



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

HB5117

Introduced 2/8/2024, by Rep. Daniel Didech

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Deforestation-Free Procurement Act. Prohibits the State and any governmental agency, political subdivision, or public benefit corporation of the State from purchasing or obtaining for any purpose any tropical hardwoods or tropical hardwood products. Prohibits a bid proposal or solicitation, request for bid or proposal, or contract for the construction of any public work, building maintenance, or improvement for or on behalf of the State and any government agency, political subdivision, or public benefit corporation of the State from requiring or permitting the use of any tropical hardwood or tropical wood product. Provides that every contract entered into by a State agency or authority that includes the procurement of any product comprised of a tropical forest-risk commodity shall require the contractor to confirm that the commodity furnished to the State under the contract was not extracted from, grown, derived, harvested, reared, or produced on land where tropical or boreal deforestation or primary forest degradation occurred on or after January 1, 2022. Sets forth forest policies that large contractors must adopt. Provides for sanctions against a contractor or subcontractor who violates the Act. Requires the Department of Central Management Services to adopt rules to implement the Act. Requires the Director of the Department to submit an assessment to the General Assembly regarding the details of all contracts certified under the Act. Requires the Environmental Protection Agency to complete a study to determine whether the requirements of the Act shall apply to tropical forest-risk commodities originating in boreal forests. Requires the Director to issue a report every 2 years on the implementation of the Act. Makes other changes. Effective immediately.

LRB103 37077 JAG 67195 b

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 1. Short title. This Act may be cited as the  
5 Deforestation-Free Procurement Act.

6 Section 5. Legislative findings. The General Assembly  
7 finds and declares the following:

8 (1) Tropical forests cover roughly 7% of Earth's  
9 surface, but harbor close to 50% of all species on Earth.

10 (2) Boreal forests represent about 30% of the global  
11 forest area, help regulate the climate through the  
12 exchange of energy and water, and are a large reservoir of  
13 biogenic carbon.

14 (3) It has been estimated that at least 30% of the  
15 world's greenhouse gas emissions come from deforestation  
16 and forest degradation. Taking into account carbon  
17 sequestration potential, experts estimate that stopping  
18 the loss of tropical forests, mangroves, and wetlands will  
19 achieve over 20% of climate mitigation by 2030.

20 Section 10. Definitions. As used in this Section:

21 "Boreal countries" include Russia, Canada, the United  
22 States, Finland, Sweden, Norway, Iceland, China, and Japan.

1 "Boreal forest" means a forest growing in high-latitude  
2 environments where freezing temperatures occur for 6 to 8  
3 months and in which trees are capable of reaching a minimum  
4 height of 5 meters and a canopy cover of 10%.

5 "Contractor" means any person or entity that has a  
6 contract with a State agency or authority for public works or  
7 improvements to be performed, for a franchise, concession, or  
8 lease of property, for grant moneys or goods and services or  
9 supplies to be purchased at the expense of the State agency or  
10 authority or to be paid out of moneys deposited into the State  
11 treasury or out of trust moneys under the control of or  
12 collected by the State agency or authority.

13 "Deforestation" means direct human-induced conversion of  
14 tropical or boreal forests to agriculture, a tree plantation,  
15 or other nonforest land use.

16 "Forest-risk commodity" means any commodity and its  
17 derived products, including agricultural and nonagricultural  
18 commodities but excluding tropical hardwood and tropical wood  
19 products, whether in raw or processed form, that commodity is  
20 commonly extracted from or grown, derived, harvested, reared,  
21 or produced on land where tropical or boreal deforestation or  
22 intact forest degradation has occurred or is likely to occur.

23 "Forest-risk commodity" includes palm oil, soy, beef, coffee,  
24 leather, wood pulp, paper, logs, lumber, and any additional  
25 commodities identified as such by the Director of Central  
26 Management Services by rule. "Tropical forest-risk commodity"

1 does not include wood pulp or paper made entirely from  
2 recovered fiber.

3 "Forest-risk commodity" means any commodity and its  
4 derived products, including agricultural and nonagricultural  
5 commodities but excluding tropical hardwood and tropical wood  
6 products, whether in raw or processed form, that commodity is  
7 commonly extracted from or grown, derived, harvested, reared,  
8 or produced on land where tropical or boreal deforestation or  
9 intact forest degradation has occurred or is likely to occur.  
10 "Tropical forest-risk commodity" includes palm oil, soy, beef,  
11 coffee, leather, wood pulp, paper, logs, lumber, and any  
12 additional commodities identified as such by the Director of  
13 Central Management Services by rule. "Tropical forest-risk  
14 commodity" does not include wood pulp or paper made entirely  
15 from recovered fiber.

