
3 shall identify the award criteria and a detailed method of  
4 selecting from among the multiple awardees.

5 Each chief procurement officer may adopt guidelines to  
6 implement the requirements of this subsection (g).

7 The written explanation shall be filed with the Legislative  
8 Audit Commission and the Procurement Policy Board, and be made  
9 available for inspection by the public, within 30 days after  
10 the agency's decision to award the contract.

11 (h) Multi-step sealed bidding. When it is considered  
12 impracticable to initially prepare a purchase description to  
13 support an award based on price, an invitation for bids may be  
14 issued requesting the submission of unpriced offers to be  
15 followed by written requests for sealed quotes with pricing to  
16 meet the immediate need and ~~an invitation for bids~~ limited to  
17 those bidders whose offers have been qualified under the  
18 criteria set forth in the first solicitation. An award shall be  
19 made to the responsible vendor with the lowest priced quote  
20 meeting the needs of the State agency.

21 (i) Alternative procedures. Notwithstanding any other  
22 provision of this Act to the contrary, the Director of the  
23 Illinois Power Agency may create alternative bidding  
24 procedures to be used in procuring professional services under  
25 subsection (a) of Section 1-75 and subsection (d) of Section  
26 1-78 of the Illinois Power Agency Act and Section 16-111.5(c)

1 of the Public Utilities Act and to procure renewable energy  
2 resources under Section 1-56 of the Illinois Power Agency Act.  
3 These alternative procedures shall be set forth together with  
4 the other criteria contained in the invitation for bids, and  
5 shall appear in the appropriate volume of the Illinois  
6 Procurement Bulletin.

7 (j) Reverse auction. Notwithstanding any other provision  
8 of this Section and in accordance with rules adopted by the  
9 chief procurement officer, that chief procurement officer may  
10 procure supplies or services through a competitive electronic  
11 auction bidding process after the chief procurement officer  
12 determines that the use of such a process will be in the best  
13 interest of the State. The chief procurement officer shall  
14 publish that determination in his or her next volume of the  
15 Illinois Procurement Bulletin.

16 An invitation for bids shall be issued and shall include  
17 (i) a procurement description, (ii) all contractual terms,  
18 whenever practical, and (iii) conditions applicable to the  
19 procurement, including a notice that bids will be received in  
20 an electronic auction manner.

21 Public notice of the invitation for bids shall be given in  
22 the same manner as provided in subsection (c).

23 Bids shall be accepted electronically at the time and in  
24 the manner designated in the invitation for bids. During the  
25 auction, a bidder's price shall be disclosed to other bidders.  
26 Bidders shall have the opportunity to reduce their bid prices

1 during the auction. At the conclusion of the auction, the  
2 record of the bid prices received and the name of each bidder  
3 shall be open to public inspection.

4 After the auction period has terminated, withdrawal of bids  
5 shall be permitted as provided in subsection (f).

6 The contract shall be awarded within 60 calendar days after  
7 the auction by written notice to the lowest responsible bidder,  
8 or all bids shall be rejected except as otherwise provided in  
9 this Code. Extensions of the date for the award may be made by  
10 mutual written consent of the State purchasing officer and the  
11 lowest responsible bidder.

12 This subsection does not apply to (i) procurements of  
13 professional and artistic services, (ii) telecommunications  
14 services, communication services, and information services,  
15 and (iii) contracts for construction projects, including  
16 design professional services.

17 (Source: P.A. 97-96, eff. 7-13-11; 97-895, eff. 8-3-12;  
18 98-1076, eff. 1-1-15.)

19 (30 ILCS 500/20-15)

20 Sec. 20-15. Competitive sealed proposals.

21 (a) Conditions for use. When provided under this Code or  
22 under rules, or when the purchasing agency determines in  
23 writing that the use of competitive sealed bidding is either  
24 not practicable or not advantageous to the State, a contract  
25 may be entered into by competitive sealed proposals.

1           (b) Request for proposals. Proposals shall be solicited  
2 through a request for proposals.

3           (c) Public notice. Public notice of the request for  
4 proposals shall be published in the Illinois Procurement  
5 Bulletin at least 14 calendar days before the date set in the  
6 invitation for the opening of proposals.

7           (d) Receipt of proposals. Proposals shall be opened  
8 publicly in the presence of one or more witnesses at the time  
9 and place designated in the request for proposals, but  
10 proposals shall be opened in a manner to avoid disclosure of  
11 contents to competing offerors during the process of  
12 negotiation. A record of proposals shall be prepared and shall  
13 be open for public inspection after contract award.

14           (e) Evaluation factors. The requests for proposals shall  
15 state the relative importance of price and other evaluation  
16 factors. Proposals shall be submitted in 2 parts: the first,  
17 covering items except price; and the second, covering price.  
18 The first part of all proposals shall be evaluated and ranked  
19 independently of the second part of all proposals.

