

AN ACT concerning finance.

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

Section 5. The State Finance Act is amended by changing Section 6z-64 as follows:

(30 ILCS 105/6z-64)

Sec. 6z-64. The Workers' Compensation Revolving Fund.

(a) The Workers' Compensation Revolving Fund is created as a revolving fund, not subject to fiscal year limitations, in the State treasury. The following moneys shall be deposited into the Fund:

(1) amounts authorized for transfer to the Fund from the General Revenue Fund and other State funds (except for funds classified by the Comptroller as federal trust funds or State trust funds) pursuant to State law or Executive Order;

(2) federal funds received by the Department of Central Management Services (the "Department") as a result of expenditures from the Fund;

(3) interest earned on moneys in the Fund;

(4) receipts or inter-fund transfers resulting from billings issued to State agencies and universities for the cost of workers' compensation services that are not

compensated through the specific fund transfers authorized by this Section, if any;

(5) amounts received from a State agency or university for workers' compensation payments for temporary total disability, as provided in Section 405-105 of the Department of Central Management Services Law of the Civil Administrative Code of Illinois; and

(6) amounts recovered through subrogation in workers' compensation and workers' occupational disease cases.

(b) Moneys in the Fund may be used by the Department for reimbursement or payment for:

(1) providing workers' compensation services to State agencies and State universities; or

(2) providing for payment of administrative and other expenses (and, beginning January 1, 2013, fees and charges made pursuant to a contract with a private vendor) incurred in providing workers' compensation services. The Department, or any successor agency designated to enter into contracts with one or more private vendors for the administration of the workers' compensation program for State employees pursuant to subsection 10b of Section 405-105 of the Department of Central Management Services Law of the Civil Administrative Code of Illinois, is authorized to establish one or more special funds, as separate accounts provided by any bank or banks as defined by the Illinois Banking Act, any savings and loan

association or associations as defined by the Illinois Savings and Loan Act of 1985, or any credit union as defined by the Illinois Credit Union Act, to be held by the Director outside of the State treasury, for the purpose of receiving the transfer of moneys from the Workers' Compensation Revolving Fund. The Department may promulgate rules further defining the methodology for the transfers. Any interest earned by moneys in the funds or accounts shall be deposited into the Workers' Compensation Revolving Fund. The transferred moneys, and interest accrued thereon, shall be used exclusively for transfers to contracted private vendors or their financial institutions for payments to workers' compensation claimants and providers for workers' compensation services, claims, and benefits pursuant to this Section and subsection 9 of Section 405-105 of the Department of Central Management Services Law of the Civil Administrative Code of Illinois. The transferred moneys, and interest accrued thereon, shall not be used for any other purpose including, but not limited to, reimbursement or payment of administrative fees due the contracted vendor pursuant to its contract or contracts with the Department.

(c) State agencies may direct the Comptroller to process inter-fund transfers or make payment through the voucher and warrant process to the Workers' Compensation Revolving Fund in satisfaction of billings issued under subsection (a) of this

Section.

(d) Reconciliation. For the fiscal year beginning on July 1, 2004 only, the Director of Central Management Services (the "Director") shall order that each State agency's payments and transfers made to the Fund be reconciled with actual Fund costs for workers' compensation services provided by the Department and attributable to the State agency and relevant fund on no less than an annual basis. The Director may require reports from State agencies as deemed necessary to perform this reconciliation.

(d-5) Notwithstanding any other provision of State law to the contrary, on or after July 1, 2005 and until June 30, 2006, in addition to any other transfers that may be provided for by law, at the direction of and upon notification of the Director of Central Management Services, the State Comptroller shall direct and the State Treasurer shall transfer amounts into the Workers' Compensation Revolving Fund from the designated funds not exceeding the following totals:

Mental Health Fund	\$17,694,000
Statistical Services Revolving Fund	\$1,252,600
Department of Corrections Reimbursement and Education Fund	\$1,198,600
Communications Revolving Fund	\$535,400
Child Support Administrative Fund	\$441,900
Health Insurance Reserve Fund	\$238,900
Fire Prevention Fund	\$234,100