16 "Free, prior, and informed consent" means the principle  
17 that a community has the right to give or withhold its consent  
18 to proposed developments that may affect the land and waters  
19 it legally or customarily owns, occupies, or otherwise uses,  
20 as described in the United Nations Declaration on the Rights  
21 of Indigenous Peoples, the Indigenous and Tribal Peoples  
22 Convention of 1989, and other international instruments.  
23 "Free, prior, and informed consent" also means informed,  
24 noncoercive negotiations between investors, companies, or  
25 governments and indigenous peoples and local communities prior  
26 to project development.

1 "Illinois State Product" means products that are grown,  
2 harvested, or produced in this State or processed inside or  
3 outside this State comprising over 51% raw materials grown,  
4 harvested, or produced in this State, by weight or volume.

5 "Intact forest" means a forest that has never been  
6 industrially logged and has developed following natural  
7 disturbances and under natural processes, regardless of its  
8 age. "Intact forest" includes a forest that has experienced  
9 nonindustrial-scale human impacts, including traditional or  
10 subsistence activities carried out by indigenous communities.

11 "Intact forest degradation" means severe and sustained  
12 degradation of a tropical or boreal forest resulting in  
13 significant intact forest loss or a profound change in species  
14 composition, structure, or ecological function of that forest.

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

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

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

24 "Peat" means a soil that is rich in organic matter  
25 composed of partially decomposed plant materials equal to or  
26 greater than 40 centimeters of the top 100 centimeters of the

1 soil.

2 "Peatlands" means wetlands with a layer of peat made up of  
3 dead and decaying plant material. "Peatlands" includes moors,  
4 bogs, mires, peat swamp forests, and permafrost tundra.

5 "Point-of-origin" means the geographic location, as  
6 identified by the smallest administrative unit of land, where  
7 a commodity was grown, derived, harvested, reared, or  
8 produced.

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

26 "Secondary material" means any material recovered from or

1 otherwise destined for the wastestream, including, but not  
2 limited to, post-consumer material, industrial scrap material  
3 and overstock or obsolete inventories from distributors,  
4 wholesalers and other companies but such term does not include  
5 those materials and by-products generated from, and commonly  
6 reused within, an original manufacturing process.

7 "Small business" has the meaning given to that term in  
8 Section 45-45 of the Illinois Procurement Code.

9 "Tropical hardwood" means any and all hardwood,  
10 scientifically classified as angiosperm, that grows in any  
11 tropical forest. "Tropical hardwood" shall include but shall  
12 not be limited to the following species:

- 13 (1) *Prunus Africana* (African cherry, red stinkwood)
- 14 (2) *Caryocar Costaricense* (garlic tree)
- 15 (3) *Calophyllum* species (bintangor)
- 16 (4) *Cedrela* species (cedar, Spanish cedar, South  
17 American cedar)
- 18 (5) *Neobalanocarpus Heimii* (chengal)
- 19 (6) *Octomeles Sumatrana* (Benuang)
- 20 (7) *Myroxylon Balsamum* (balsamo)
- 21 (8) *Apuleia Leiocarpa* (garapa)
- 22 (9) *Parastemon Urophyllus* (malas)
- 23 (10) *Spicatus Ridley Hopea* species (merawan)
- 24 (11) *Araucaria Araucana* (monkey puzzle, Chilean pine)
- 25 (12) *Senna Siamea* (Siamese cassia)
- 26 (13) *Pometia Pinnata* (taun)