20           (f) Discussion with responsible offerors and revisions of  
21 offers or proposals. As provided in the request for proposals  
22 and under rules, discussions may be conducted with responsible  
23 offerors who submit offers or proposals determined to be  
24 reasonably susceptible of being selected for award for the  
25 purpose of clarifying and assuring full understanding of and  
26 responsiveness to the solicitation requirements. Those

1 offerors shall be accorded fair and equal treatment with  
2 respect to any opportunity for discussion and revision of  
3 proposals. Revisions may be permitted after submission and  
4 before award for the purpose of obtaining best and final  
5 offers. In conducting discussions there shall be no disclosure  
6 of any information derived from proposals submitted by  
7 competing offerors. If information is disclosed to any offeror,  
8 it shall be provided to all competing offerors.

9 (g) Award. Awards shall be made to the responsible offeror  
10 whose proposal is determined in writing to be the most  
11 advantageous to the State, taking into consideration price and  
12 the evaluation factors set forth in the request for proposals.  
13 When a multiple award is contemplated, the solicitation shall  
14 identify the award criteria and the detailed method of  
15 selecting from among the multiple awardees. The contract file  
16 shall contain the basis on which any ~~the~~ award is made.

17 (h) Multi-step sealed proposals. A request for proposals  
18 may be issued requesting the submission of offers to establish  
19 a pool of qualified vendors to be followed by written requests  
20 for specific proposals with pricing to meet the immediate need  
21 and limited to those in the pool of qualified vendors.  
22 Clarification, discussions, and best and finals shall be  
23 allowed as in a standard request for proposals in each step of  
24 the process. Award shall be made to the responsible vendors  
25 with the most advantageous proposal, price, and other factors  
26 being considered.

1 (Source: P.A. 98-1076, eff. 1-1-15.)

2 (30 ILCS 500/20-20)

3 Sec. 20-20. Small purchases.

4 (a) Amount. Any individual procurement of supplies or  
5 services ~~other than professional or artistic services,~~ not  
6 exceeding \$100,000 ~~\$10,000~~ and any procurement of construction  
7 not exceeding \$100,000, or any individual procurement of  
8 professional or artistic services not exceeding \$50,000  
9 ~~\$30,000~~ may be made without competitive sealed bidding.  
10 Procurements shall not be artificially divided so as to  
11 constitute a small purchase under this Section.

12 (b) (Blank). ~~Adjustment. Each July 1, the small purchase~~  
13 ~~maximum established in subsection (a) shall be adjusted for~~  
14 ~~inflation as determined by the Consumer Price Index for All~~  
15 ~~Urban Consumers as determined by the United States Department~~  
16 ~~of Labor and rounded to the nearest \$100.~~

17 (c) Based upon rules proposed by the Board and rules  
18 promulgated by the chief procurement officers, the small  
19 purchase maximum established in subsection (a) may be modified.

20 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

21 (30 ILCS 500/20-25)

22 Sec. 20-25. Sole source procurements.

23 (a) In accordance with standards set by rule, contracts may  
24 be awarded without use of the specified method of source



1 selection when there is only one economically feasible source  
2 for the item. A State contract may be awarded as a sole source  
3 procurement unless an interested party submits a written  
4 request for a public hearing at which the chief procurement  
5 officer and purchasing agency present written justification  
6 for the procurement method. Any interested party may present  
7 testimony. A sole source contract where a hearing was requested  
8 by an interested party may be awarded after the hearing is  
9 conducted with the approval of the chief procurement officer.

10 (b) This Section may not be used as a basis for amending a  
11 contract for professional or artistic services if the amendment  
12 would result in an increase in the amount paid under the  
13 contract of more than 5% of the initial award, or would extend  
14 the contract term beyond the time reasonably needed for a  
15 competitive procurement, not to exceed 2 months.

16 (c) Notice of intent to enter into a sole source contract  
17 shall be provided to the Procurement Policy Board and published  
18 in the online electronic Bulletin at least 14 calendar days  
19 before the public hearing required in subsection (a). The  
20 notice shall include the sole source procurement justification  
21 form prescribed by the Board, a description of the item to be  
22 procured, the intended sole source contractor, and the date,  
23 time, and location of the public hearing. A copy of the notice  
24 and all documents provided at the hearing shall be included in  
25 the subsequent Procurement Bulletin.

26 (d) By November ~~August~~ 1 each year, each chief procurement

1 officer shall file a report with the General Assembly  
2 identifying each contract the officer sought under the sole  
3 source procurement method and providing the justification  
4 given for seeking sole source as the procurement method for  
5 each of those contracts.

6 (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.)

7 (30 ILCS 500/20-30)

8 Sec. 20-30. Emergency purchases.

9 (a) Conditions for use. In accordance with standards set by  
10 rule, a purchasing agency may make emergency procurements  
11 without competitive sealed bidding or prior notice when there  
12 exists a threat to public health or public safety, or when  
13 immediate expenditure is necessary for repairs to State  
14 property in order to protect against further loss of or damage  
15 to State property, to prevent or minimize serious disruption in  
16 critical State services that affect health, safety, or  
17 collection of substantial State revenues, or to ensure the  
18 integrity of State records; provided, however, that the term of  
19 the emergency purchase shall be limited to the time reasonably  
20 needed for a competitive procurement, not to exceed 90 calendar  
21 days. A contract may be extended beyond 90 calendar days if the  
22 chief procurement officer determines additional time is  
23 necessary and that the contract scope and duration are limited  
24 to the emergency. Prior to execution of the extension, the  
25 chief procurement officer must hold a public hearing and

1 provide written justification for all emergency contracts.  
2 Members of the public may present testimony. Emergency  
3 procurements shall be made with as much competition as is  
4 practicable under the circumstances. A written description of  
5 the basis for the emergency and reasons for the selection of  
6 the particular contractor shall be included in the contract  
7 file.