Park and Conservation Fund	\$142,000
Motor Fuel Tax Fund	\$132,800
Illinois Workers' Compensation	
Commission Operations Fund	\$123,900
State Boating Act Fund	\$112,300
Public Utility Fund	\$106,500
State Lottery Fund	\$101,300
Traffic and Criminal Conviction	
Surcharge Fund	\$88,500
State Surplus Property Revolving Fund	\$82,700
Natural Areas Acquisition Fund	\$65,600
Securities Audit and Enforcement Fund	\$65,200
Agricultural Premium Fund	\$63,400
Capital Development Fund	\$57,500
State Gaming Fund	\$54,300
Underground Storage Tank Fund	\$53,700
Illinois State Medical Disciplinary Fund	\$53,000
Personal Property Tax Replacement Fund	\$53,000
General Professions Dedicated Fund	\$51,900
Total	\$23,003,100

(d-10) Notwithstanding any other provision of State law to the contrary and in addition to any other transfers that may be provided for by law, on the first day of each calendar quarter of the fiscal year beginning July 1, 2005, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer from each designated fund

into the Workers' Compensation Revolving Fund amounts equal to one-fourth of each of the following totals:

General Revenue Fund	\$34,000,000
Road Fund	\$25,987,000
Total	\$59,987,000

(d-12) Notwithstanding any other provision of State law to the contrary and in addition to any other transfers that may be provided for by law, on the effective date of this amendatory Act of the 94th General Assembly, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer from each designated fund into the Workers' Compensation Revolving Fund the following amounts:

General Revenue Fund	\$10,000,000
Road Fund	\$5,000,000
Total	\$15,000,000

(d-15) Notwithstanding any other provision of State law to the contrary and in addition to any other transfers that may be provided for by law, on July 1, 2006, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer from each designated fund into the Workers' Compensation Revolving Fund the following amounts:

General Revenue Fund	\$44,028,200
Road Fund	\$28,084,000
Total	\$72,112,200

(d-20) Notwithstanding any other provision of State law to the contrary, on or after July 1, 2006 and until June 30, 2007, in addition to any other transfers that may be provided for by law, at the direction of and upon notification of the Director of Central Management Services, the State Comptroller shall direct and the State Treasurer shall transfer amounts into the Workers' Compensation Revolving Fund from the designated funds not exceeding the following totals:

Mental Health Fund	\$19,121,800
Statistical Services Revolving Fund	\$1,353,700
Department of Corrections Reimbursement and Education Fund	\$1,295,300
Communications Revolving Fund	\$578,600
Child Support Administrative Fund	\$477,600
Health Insurance Reserve Fund	\$258,200
Fire Prevention Fund	\$253,000
Park and Conservation Fund	\$153,500
Motor Fuel Tax Fund	\$143,500
Illinois Workers' Compensation Commission Operations Fund	\$133,900
State Boating Act Fund	\$121,400
Public Utility Fund	\$115,100
State Lottery Fund	\$109,500
Traffic and Criminal Conviction Surcharge Fund ..	\$95,700
State Surplus Property Revolving Fund	\$89,400
Natural Areas Acquisition Fund	\$70,800

Securities Audit and Enforcement Fund	\$70,400
Agricultural Premium Fund	\$68,500
State Gaming Fund	\$58,600
Underground Storage Tank Fund	\$58,000
Illinois State Medical Disciplinary Fund	\$57,200
Personal Property Tax Replacement Fund	\$57,200
General Professions Dedicated Fund	\$56,100
Total	\$24,797,000

(d-25) Notwithstanding any other provision of State law to the contrary and in addition to any other transfers that may be provided for by law, on July 1, 2009, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer from each designated fund into the Workers' Compensation Revolving Fund the following amounts:

General Revenue Fund	\$55,000,000
Road Fund	\$34,803,000
Total	\$89,803,000

(d-30) Notwithstanding any other provision of State law to the contrary, on or after July 1, 2009 and until June 30, 2010, in addition to any other transfers that may be provided for by law, at the direction of and upon notification of the Director of Central Management Services, the State Comptroller shall direct and the State Treasurer shall transfer amounts into the Workers' Compensation Revolving Fund from the designated funds not exceeding the following totals:

Food and Drug Safety Fund	\$13,900
Teacher Certificate Fee Revolving Fund	\$6,500
Transportation Regulatory Fund	\$14,500
Financial Institution Fund	\$25,200
General Professions Dedicated Fund	\$25,300
Illinois Veterans' Rehabilitation Fund	\$64,600
State Boating Act Fund	\$177,100
State Parks Fund	\$104,300
Lobbyist Registration Administration Fund	\$14,400
Agricultural Premium Fund	\$79,100
Fire Prevention Fund	\$360,200
Mental Health Fund	\$9,725,200
Illinois State Pharmacy Disciplinary Fund	\$5,600
Public Utility Fund	\$40,900
Radiation Protection Fund	\$14,200
Firearm Owner's Notification Fund	\$1,300
Solid Waste Management Fund	\$74,100
Illinois Gaming Law Enforcement Fund	\$17,800
Subtitle D Management Fund	\$14,100
Illinois State Medical Disciplinary Fund	\$26,500
Facility Licensing Fund	\$11,700
Plugging and Restoration Fund	\$9,100
Explosives Regulatory Fund	\$2,300
Aggregate Operations Regulatory Fund	\$5,000
Coal Mining Regulatory Fund	\$1,900
Registered Certified Public Accountants'	

Administration and Disciplinary Fund	\$1,500
Weights and Measures Fund	\$56,100
Division of Corporations Registered	
Limited Liability Partnership Fund	\$3,900
Illinois School Asbestos Abatement Fund	\$14,000
Secretary of State Special License Plate Fund	\$30,700
Capital Development Board Revolving Fund	\$27,000
DCFS Children's Services Fund	\$69,300
Asbestos Abatement Fund	\$17,200
Illinois Health Facilities Planning Fund	\$26,800
Emergency Public Health Fund	\$5,600
Nursing Dedicated and Professional Fund	\$10,000
Optometric Licensing and Disciplinary	
Board Fund	\$1,600
Underground Resources Conservation	
Enforcement Fund	\$11,500
Drunk and Drugged Driving Prevention Fund	\$18,200
Long Term Care Monitor/Receiver Fund	\$35,400
Community Water Supply Laboratory Fund	\$5,600
Securities Investors Education Fund	\$2,000
Used Tire Management Fund	\$32,400
Natural Areas Acquisition Fund	\$101,200
Open Space Lands Acquisition	
and Development Fund	\$28,400
Working Capital Revolving Fund	\$489,100
State Garage Revolving Fund	\$791,900

Statistical Services Revolving Fund	\$3,984,700
Communications Revolving Fund	\$1,432,800
Facilities Management Revolving Fund	\$1,911,600
Professional Services Fund	\$483,600
Motor Vehicle Review Board Fund	\$15,000
Environmental Laboratory Certification Fund	\$3,000
Public Health Laboratory Services	
Revolving Fund	\$2,500
Lead Poisoning Screening, Prevention,	
and Abatement Fund	\$28,200
Securities Audit and Enforcement Fund	\$258,400
Department of Business Services	
Special Operations Fund	\$111,900
Feed Control Fund	\$20,800
Tanning Facility Permit Fund	\$5,400
Plumbing Licensure and Program Fund	\$24,400
Tax Compliance and Administration Fund	\$27,200
Appraisal Administration Fund	\$2,400
Small Business Environmental Assistance Fund	\$2,200
Illinois State Fair Fund	\$31,400
Secretary of State Special Services Fund	\$317,600
Department of Corrections Reimbursement	
and Education Fund	\$324,500
Health Facility Plan Review Fund	\$31,200
Illinois Historic Sites Fund	\$11,500
Attorney General Court Ordered and Voluntary	

Compliance Payment Projects Fund	\$18,500
Public Pension Regulation Fund	\$5,600
Illinois Charity Bureau Fund	\$11,400
Renewable Energy Resources Trust Fund	\$6,700
Energy Efficiency Trust Fund	\$3,600
Pesticide Control Fund	\$56,800
Attorney General Whistleblower Reward and Protection Fund	\$14,200
Partners for Conservation Fund	\$36,900
Capital Litigation Trust Fund	\$800
Motor Vehicle License Plate Fund	\$99,700
Horse Racing Fund	\$18,900
Death Certificate Surcharge Fund	\$12,800
Auction Regulation Administration Fund	\$500
Motor Carrier Safety Inspection Fund	\$55,800
Assisted Living and Shared Housing Regulatory Fund	\$900
Illinois Thoroughbred Breeders Fund	\$9,200
Illinois Clean Water Fund	\$42,300
Secretary of State DUI Administration Fund	\$16,100
Child Support Administrative Fund	\$1,037,900
Secretary of State Police Services Fund	\$1,200
Tourism Promotion Fund	\$34,400
IMSA Income Fund	\$12,700
Presidential Library and Museum Operating Fund ..	\$83,000
Dram Shop Fund	\$44,500