- 1 (14) *Millettia Leucantha*, *Millettia Stuhlmannii*,
- 2 *Millettia Laurentii* (sathon, panga panga, wenge)
- 3 (15) *Bulnesia Arborea*, *Bulnesia Sarmientoi* (verawood,
- 4 Argentine *lignum vitae*)
- 5 (16) *Tristaniopsis Laurina* (water gum)
- 6 (17) *Terminalia* species (limba, afara, ofram, idigbo,
- 7 framire, black afara, amarillo, nargusta)
- 8 (18) *Homalium Foetidum* (malas)
- 9 (19) *Dillenia Papuana* (dillenia)
- 10 (20) *Canarium* species (red canarium, grey canarium)
- 11 (21) *Burkrella Macropoda* (rang rang)
- 12 (22) *Dracontomelon Dao* (New Guinea walnut)
- 13 (23) *Planchonella* species (white planchonella, red
- 14 planchonella)
- 15 (24) *Lophopetalum* species (perupok)
- 16 (25) *Cariniana Pyriformis* (Colombian mahogany, abarco,
- 17 jequitiba)
- 18 (26) *Mitragyna Ciliata* (abura)
- 19 (27) *Vouacapoua Americana* (acapu)
- 20 (28) *Amburana Cearensis* (amburana, cerejeira, cumare)
- 21 (29) *Lovoa* species (African walnut, tigerwood)
- 22 (30) *Pericopsis Elata* (afroormosia)
- 23 (31) *Peltogyne* species (amaranth, purpleheart)
- 24 (32) *Pterogyne Nitens* (amendoim)
- 25 (33) *Carapa Guianensis*, *Dicorynia Guianensis*, *Bagassa*
- 26 *Guianensis*, *Couratari Guianensis* (andiroba, angelique,



- 1 tatajuba, bagasse)
- 2 (34) Aningeria species (aningeria, anegre, anigre)
- 3 (35) Dipterocarpus species (apitong, keruing)
- 4 (36) Centrolobium species (arariba)
- 5 (37) Brosimum Utile, Brosimum Alicastrum (baco,
- 6 breadnut)
- 7 (38) Ochroma Lagopus, Ochroma Pyramidale (balsa)
- 8 (39) Berlinia species (berlinia, rose zebrano)
- 9 (40) Symphonia Globulifera (boarwood)
- 10 (41) Detarium Senegalense (boire)
- 11 (42) Caesalpinia Echinata, Paubrasilia Echinata
- 12 (Brazilwood, pernambuco)
- 13 (43) Bertholletia Excelsa (Brazil nut, mora)
- 14 (44) Guibourtia species (bubinga, African rosewood,
- 15 kevazingo, amazique)
- 16 (45) Toona Calantas (calantas)
- 17 (46) Prioria copaifera (cativo)
- 18 (47) Ceiba Pentandra (ceiba)
- 19 (48) Antiaris africana (chechen, antiaris)
- 20 (49) Tabebuia Donnell-Smithii (copal)
- 21 (50) Daniellia species (daniellia)
- 22 (51) Cordia species (cordia wood, bocote, ziricote,
- 23 louro, freijo)
- 24 (52) Hymenaea Courbaril (courbaril, West Indian
- 25 locust)
- 26 (53) Dipteryx Odorata (cumaru, Brazilian teak)

- 1 (54) Piptadeniastrum Africanum (dahoma)
- 2 (55) Calycophyllum Candidissimum (dagame, lemonwood)
- 3 (56) Afzelia species (doussie)
- 4 (57) Diospyros species (ebony, ceylon ebony,
- 5 marblewood)
- 6 (58) Lophira Alata (ekki, azobe, red ironwood)
- 7 (59) Combretodendron Macrocarpum (esia)
- 8 (60) Chlorophora Tinctoria, Chlorophora Excelsa
- 9 (fustic, iroko, African teak)
- 10 (61) Aucoumea Klaineana (gaboon, okoume)
- 11 (62) Astronium species (goncalo alves, tigerwood)
- 12 (63) Ocotea Rodiei (greenheart)
- 13 (64) Enterolobium Cyclocarpum (guanacaste,
- 14 elephant-ear tree)
- 15 (65) Guarea species (guarea, bosse)
- 16 (66) Phoebe Porosa (imbuia, Brazilian walnut)
- 17 (67) Handroanthus species (ipe, pau d'arco, lapacho)
- 18 (68) Jacaranda Copaia (jacaranda)
- 19 (69) Machaerium Villosum (jacaranda pardo)
- 20 (70) Dyera Costulata (jelutong)
- 21 (71) Dryobalanops species (kapur, keladan)
- 22 (72) Koompassia Malaccensis (kempas)
- 23 (73) Acacia Koa (koa)
- 24 (74) Pterygota Macrocarpa (koto, African pterygota)
- 25 (75) Oxandra Lanceolata (lancewood)
- 26 (76) Shorea species (lauan, luan, lawaan, meranti,