8 (b) Notice. Notice of all emergency procurements shall be  
9 provided to the Procurement Policy Board and published in the  
10 online electronic Bulletin no later than 5 calendar days after  
11 the contract is awarded. Notice of intent to extend an  
12 emergency contract shall be provided to the Procurement Policy  
13 Board and published in the online electronic Bulletin at least  
14 14 calendar days before the public hearing. Notice shall  
15 include at least a description of the need for the emergency  
16 purchase, the contractor, and if applicable, the date, time,  
17 and location of the public hearing. A copy of this notice and  
18 all documents provided at the hearing shall be included in the  
19 subsequent Procurement Bulletin. Before the next appropriate  
20 volume of the Illinois Procurement Bulletin, the purchasing  
21 agency shall publish in the Illinois Procurement Bulletin a  
22 copy of each written description and reasons and the total cost  
23 of each emergency procurement made during the previous month.  
24 When only an estimate of the total cost is known at the time of  
25 publication, the estimate shall be identified as an estimate  
26 and published. When the actual total cost is determined, it

1 shall also be published in like manner before the 10th day of  
2 the next succeeding month.

3 (c) Affidavits. A chief procurement officer making a  
4 procurement under this Section shall file or require the  
5 purchasing agency to file affidavits with the Procurement  
6 Policy Board and the Auditor General within 10 calendar days  
7 after the procurement setting forth the amount expended, the  
8 name of the contractor involved, and the conditions and  
9 circumstances requiring the emergency procurement. When only  
10 an estimate of the cost is available within 10 calendar days  
11 after the procurement, the actual cost shall be reported  
12 immediately after it is determined. At the end of each fiscal  
13 quarter, the Auditor General shall file with the Legislative  
14 Audit Commission and the Governor a complete listing of all  
15 emergency procurements reported during that fiscal quarter.  
16 The Legislative Audit Commission shall review the emergency  
17 procurements so reported and, in its annual reports, advise the  
18 General Assembly of procurements that appear to constitute an  
19 abuse of this Section.

20 (d) Quick purchases. The chief procurement officer may  
21 promulgate rules extending the circumstances by which a  
22 purchasing agency may make purchases under this Section,  
23 including but not limited to the procurement of items available  
24 at a discount for a limited period of time.

25 (e) The changes to this Section made by this amendatory Act  
26 of the 96th General Assembly apply to procurements executed on

1 or after its effective date.

2 (Source: P.A. 98-1076, eff. 1-1-15.)

3 (30 ILCS 500/20-43)

4 Sec. 20-43. Bidder or offeror authorized to do business in  
5 Illinois. In addition to meeting any other requirement of law  
6 or rule, a person (other than an individual acting as a sole  
7 proprietor) may qualify as a bidder or offeror under this Code  
8 only if the person has been organized as ~~is~~ a legal entity  
9 prior to submitting the bid, offer, or proposal. The legal  
10 entity must be authorized to transact business or conduct  
11 affairs in Illinois prior to execution of the contract  
12 ~~submitting the bid, offer, or proposal.~~

13 (Source: P.A. 98-1076, eff. 1-1-15.)

14 (30 ILCS 500/20-160)

15 Sec. 20-160. Business entities; certification;  
16 registration with the State Board of Elections.

17 (a) For purposes of this Section, the terms "business  
18 entity", "contract", "State contract", "contract with a State  
19 agency", "State agency", "affiliated entity", and "affiliated  
20 person" have the meanings ascribed to those terms in Section  
21 50-37.

22 (b) Every bid and offer submitted to and every contract  
23 executed by the State on or after January 1, 2009 (the  
24 effective date of Public Act 95-971) and every submission to a

1 vendor portal shall contain (1) a certification by the bidder,  
2 offeror, vendor, or contractor that either (i) the bidder,  
3 offeror, vendor, or contractor is not required to register as a  
4 business entity with the State Board of Elections pursuant to  
5 this Section or (ii) the bidder, offeror, vendor, or contractor  
6 has registered as a business entity with the State Board of  
7 Elections and acknowledges a continuing duty to update the  
8 registration and (2) a statement that the contract is voidable  
9 under Section 50-60 for the bidder's, offeror's, vendor's, or  
10 contractor's failure to comply with this Section.

11 (c) Each business entity (i) whose aggregate bids and  
12 proposals on State contracts annually total more than \$50,000,  
13 (ii) whose aggregate bids and proposals on State contracts  
14 combined with the business entity's aggregate annual total  
15 value of State contracts exceed \$50,000, or (iii) whose  
16 contracts with State agencies, in the aggregate, annually total  
17 more than \$50,000 shall register with the State Board of  
18 Elections in accordance with Section 9-35 of the Election Code.  
19 A business entity required to register under this subsection  
20 due to item (i) or (ii) has a continuing duty to ensure that  
21 the registration is accurate during the period beginning on the  
22 date of registration and ending on the day after the date the  
23 contract is awarded; any change in information must be reported  
24 to the State Board of Elections 5 business days following such  
25 change or no later than a day before the contract is awarded,  
26 whichever date is earlier. A business entity required to

1 register under this subsection due to item (iii) has a  
2 continuing duty to ensure that the registration is accurate in  
3 accordance with subsection (e).