Illinois State Dental Disciplinary Fund	\$5,700
Cycle Rider Safety Training Fund	\$8,700
Traffic and Criminal Conviction Surcharge Fund ..	\$106,100
Design Professionals Administration and Investigation Fund	\$4,500
State Police Services Fund	\$276,100
Metabolic Screening and Treatment Fund	\$90,800
Insurance Producer Administration Fund	\$45,600
Coal Technology Development Assistance Fund	\$11,700
Hearing Instrument Dispenser Examining and Disciplinary Fund	\$1,900
Low-Level Radioactive Waste Facility Development and Operation Fund	\$1,000
Environmental Protection Permit and Inspection Fund	\$66,900
Park and Conservation Fund	\$199,300
Local Tourism Fund	\$2,400
Illinois Capital Revolving Loan Fund	\$10,000
Large Business Attraction Fund	\$100
Adeline Jay Geo-Karis Illinois Beach Marina Fund	\$27,200
Public Infrastructure Construction Loan Revolving Fund	\$1,700
Insurance Financial Regulation Fund	\$69,200
Total	\$24,197,800

(d-35) Notwithstanding any other provision of State law to

the contrary and in addition to any other transfers that may be provided for by law, on July 1, 2010, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer from each designated fund into the Workers' Compensation Revolving Fund the following amounts:

General Revenue Fund	\$55,000,000
Road Fund	\$50,955,300
Total	\$105,955,300

(d-40) Notwithstanding any other provision of State law to the contrary, on or after July 1, 2010 and until June 30, 2011, in addition to any other transfers that may be provided for by law, at the direction of and upon notification of the Director of Central Management Services, the State Comptroller shall direct and the State Treasurer shall transfer amounts into the Workers' Compensation Revolving Fund from the designated funds not exceeding the following totals:

Food and Drug Safety Fund	\$8,700
Financial Institution Fund	\$44,500
General Professions Dedicated Fund	\$51,400
Live and Learn Fund	\$10,900
Illinois Veterans' Rehabilitation Fund	\$106,000
State Boating Act Fund	\$288,200
State Parks Fund	\$185,900
Wildlife and Fish Fund	\$1,550,300
Lobbyist Registration Administration Fund	\$18,100

Agricultural Premium Fund	\$176,100
Mental Health Fund	\$291,900
Firearm Owner's Notification Fund	\$2,300
Illinois Gaming Law Enforcement Fund	\$11,300
Illinois State Medical Disciplinary Fund	\$42,300
Facility Licensing Fund	\$14,200
Plugging and Restoration Fund	\$15,600
Explosives Regulatory Fund	\$4,800
Aggregate Operations Regulatory Fund	\$6,000
Coal Mining Regulatory Fund	\$7,200
Registered Certified Public Accountants'	
Administration and Disciplinary Fund	\$1,900
Weights and Measures Fund	\$105,200
Division of Corporations Registered	
Limited Liability Partnership Fund	\$5,300
Illinois School Asbestos Abatement Fund	\$19,900
Secretary of State Special License Plate Fund	\$38,700
DCFS Children's Services Fund	\$123,100
Illinois Health Facilities Planning Fund	\$29,700
Emergency Public Health Fund	\$6,800
Nursing Dedicated and Professional Fund	\$13,500
Optometric Licensing and Disciplinary	
Board Fund	\$1,800
Underground Resources Conservation	
Enforcement Fund	\$16,500
Mandatory Arbitration Fund	\$5,400