- 1 seraya, Philippine mahogany, balau)  
2 (77) Nothofagus Pumilio, Nothofagus Obliqua (lenga  
3 beech, roble)  
4 (78) Guaiacum Officinale (roughbark lignum-vitae)  
5 (79) Aniba Rosaeodora, Aniba Duckei (pau rosa)  
6 (80) Nectandra species (louro preto)  
7 (81) Khaya species (African mahogany)  
8 (82) Swietenia species (mahogany, West Indian  
9 mahogany, Honduran mahogany, Cuban mahogany, big-leaf  
10 mahogany)  
11 (83) Tieghemella Heckelii (makora)  
12 (84) Intsia Bijuga, Intsia Palembanica (Borneo teak,  
13 merbau)  
14 (85) Anisoptera species (mersawa, krabak, palosapis)  
15 (86) Distemonanthus Benthamianus (movingui, ayan)  
16 (87) Pterocarpus species (narra, amboyna, Papua New  
17 Guinea rosewood, mukula, kosso, zitan, hongmu, padauk,  
18 vermilion wood)  
19 (88) Palaquium species (nyatoh)  
20 (89) Triplochiton Scleroxylon (African whitewood,  
21 obeche, sambawawa)  
22 (90) Nauclea Diderrichii (opepe)  
23 (91) Balfourodendron Riedelianum (marfim)  
24 (92) Aspidosperma species (peroba rosa)  
25 (93) Paratecoma Peroba (peroba branca)  
26 (94) Gonystylus species (ramin)

- 1 (95) *Melanorrhoea Curtisii* (rengas, Borneo rosewood)  
2 (96) *Hevea Brasiliensis* (rubber tree)  
3 (97) *Dalbergia* species (rosewood, Indian rosewood,  
4 Honduras rosewood, cocobolo, granadillo, pinkwood,  
5 tulipwood, African blackwood)  
6 (98) *Entandrophragma cylindricum*, *Entandrophragma*  
7 *Candollei*, *Entandrophragma Utile* (sapele, sapelli, kosipo,  
8 omu, utile, sipo)  
9 (99) *Acanthopanax Ricinofolius* (sen)  
10 (100) *Brosimum Aubletti*, *Piratinera* (snakewood,  
11 letterwood, leopardwood)  
12 (101) *Juglans* species (South American walnut, Peruvian  
13 walnut)  
14 (102) *Sterculia Rhinopetalia* (sterculia)  
15 (103) *Tectona Grandis* (teak)  
16 (104) *Virola* species (virola, cumala)  
17 (105) *Pentacme Contorta* (white lauan)  
18 (106) *Microberlinia* species (zebra wood, zingana)

19 "Tropical forest" a natural ecosystem within the tropical  
20 regions, approximately bounded geographically by the tropics  
21 of Cancer and Capricorn, but possibly affected by other  
22 factors such as prevailing winds, containing native species  
23 composition, structure, and ecological function, with a tree  
24 canopy cover of more than 10% over an area of at least 0.5  
25 hectares. "Tropical forest" includes all of the following: (i)  
26 human-managed tropical forests or partially degraded tropical

1 forests that are regenerating; and (ii) tropical forests  
2 identified by multi-objective conservation-based assessment  
3 methodologies, such as High Conservation Value areas (HCV), as  
4 defined by the HCV Resource Network, or High Carbon Stock  
5 Forests, as defined by the High Carbon Stock Approach, or by  
6 another methodology with equivalent or higher standards that  
7 includes primary forests and tropical peatlands of any depth.  
8 "Tropical forest" does not include plantations of any type.

9 (1) human-managed tropical forests or partially  
10 degraded tropical forests that are regenerating; and

11 (2) forests identified by multiobjective conservation  
12 based assessment methodologies, such as high conservation  
13 value areas, as defined by the High Conservation Value  
14 Resource Network, or high carbon stock forests, as defined  
15 by the High Carbon Stock Approach, or by another  
16 methodology with equivalent or higher standards that  
17 includes primary forests and peatlands of any depth.

18 "Tropical hardwood product" means any wood product,  
19 wholesale or retail, in any form, including, but not limited  
20 to, plywood, veneer, furniture, cabinets, paneling, siding,  
21 moldings, doors, doorskins, joinery, flooring, or sawnwood,  
22 which are composed, in whole or in part, of tropical hardwood.