4 (d) Any business entity, not required under subsection (c)  
5 to register, whose aggregate bids and proposals on State  
6 contracts annually total more than \$50,000, or whose aggregate  
7 bids and proposals on State contracts combined with the  
8 business entity's aggregate annual total value of State  
9 contracts exceed \$50,000, shall register with the State Board  
10 of Elections in accordance with Section 9-35 of the Election  
11 Code prior to submitting to a State agency the bid or proposal  
12 whose value causes the business entity to fall within the  
13 monetary description of this subsection. A business entity  
14 required to register under this subsection has a continuing  
15 duty to ensure that the registration is accurate during the  
16 period beginning on the date of registration and ending on the  
17 day after the date the contract is awarded. Any change in  
18 information must be reported to the State Board of Elections  
19 within 5 business days following such change or no later than a  
20 day before the contract is awarded, whichever date is earlier.

21 (e) A business entity whose contracts with State agencies,  
22 in the aggregate, annually total more than \$50,000 must  
23 maintain its registration under this Section and has a  
24 continuing duty to ensure that the registration is accurate for  
25 the duration of the term of office of the incumbent  
26 officeholder awarding the contracts or for a period of 2 years

1 following the expiration or termination of the contracts,  
2 whichever is longer. A business entity, required to register  
3 under this subsection, has a continuing duty to report any  
4 changes on a quarterly basis to the State Board of Elections  
5 within 14 calendar days following the last day of January,  
6 April, July, and October of each year. Any update pursuant to  
7 this paragraph that is received beyond that date is presumed  
8 late and the civil penalty authorized by subsection (e) of  
9 Section 9-35 of the Election Code (10 ILCS 5/9-35) may be  
10 assessed.

11 Also, if a business entity required to register under this  
12 subsection has a pending bid or offer, any change in  
13 information shall be reported to the State Board of Elections  
14 within 7 calendar days following such change or no later than a  
15 day before the contract is awarded, whichever date is earlier.

16 (f) A business entity's continuing duty under this Section  
17 to ensure the accuracy of its registration includes the  
18 requirement that the business entity notify the State Board of  
19 Elections of any change in information, including but not  
20 limited to changes of affiliated entities or affiliated  
21 persons.

22 (g) For any bid or offer for a contract with a State agency  
23 by a business entity required to register under this Section,  
24 the chief procurement officer shall verify that the business  
25 entity is required to register under this Section and is in  
26 compliance with the registration requirements on the date the



1 bid or offer is due. A chief procurement officer shall not  
2 accept a bid or offer if the business entity is not in  
3 compliance with the registration requirements as of the date  
4 bids or offers are due. Upon discovery of noncompliance with  
5 this Section, if the bidder or offeror made a good faith effort  
6 to comply with registration efforts prior to the date the bid  
7 or offer is due, a chief procurement officer may provide the  
8 bidder or offeror 5 days to achieve compliance. A chief  
9 procurement officer may extend the time to prove compliance by  
10 as long as necessary in the event that there is a failure  
11 within the Board of Elections' registration system.

12 (h) A registration, and any changes to a registration, must  
13 include the business entity's verification of accuracy and  
14 subjects the business entity to the penalties of the laws of  
15 this State for perjury.

16 In addition to any penalty under Section 9-35 of the  
17 Election Code, intentional, willful, or material failure to  
18 disclose information required for registration shall render  
19 the contract, bid, offer, or other procurement relationship  
20 voidable by the chief procurement officer if he or she deems it  
21 to be in the best interest of the State of Illinois.

22 (i) This Section applies regardless of the method of source  
23 selection used in awarding the contract.

24 (Source: P.A. 97-333, eff. 8-12-11; 97-895, eff. 8-3-12;  
25 98-1076, eff. 1-1-15.)

1 (30 ILCS 500/35-5)

2 Sec. 35-5. Application. All professional and artistic  
3 services may ~~shall~~ be procured in accordance with the  
4 provisions of this Article or Article 20.

5 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

6 (30 ILCS 500/35-30)

7 Sec. 35-30. Awards.

8 (a) All State contracts for professional and artistic  
9 services procured under this Article, ~~except as provided in~~  
10 ~~this Section~~, shall be awarded using the competitive request  
11 for proposal process outlined in this Section.

12 (b) For each contract offered, the chief procurement  
13 officer, State purchasing officer, or his or her designee shall  
14 use the appropriate standard solicitation forms available from  
15 the chief procurement officer for matters other than  
16 construction or the higher education chief procurement  
17 officer. When a multiple award is contemplated, the  
18 solicitation shall identify the award criteria and the detailed  
19 method of selecting from among the multiple awardees.