Drunk and Drugged Driving Prevention Fund	\$26,400
Long Term Care Monitor/Receiver Fund	\$43,800
Securities Investors Education Fund	\$28,500
Used Tire Management Fund	\$6,300
Natural Areas Acquisition Fund	\$185,000
Open Space Lands Acquisition and Development Fund	\$46,800
Working Capital Revolving Fund	\$741,500
State Garage Revolving Fund	\$356,200
Statistical Services Revolving Fund	\$1,775,900
Communications Revolving Fund	\$630,600
Facilities Management Revolving Fund	\$870,800
Professional Services Fund	\$275,500
Motor Vehicle Review Board Fund	\$12,900
Public Health Laboratory Services Revolving Fund	\$5,300
Lead Poisoning Screening, Prevention, and Abatement Fund	\$42,100
Securities Audit and Enforcement Fund	\$162,700
Department of Business Services Special Operations Fund	\$143,700
Feed Control Fund	\$32,300
Tanning Facility Permit Fund	\$3,900
Plumbing Licensure and Program Fund	\$32,600
Tax Compliance and Administration Fund	\$48,400
Appraisal Administration Fund	\$3,600

Illinois State Fair Fund	\$30,200
Secretary of State Special Services Fund	\$214,400
Department of Corrections Reimbursement and Education Fund	\$438,300
Health Facility Plan Review Fund	\$29,900
Public Pension Regulation Fund	\$9,900
Pesticide Control Fund	\$107,500
Partners for Conservation Fund	\$189,300
Motor Vehicle License Plate Fund	\$143,800
Horse Racing Fund	\$20,900
Death Certificate Surcharge Fund	\$16,800
Auction Regulation Administration Fund	\$1,000
Motor Carrier Safety Inspection Fund	\$56,800
Assisted Living and Shared Housing Regulatory Fund	\$2,200
Illinois Thoroughbred Breeders Fund	\$18,100
Secretary of State DUI Administration Fund	\$19,800
Child Support Administrative Fund	\$1,809,500
Secretary of State Police Services Fund	\$2,500
Medical Special Purposes Trust Fund	\$20,400
Dram Shop Fund	\$57,200
Illinois State Dental Disciplinary Fund	\$9,500
Cycle Rider Safety Training Fund	\$12,200
Traffic and Criminal Conviction Surcharge Fund ..	\$128,900
Design Professionals Administration and Investigation Fund	\$7,300

State Police Services Fund	\$335,700
Metabolic Screening and Treatment Fund	\$81,600
Insurance Producer Administration Fund	\$77,000
Hearing Instrument Dispenser Examining and Disciplinary Fund	\$1,900
Park and Conservation Fund	\$361,500
Adeline Jay Geo-Karis Illinois Beach Marina Fund	\$42,800
Insurance Financial Regulation Fund	\$108,000
Total	\$13,033,200

(d-45) Notwithstanding any other provision of State law to the contrary and in addition to any other transfers that may be provided for by law, on July 1, 2011, or as soon as may be practical thereafter, the State Comptroller shall direct and the State Treasurer shall transfer the sum of \$45,000,000 from the General Revenue Fund into the Workers' Compensation Revolving Fund.

(e) The term "workers' compensation services" means services, claims expenses, and related administrative costs incurred in performing the duties under Sections 405-105 and 405-411 of the Department of Central Management Services Law of the Civil Administrative Code of Illinois.

(Source: P.A. 96-45, eff. 7-15-09; 96-959, eff. 7-1-10; 97-641, eff. 12-19-11; 97-895, eff. 8-3-12.)

Section 10. The Illinois Procurement Code is amended by

changing Section 45-57 as follows:

(30 ILCS 500/45-57)

Sec. 45-57. Veterans.

(a) Set-aside goal. It is the goal of the State to promote and encourage the continued economic development of small businesses owned and controlled by qualified veterans and that qualified service-disabled veteran-owned small businesses (referred to as SDVOSB) and veteran-owned small businesses (referred to as VOSB) participate in the State's procurement process as both prime contractors and subcontractors. Not less than 3% of the total dollar amount of State contracts, as defined by the Director of Central Management Services, shall be established as a goal to be awarded to SDVOSB and VOSB. That portion of a contract under which the contractor subcontracts with a SDVOSB or VOSB may be counted toward the goal of this subsection. The Department of Central Management Services shall adopt rules to implement compliance with this subsection by all State agencies.