23 "Tropical peatland" means wetlands with a layer of peat  
24 made up of dead and decaying plant material. "Tropical  
25 peatland" includes moors, bogs, mires, and peat swamp forests.

26 "Tropical forest" does not include plantations of any type.

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

4 Section 15. Purchase of tropical hardwoods prohibited.

5 (a) Except as otherwise provided, the State and any  
6 governmental agency, political subdivision, or public benefit  
7 corporation of the State shall not purchase or obtain for any  
8 purpose any tropical hardwoods or tropical hardwood products,  
9 wholesale or in retail, in any form.

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

11 (1) any binding contractual obligations for purchase  
12 of commodities entered into prior to September 1, 2024; or

13 (2) any grant, subvention, or contract with an agency  
14 of the United States or instruction of an authorized  
15 representative of any such agency if the inclusion or  
16 application of such provisions violate or are inconsistent  
17 with the terms or conditions of the grant, subvention,  
18 contract, or instruction.

19 Section 20. Use of tropical hardwood or wood product  
20 prohibited.

21 (a) No bid proposal or solicitation, request for bid or  
22 proposal, or contract for the construction of any public work,  
23 building maintenance, or improvement for or on behalf of the  
24 State and any government agency, political subdivision, or

1 public benefit corporation of the State shall require or  
2 permit the use of any tropical hardwood or tropical wood  
3 product.

4 (b) Every bid proposal, solicitation, request for bid or  
5 proposal, and contract for the construction of any public  
6 work, building maintenance, or improvement shall contain a  
7 statement that any bid, proposal, or other response to a  
8 solicitation for bid or proposal which proposes or calls for  
9 the use of any tropical hardwood or tropical wood product in  
10 performance of the contract shall be void.

11 (c) Subsections (a) and (b) shall not apply to:

12 (1) to bid packages advertised and made available to  
13 the public or any competitive and sealed bids received or  
14 entered into prior to September 1, 2024;

15 (2) to any amendment, modification, or renewal of a  
16 contract, which contract was entered into prior to  
17 September 1, 2024, where such application would delay  
18 timely completion of a project or involve an increase in  
19 the total monies to be paid under that contract; or

20 (3) to any grant, subvention, or contract with any  
21 agency of the United States or instruction of an  
22 authorized representative of any such agency if the  
23 contracting officer finds that the inclusion or  
24 application of such provisions violate or are inconsistent  
25 with the terms or conditions of a grant, subvention,  
26 contract, or instruction.

1 Section 25. Forest-risk commodity procurement.

2 (a) Every contract entered into by a State agency or  
3 authority that includes the procurement of any product  
4 comprised, in whole or in part, of a forest-risk commodity  
5 shall require the contractor to confirm that the commodity  
6 furnished to the State under the contract was not extracted  
7 from, grown, derived, harvested, reared, or produced on land  
8 where tropical or boreal deforestation or intact forest  
9 degradation occurred on or after January 1, 2022. The  
10 contractor shall agree to comply with this provision of the  
11 contract.

12 (b) This Section shall not apply to any grant, subvention,  
13 or contract with an agency of the United States or instruction  
14 of an authorized representative of any such agency if the  
15 inclusion or application of such provisions violate or are  
16 inconsistent with the terms or conditions of the grant,  
17 subvention, contract, or instruction.

18 Section 30. Compliance.

19 (a) Every contract shall specify that the contractor is  
20 required to cooperate fully in providing reasonable access to  
21 the contractor's records, documents, agents, employees, or  
22 premises if reasonably required by authorized officials of the  
23 contracting State agency or authority, the Department of  
24 Central Management Services, the Office of the Attorney



1 General, or the Environmental Protection Agency to determine  
2 the contractor's compliance with the requirements under  
3 Section 25.

4 (b) Contractors shall exercise due diligence in ensuring  
5 that their subcontractors comply with the requirements under  
6 Section 35. Contractors shall require each subcontractor to  
7 certify that the subcontractor is in compliance with the  
8 requirements under Section 25.