20 (c) Prepared forms shall be submitted to the chief  
21 procurement officer for matters other than construction or the  
22 higher education chief procurement officer, whichever is  
23 appropriate, for publication in its Illinois Procurement  
24 Bulletin and circulation to the chief procurement officer for  
25 matters other than construction or the higher education chief

1 procurement officer's list of prequalified vendors. Notice of  
2 the offer or request for proposal shall appear at least 14  
3 calendar days before the response to the offer is due.

4 (d) All interested respondents shall return their  
5 responses to the location and by the time and date designated  
6 in the solicitation, at which time the responses shall be  
7 opened and recorded ~~chief procurement officer for matters other~~  
8 ~~than construction or the higher education chief procurement~~  
9 ~~officer, whichever is appropriate, which shall open and record~~  
10 ~~them. The chief procurement officer for matters other than~~  
11 ~~construction or higher education chief procurement officer~~  
12 ~~then shall forward the responses, together with any information~~  
13 ~~it has available about the qualifications and other State work~~  
14 ~~of the respondents.~~

15 (e) After evaluation, ranking, and selection, the  
16 responsible chief procurement officer, State purchasing  
17 officer, or his or her designee shall ~~notify the chief~~  
18 ~~procurement officer for matters other than construction or the~~  
19 ~~higher education chief procurement officer, whichever is~~  
20 ~~appropriate, of the successful respondent and shall forward a~~  
21 ~~copy of the signed contract for the chief procurement officer~~  
22 ~~for matters other than construction or higher education chief~~  
23 ~~procurement officer's file. The chief procurement officer for~~  
24 ~~matters other than construction or higher education chief~~  
25 ~~procurement officer shall~~ publish the names of the responsible  
26 procurement decision-maker, the agency awarding ~~letting~~ the

1 contract, the successful respondent, a contract reference, and  
2 value of the awarded ~~let~~ contract in the next appropriate  
3 volume of the Illinois Procurement Bulletin.

4 (f) For all professional and artistic contracts procured  
5 under this Article ~~with annualized value that exceeds \$25,000,~~  
6 evaluation and ranking by price are required. Any chief  
7 procurement officer or State purchasing officer, but not their  
8 designees, may select a respondent other than the lowest  
9 respondent by price. When ~~In any case, when~~ the contract  
10 exceeds the \$25,000 threshold and the lowest respondent is not  
11 selected, the chief procurement officer or the State purchasing  
12 officer shall publish the ~~forward together with the contract~~  
13 ~~notice of who the low respondent by price was and a~~ written  
14 decision as to why another was selected as part of the notice  
15 of award ~~to the chief procurement officer for matters other~~  
16 ~~than construction or the higher education chief procurement~~  
17 ~~officer, whichever is appropriate. The chief procurement~~  
18 ~~officer for matters other than construction or higher education~~  
19 ~~chief procurement officer shall publish as provided in~~  
20 ~~subsection (c) of Section 35-30, but shall include notice of~~  
21 ~~the chief procurement officer's or State purchasing officer's~~  
22 ~~written decision.~~

23 (g) The chief procurement officer for matters other than  
24 construction and higher education chief procurement officer  
25 may each refine, but not contradict, this Section by  
26 promulgating rules for submission to the Procurement Policy

1 Board and then to the Joint Committee on Administrative Rules.  
2 Any refinement shall be based on the principles and procedures  
3 of the federal Architect-Engineer Selection Law, Public Law  
4 92-582 Brooks Act, and the Architectural, Engineering, and Land  
5 Surveying Qualifications Based Selection Act; except that  
6 pricing shall be an integral part of the selection process.

7 (h) A request for proposals may be issued requesting the  
8 submission of offers to establish a pool of the most qualified  
9 vendors. When a specific need is identified, written requests  
10 for proposals will be directed to the pool of most qualified  
11 vendors to meet that immediate need. Clarification,  
12 discussion, and best and finals shall be allowed as in a  
13 standard request for proposals in each step of the process. The  
14 contract for the immediate need shall be made to the most  
15 qualified vendor with a fair and reasonable price.

16 (Source: P.A. 98-1076, eff. 1-1-15.)

17 (30 ILCS 500/45-30)

18 Sec. 45-30. Illinois Correctional Industries.  
19 Notwithstanding anything to the contrary in other law, each ~~the~~  
20 chief procurement officer appointed pursuant ~~to paragraph (4)~~  
21 ~~of subsection (a) of~~ Section 10-20 shall, in consultation with  
22 Illinois Correctional Industries, a division of the Illinois  
23 Department of Corrections (referred to as the "Illinois  
24 Correctional Industries" or "ICI") determine for all State  
25 agencies under their respective jurisdictions which articles,

1 materials, industry related services, food stuffs, and  
2 finished goods that are produced or manufactured by persons  
3 confined in institutions and facilities of the Department of  
4 Corrections who are participating in Illinois Correctional  
5 Industries programs shall be purchased from Illinois  
6 Correctional Industries. Each ~~The~~ chief procurement officer  
7 appointed pursuant to ~~paragraph (4) of subsection (a) of~~  
8 Section 10-20 shall develop and distribute to the appropriate  
9 ~~various~~ purchasing and using agencies a listing of all Illinois  
10 Correctional Industries products and procedures for  
11 implementing this Section.