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

(1) The total number of VOSB, and the number of SDVOSB,

who submitted bids for contracts under this Code.

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

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

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

(e) Definitions. As used in this Section:

"Armed forces of the United States" means the United States Army, Navy, Air Force, Marine Corps, Coast Guard, or service in active duty as defined under 38 U.S.C. Section 101. Service in the Merchant Marine that constitutes active duty under Section

401 of federal Public Act 95-202 shall also be considered service in the armed forces for purposes of this Section.

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

"Control" means the exclusive, ultimate, majority, or sole control of the business, including but not limited to capital investment and all other financial matters, property, acquisitions, contract negotiations, legal matters, officer-director-employee selection and comprehensive hiring, operation responsibilities, cost-control matters, income and dividend matters, financial transactions, and rights of other shareholders or joint partners. Control shall be real, substantial, and continuing, not pro forma. Control shall

include the power to direct or cause the direction of the management and policies of the business and to make the day-to-day as well as major decisions in matters of policy, management, and operations. Control shall be exemplified by possessing the requisite knowledge and expertise to run the particular business, and control shall not include simple majority or absentee ownership.

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

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

"Qualified veteran-owned small business" or "VOSB" means a small business (i) that is at least 51% owned by one or more qualified veterans living in Illinois or, in the case of a corporation, at least 51% of the stock of which is owned by one or more qualified veterans living in Illinois; (ii) that has its home office in Illinois; and (iii) for which items (i) and

(ii) are factually verified annually by the Department of Central Management Services.

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

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

"State agency" has the same meaning as in Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act.

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

"Veteran" means a person who (i) has been a member of the

armed forces of the United States or, while a citizen of the United States, was a member of the armed forces of allies of the United States in time of hostilities with a foreign country and (ii) has served under one or more of the following conditions: (a) the veteran served a total of at least 6 months; (b) the veteran served for the duration of hostilities regardless of the length of the engagement; (c) the veteran was discharged on the basis of hardship; or (d) the veteran was released from active duty because of a service connected disability and was discharged under honorable conditions.

(f) Certification program. The Illinois Department of Veterans' Affairs and the Department of Central Management Services shall work together to devise a certification procedure to assure that businesses taking advantage of this Section are legitimately classified as qualified service-disabled veteran-owned small businesses or qualified veteran-owned small businesses.

(g) Penalties.

(1) Administrative penalties. The Department of Central Management Services shall suspend any person who commits a violation of Section 17-10.3 or subsection (d) of Section 33E-6 of the Criminal Code of 1961 or the Criminal Code of 2012 relating to this Section from bidding on, or participating as a contractor, subcontractor, or supplier in, any State contract or project for a period of not less than 3 years, and, if the person is certified as a

service-disabled veteran-owned small business or a veteran-owned small business, then the Department shall revoke the business's certification for a period of not less than 3 years. An additional or subsequent violation shall extend the periods of suspension and revocation for a period of not less than 5 years. The suspension and revocation shall apply to the principals of the business and any subsequent business formed or financed by, or affiliated with, those principals.

(2) Reports of violations. Each State agency shall report any alleged violation of Section 17-10.3 or subsection (d) of Section 33E-6 of the Criminal Code of 1961 or the Criminal Code of 2012 relating to this Section to the Department of Central Management Services. The Department of Central Management Services shall subsequently report all such alleged violations to the Attorney General, who shall determine whether to bring a civil action against any person for the violation.

(3) List of suspended persons. The Department of Central Management Services shall monitor the status of all reported violations of Section 17-10.3 or subsection (d) of Section 33E-6 of the Criminal Code of 1961 or the Criminal Code of 2012 relating to this Section and shall maintain and make available to all State agencies a central listing of all persons that committed violations resulting in suspension.

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

(5) Duty to check list. Each State agency shall check the central listing provided by the Department of Central Management Services under paragraph (3) of this subsection to verify that a person being awarded a contract by that State agency, or to be used as a subcontractor or supplier on a contract being awarded by that State agency, is not under suspension pursuant to paragraph (1) of this subsection.

(Source: P.A. 96-96, eff. 1-1-10; 97-260, eff. 8-5-11; 97-1150, eff. 1-25-13.)

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