9 Section 35. Required forest policies. In addition to the  
10 requirements of Sections 25 and 30, large contractors subject  
11 to Section 25 must confirm that they have adopted a forest  
12 policy that complies with rules issued under paragraph (6) of  
13 Section 70. The adoption of forest policy by a contractor,  
14 subcontractor, or supplier that is not a large contractor is  
15 not required to comply with this Section but may be used to  
16 demonstrate compliance with Section 25. Such forest policy and  
17 all corresponding data shall be made publicly available, and  
18 shall contain, at a minimum, all of the following:

19 (1) due diligence measures on the point-of-origin of  
20 forest-risk commodities and ensures compliance with the  
21 policy where supply chain risks are present;

22 (2) data detailing the complete list of direct and  
23 indirect suppliers and supply chain traceability  
24 information, including refineries, processing plants,  
25 farms, and plantations, and their respective owners,

1 parent companies, and farmers, maps, and geolocations, for  
2 each forest-risk commodity found in products that may be  
3 furnished to the State;

4 (3) measures taken to ensure the product does not  
5 contribute to tropical or boreal deforestation or primary  
6 forest degradation, including:

7 (A) no development in tropical or boreal primary  
8 forests;

9 (B) no origination from a site where commodity  
10 production has replaced tropical or boreal primary  
11 forests after January 1, 2023;"

12 (C) no development of high carbon stock forests;

13 (D) no development of high conservation value  
14 areas;

15 (E) no burning;

16 (F) efforts to ensure progressive reductions of  
17 greenhouse gas emissions on existing plantations;

18 (G) no development of peat, regardless of depth;

19 (H) best management practices for existing  
20 plantations on peat; and

21 (I) where feasible, activities oriented toward  
22 peat restoration;

23 (4) measures taken to prevent exploitation and redress  
24 grievances of workers and local communities, including:

25 (A) respect for and recognition of the rights of  
26 all workers including contract, temporary, and migrant

1 workers;

2 (B) respect for and recognition of land tenure  
3 rights of communities;

4 (C) respect for the rights of indigenous and local  
5 communities to give or withhold their free, prior, and  
6 informed consent to operations on lands to which they  
7 hold legal, communal, or customary rights;

8 (D) explicit policies and processes to prevent  
9 violence, intimidation, and coercion of workers and  
10 local communities; and

11 (E) formal, open, transparent, and consultative  
12 processes to address all complaints and conflicts;

13 (5) measures taken to protect biodiversity and prevent  
14 the poaching of endangered species in all operations and  
15 adjacent areas;

16 (6) measures taken to ensure compliance with the laws  
17 of countries where forest-risk commodities in a company's  
18 supply chain were produced; and

19 (7) measures to deter violence, threats, and  
20 harassment against environmental human rights defenders  
21 (EHRDs), including respecting internationally recognized  
22 human rights standards, and educating employees,  
23 contractors, and partners on the rights of EHRDs to  
24 express their views, conduct peaceful protests, and  
25 criticize practices without intimidation or retaliation.

1 Section 40. Violations and sanctions.

2 (a) If it is determined that any contractor contracting  
3 with the State knew or should have known that a product  
4 comprising, in whole or in part, of a forest-risk commodity  
5 was furnished to the State in violation of Sections 25 and 30,  
6 the contracting State agency or authority shall issue a  
7 written notice of violation and provide an opportunity for  
8 such contractor to come into compliance. If, after such  
9 notice, a contractor fails to come into compliance within a  
10 time established by the Department of Central Management  
11 Services, such contractor may have either or both of the  
12 following sanctions imposed:

13 (1) the contract under which the prohibited  
14 forest-risk commodity was furnished may be voided at the  
15 option of the State agency or authority to which the  
16 commodity was furnished; or

17 (2) the contractor may be assessed a penalty that  
18 shall be the greater of \$1,000 or an amount equaling 20% of  
19 the value of the product that the State agency or  
20 authority demonstrates was comprised, in whole or in part,  
21 of a forest-risk commodity and furnished to the State in  
22 violation of Sections 25 and 30.

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

25 (b) Notwithstanding subsection (a), a contractor that has  
26 complied with the Section 30 shall not be subject to sanctions

1 for violations, of which the contractor had no knowledge of  
2 the requirements of Sections 25 and 30, that were committed  
3 solely by a subcontractor. Sanctions described under  
4 subsection (a) shall instead be imposed against the  
5 subcontractor that committed the violation.