12 (Source: P.A. 98-1076, eff. 1-1-15.)

13 (30 ILCS 500/45-57)

14 Sec. 45-57. Veterans.

15 (a) Set-aside goal. It is the goal of the State to promote  
16 and encourage the continued economic development of small  
17 businesses owned and controlled by qualified veterans and that  
18 qualified service-disabled veteran-owned small businesses  
19 (referred to as SDVOSB) and veteran-owned small businesses  
20 (referred to as VOSB) participate in the State's procurement  
21 process as both prime contractors and subcontractors. Not less  
22 than 3% of the total dollar amount of State contracts, as  
23 defined by the Director of Central Management Services, shall  
24 be established as a goal to be awarded to SDVOSB and VOSB. That  
25 portion of a contract under which the contractor subcontracts

1 with a SDVOSB or VOSB may be counted toward the goal of this  
2 subsection. The Department of Central Management Services  
3 shall adopt rules to implement compliance with this subsection  
4 by all State agencies.

5 (b) Fiscal year reports. By each November ~~September~~ 1, each  
6 chief procurement officer shall report to the Department of  
7 Central Management Services on all of the following for the  
8 immediately preceding fiscal year, and by each March 1 the  
9 Department of Central Management Services shall compile and  
10 report that information to the General Assembly:

11 (1) The total number of VOSB, and the number of SDVOSB,  
12 who submitted bids for contracts under this Code.

13 (2) The total number of VOSB, and the number of SDVOSB,  
14 who entered into contracts with the State under this Code  
15 and the total value of those contracts.

16 (c) Yearly review and recommendations. Each year, each  
17 chief procurement officer shall review the progress of all  
18 State agencies under its jurisdiction in meeting the goal  
19 described in subsection (a), with input from statewide  
20 veterans' service organizations and from the business  
21 community, including businesses owned by qualified veterans,  
22 and shall make recommendations to be included in the Department  
23 of Central Management Services' report to the General Assembly  
24 regarding continuation, increases, or decreases of the  
25 percentage goal. The recommendations shall be based upon the  
26 number of businesses that are owned by qualified veterans and

1 on the continued need to encourage and promote businesses owned  
2 by qualified veterans.

3 (d) Governor's recommendations. To assist the State in  
4 reaching the goal described in subsection (a), the Governor  
5 shall recommend to the General Assembly changes in programs to  
6 assist businesses owned by qualified veterans.

7 (e) Definitions. As used in this Section:

8 "Armed forces of the United States" means the United States  
9 Army, Navy, Air Force, Marine Corps, Coast Guard, or service in  
10 active duty as defined under 38 U.S.C. Section 101. Service in  
11 the Merchant Marine that constitutes active duty under Section  
12 401 of federal Public Act 95-202 shall also be considered  
13 service in the armed forces for purposes of this Section.

14 "Certification" means a determination made by the Illinois  
15 Department of Veterans' Affairs and the Department of Central  
16 Management Services that a business entity is a qualified  
17 service-disabled veteran-owned small business or a qualified  
18 veteran-owned small business for whatever purpose. A SDVOSB or  
19 VOSB owned and controlled by females, minorities, or persons  
20 with disabilities, as those terms are defined in Section 2 of  
21 the Business Enterprise for Minorities, Females, and Persons  
22 with Disabilities Act, may also select and designate whether  
23 that business is to be certified as a "female-owned business",  
24 "minority-owned business", or "business owned by a person with  
25 a disability", as defined in Section 2 of the Business  
26 Enterprise for Minorities, Females, and Persons with



1 Disabilities Act.

2 "Control" means the exclusive, ultimate, majority, or sole  
3 control of the business, including but not limited to capital  
4 investment and all other financial matters, property,  
5 acquisitions, contract negotiations, legal matters,  
6 officer-director-employee selection and comprehensive hiring,  
7 operation responsibilities, cost-control matters, income and  
8 dividend matters, financial transactions, and rights of other  
9 shareholders or joint partners. Control shall be real,  
10 substantial, and continuing, not pro forma. Control shall  
11 include the power to direct or cause the direction of the  
12 management and policies of the business and to make the  
13 day-to-day as well as major decisions in matters of policy,  
14 management, and operations. Control shall be exemplified by  
15 possessing the requisite knowledge and expertise to run the  
16 particular business, and control shall not include simple  
17 majority or absentee ownership.

18 "Qualified service-disabled veteran" means a veteran who  
19 has been found to have 10% or more service-connected disability  
20 by the United States Department of Veterans Affairs or the  
21 United States Department of Defense.

22 "Qualified service-disabled veteran-owned small business"  
23 or "SDVOSB" means a small business (i) that is at least 51%  
24 owned by one or more qualified service-disabled veterans living  
25 in Illinois or, in the case of a corporation, at least 51% of  
26 the stock of which is owned by one or more qualified

1 service-disabled veterans living in Illinois; (ii) that has its  
2 home office in Illinois; and (iii) for which items (i) and (ii)  
3 are factually verified annually by the Department of Central  
4 Management Services.

5 "Qualified veteran-owned small business" or "VOSB" means a  
6 small business (i) that is at least 51% owned by one or more  
7 qualified veterans living in Illinois or, in the case of a  
8 corporation, at least 51% of the stock of which is owned by one  
9 or more qualified veterans living in Illinois; (ii) that has  
10 its home office in Illinois; and (iii) for which items (i) and  
11 (ii) are factually verified annually by the Department of  
12 Central Management Services.

13 "Service-connected disability" means a disability incurred  
14 in the line of duty in the active military, naval, or air  
15 service as described in 38 U.S.C. 101(16).

16 "Small business" means a business that has annual gross  
17 sales of less than \$75,000,000 as evidenced by the federal  
18 income tax return of the business. A firm with gross sales in  
19 excess of this cap may apply to the Department of Central  
20 Management Services for certification for a particular  
21 contract if the firm can demonstrate that the contract would  
22 have significant impact on SDVOSB or VOSB as suppliers or  
23 subcontractors or in employment of veterans or  
24 service-disabled veterans.

25 "State agency" has the meaning provided in Section 1-15.100  
26 of this Code. ~~same meaning as in Section 2 of the Business~~

1 ~~Enterprise for Minorities, Females, and Persons with~~  
2 ~~Disabilities Act.~~

3 "Time of hostilities with a foreign country" means any  
4 period of time in the past, present, or future during which a  
5 declaration of war by the United States Congress has been or is  
6 in effect or during which an emergency condition has been or is  
7 in effect that is recognized by the issuance of a Presidential  
8 proclamation or a Presidential executive order and in which the  
9 armed forces expeditionary medal or other campaign service  
10 medals are awarded according to Presidential executive order.

11 "Veteran" means a person who (i) has been a member of the  
12 armed forces of the United States or, while a citizen of the  
13 United States, was a member of the armed forces of allies of  
14 the United States in time of hostilities with a foreign country  
15 and (ii) has served under one or more of the following  
16 conditions: (a) the veteran served a total of at least 6  
17 months; (b) the veteran served for the duration of hostilities  
18 regardless of the length of the engagement; (c) the veteran was  
19 discharged on the basis of hardship; or (d) the veteran was  
20 released from active duty because of a service connected  
21 disability and was discharged under honorable conditions.

22 (f) Certification program. The Illinois Department of  
23 Veterans' Affairs and the Department of Central Management  
24 Services shall work together to devise a certification  
25 procedure to assure that businesses taking advantage of this  
26 Section are legitimately classified as qualified

1 service-disabled veteran-owned small businesses or qualified  
2 veteran-owned small businesses.

3 (g) Penalties.

4 (1) Administrative penalties. The chief procurement  
5 officers appointed pursuant to Section 10-20 shall suspend  
6 any person who commits a violation of Section 17-10.3 or  
7 subsection (d) of Section 33E-6 of the Criminal Code of  
8 2012 relating to this Section from bidding on, or  
9 participating as a contractor, subcontractor, or supplier  
10 in, any State contract or project for a period of not less  
11 than 3 years, and, if the person is certified as a  
12 service-disabled veteran-owned small business or a  
13 veteran-owned small business, then the Department shall  
14 revoke the business's certification for a period of not  
15 less than 3 years. An additional or subsequent violation  
16 shall extend the periods of suspension and revocation for a  
17 period of not less than 5 years. The suspension and  
18 revocation shall apply to the principals of the business  
19 and any subsequent business formed or financed by, or  
20 affiliated with, those principals.

21 (2) Reports of violations. Each State agency shall  
22 report any alleged violation of Section 17-10.3 or  
23 subsection (d) of Section 33E-6 of the Criminal Code of  
24 2012 relating to this Section to the chief procurement  
25 officers appointed pursuant to Section 10-20. The chief  
26 procurement officers appointed pursuant to Section 10-20

1 shall subsequently report all such alleged violations to  
2 the Attorney General, who shall determine whether to bring  
3 a civil action against any person for the violation.

4 (3) List of suspended persons. The chief procurement  
5 officers appointed pursuant to Section 10-20 shall monitor  
6 the status of all reported violations of Section 17-10.3 or  
7 subsection (d) of Section 33E-6 of the Criminal Code of  
8 1961 or the Criminal Code of 2012 relating to this Section  
9 and shall maintain and make available to all State agencies  
10 a central listing of all persons that committed violations  
11 resulting in suspension.

12 (4) Use of suspended persons. During the period of a  
13 person's suspension under paragraph (1) of this  
14 subsection, a State agency shall not enter into any  
15 contract with that person or with any contractor using the  
16 services of that person as a subcontractor.

17 (5) Duty to check list. Each State agency shall check  
18 the central listing provided by the chief procurement  
19 officers appointed pursuant to Section 10-20 under  
20 paragraph (3) of this subsection to verify that a person  
21 being awarded a contract by that State agency, or to be  
22 used as a subcontractor or supplier on a contract being  
23 awarded by that State agency, is not under suspension  
24 pursuant to paragraph (1) of this subsection.

25 (Source: P.A. 97-260, eff. 8-5-11; 97-1150, eff. 1-25-13;  
26 98-307, eff. 8-12-13; 98-1076, eff. 1-1-15.)

1           Section 10. The Small Business Contracts Act is amended by  
2 changing Sections 10 and 20 as follows:

3           (30 ILCS 503/10)

4           Sec. 10. Award of State contracts.

5           (a) Not less than 10% of the total dollar amount of State  
6 contracts shall be established as a goal to be awarded as a  
7 contract or subcontract to small businesses.

8           (b) The percentage in subsection (a) relates to the total  
9 dollar amount of State contracts during each State fiscal year,  
10 calculated by examining independently each type of contract for  
11 each State official or agency which lets such contracts.

12           (Source: P.A. 97-307, eff. 8-11-11.)

13           (30 ILCS 503/20)

14           Sec. 20. Annual report. Each chief procurement officer  
15 shall file no later than November ~~March~~ 1 of each year, an  
16 annual report that shall detail the level of achievement toward  
17 the goals specified in this Act over the 3 most recent fiscal  
18 years. The annual report shall include, but need not be limited  
19 to, the following:

20           (1) a summary detailing State appropriations subject  
21 to the goals, the actual goals specified, and the goals  
22 attained by each State official or agency;

23           (2) a summary of the number of contracts awarded and

1 the average contract amount by each State official or  
2 agency; and

3 (3) an analysis of the level of overall goal  
4 achievement concerning purchases from small businesses.

5 (Source: P.A. 97-307, eff. 8-11-11.)

6 Section 15. The Governmental Joint Purchasing Act is  
7 amended by changing Section 2 as follows:

8 (30 ILCS 525/2) (from Ch. 85, par. 1602)

9 Sec. 2. Joint purchasing authority.

10 (a) Any governmental unit may purchase personal property,  
11 supplies and services jointly with one or more other  
12 governmental units. All such joint purchases shall be by  
13 competitive solicitation as provided in Section 4 of this Act.  
14 The provisions of any other acts under which a governmental  
15 unit operates which refer to purchases and procedures in  
16 connection therewith shall be superseded by the provisions of  
17 this Act when the governmental units are exercising the joint  
18 powers created by this Act.

19 (a-5) A chief procurement officer established in Section  
20 10-20 of the Illinois Procurement Code may authorize the  
21 purchase of personal property, supplies, and services jointly  
22 with a governmental entity of this or another state or with a  
23 consortium of governmental entities of one or more other  
24 states. Subject to provisions of the joint purchasing

1 solicitation, the appropriate chief procurement officer may  
2 designate the resulting contract as available to governmental  
3 units in Illinois. The chief procurement officers shall submit  
4 to the General Assembly by November 1 of each year a report of  
5 procurements made under this subsection (a-5).

6 (a-10) Each chief procurement officer appointed pursuant  
7 to Section 10-20 of the Illinois Procurement Code may authorize  
8 the purchase or lease of personal property, supplies, and  
9 services which have been procured through a competitive process  
10 by a federal agency, a consortium of governmental, educational,  
11 medical, research, or similar entities, or a group purchasing  
12 organizations of which the chief procurement officer or State  
13 agency is a member or affiliate, including, without limitation,  
14 any purchasing entity operating under the federal Higher  
15 Education Cooperative Act and the Midwestern Higher Education  
16 Cooperation Act. A chief procurement officer may authorize  
17 purchases and contracts established by other means if the chief  
18 procurement officer determines it is in the best interests of  
19 the State. Each chief procurement officer may establish  
20 detailed rules and policies and procedures for use of these  
21 cooperative solicitations and contracts, including, without  
22 limitation, that the State agency make a determination that the  
23 award or contract is in the best interest of the State, and  
24 that the contract include provisions required by Illinois law.  
25 Notice of awards or contracts shall be published by the chief  
26 procurement officer in the Illinois Procurement Bulletin at



1 least 14 days prior to use of the award or contract. Each chief  
2 procurement officer shall submit to the General Assembly by  
3 November 1 of each year a report of procurements made under  
4 this subsection (a-10).

5 (b) Any not-for-profit agency that qualifies under Section  
6 45-35 of the Illinois Procurement Code and that either (1) acts  
7 pursuant to a board established by or controlled by a unit of  
8 local government or (2) receives grant funds from the State or  
9 from a unit of local government, shall be eligible to  
10 participate in contracts established by the State.

11 (Source: P.A. 96-584, eff. 1-1-10; 97-895, eff. 8-3-12.)

12 (30 ILCS 500/35-35 rep.)

13 Section 20. The Illinois Procurement Code is amended by  
14 repealing Section 35-35.

15 Section 99. Effective date. This Act takes effect upon  
16 becoming law.

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3	30 ILCS 500/1-12	
4	30 ILCS 500/1-13	
5	30 ILCS 500/1-13.1 new	
6	30 ILCS 500/1-15.47 new	
7	30 ILCS 500/1-15.48 new	
8	30 ILCS 500/20-10	
9	30 ILCS 500/20-15	
10	30 ILCS 500/20-20	
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12	30 ILCS 500/20-30	
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16	30 ILCS 500/35-30	
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19	30 ILCS 503/10	
20	30 ILCS 503/20	
21	30 ILCS 525/2	from Ch. 85, par. 1602
22	30 ILCS 500/35-35 rep.	