6 Section 45. Investigations of violations.

7 (a) Any State agency or authority that investigates a  
8 complaint against a contractor or subcontractor for violation  
9 of this Act may limit its investigation to evaluating the  
10 information provided by the person or entity submitting the  
11 complaint and the information provided by the contractor or  
12 subcontractor.

13 (b) Whenever a contracting officer of the contracting  
14 State agency or authority has reason to believe that the  
15 contractor failed to comply with Sections 25 and 30, the State  
16 agency or authority shall refer the matter for investigation  
17 to the head of the State agency or authority and, as the head  
18 of the State agency or authority determines appropriate, to  
19 either the Department of Central Management Services, the  
20 Office of the Attorney General, or the Environmental  
21 Protection Agency.

22 Section 50. Preference.

23 (a) When a State agency's or authority's contract for the  
24 purchase of a commodity or product covered by this Act is to be

1 awarded to the lowest responsible bidder, an otherwise  
2 qualified bidder who is a small business or medium-sized  
3 business or a minority-owned business or women-owned business,  
4 or who will fulfill the contract through the use of Illinois  
5 State products may be given preference over other bidders, as  
6 long as the cost included in the bid is not more than 10%  
7 greater than the cost included in a bid that is not from a  
8 small business or medium-sized business or a minority-owned  
9 business or women-owned business or fulfilled through the use  
10 of Illinois State products.

11 (b) This Section shall not apply if the head of the  
12 contracting State agency or authority purchasing such  
13 products, in his or her sole discretion, determines that  
14 giving preference to bidders under this Section:

15 (1) would be against the public interest;

16 (2) would increase the cost of the contract by an  
17 unreasonable amount; or

18 (3) if Illinois State products cannot be obtained in  
19 sufficient and reasonable available quantities and of  
20 satisfactory quality to meet the contracting State  
21 agency's or authority's requirements.

22 (c) Nothing in this Section shall be construed to conflict  
23 with or otherwise limit the goals and requirements set forth  
24 by Article 45 of the Illinois Procurement Code and the  
25 Business Enterprise for Minorities, Women, and Persons with  
26 Disabilities Act.

1 Section 55. Purchase restrictions.

2 (a) The certification requirements set forth in this  
3 Section shall not apply to a purchase of goods of \$2,500 or  
4 less.

5 (b) The total amount of goods exempted under subsection  
6 (a) shall not exceed \$7,500 per year for each contractor from  
7 which a State agency or authority is purchasing goods. It  
8 shall be the responsibility of each State agency or authority  
9 to monitor the use of this exemption and adhere to these  
10 restrictions on these purchases.

11 Section 60. Voluntary certification process. The Director  
12 of Central Management Services shall establish a voluntary  
13 certification process for current or aspiring contractors to  
14 be recognized as supplying deforestation-free products which  
15 shall be consulted on the creation of requirements outlined by  
16 the rules in this Act, and shall exercise an oversight role  
17 under Section 65.

18 Section 65. Rules. On or before July 1, 2024, the  
19 Department of Central Management Services shall issue rules  
20 for the implementation of this Act. The rules shall be  
21 developed in consultation with the Director of the  
22 Environmental Protection Agency. The rules shall include, but  
23 not be limited to, all of the following:

1           (1) a list of forest-risk commodities subject to the  
2 requirements of this Act, including, but not limited to,  
3 palm oil, soy, beef, coffee, leather, wood pulp, paper,  
4 logs, and lumber. The list shall be reviewed and updated  
5 at least every 3 years. When evaluating inclusion of  
6 additional commodities in the list, the Director of  
7 Central Management Services shall consider the impact of  
8 the commodity as a driver of tropical or boreal  
9 deforestation or primary forest degradation, the state of  
10 existing supply chain transparency and traceability  
11 systems for the commodity, and the feasibility of  
12 including the commodity in the requirements of Section 25.  
13 The first review shall include, but not be limited to, the  
14 evaluation of cocoa, rubber, leather, and other  
15 cattle-derived products;

16           (2) a list of products derived, in whole or in part,  
17 from forest-risk commodities;

18           (3) a list of products furnished to the State or used  
19 by State contractors in high-volume purchases that contain  
20 or are comprised in whole or in part of forest-risk  
21 commodities;

22           (4) a set of responsible sourcing guidelines and  
23 policies derived from best practices in supply chain  
24 transparency to the point-of-origin;

25           (5) guidance to assist contractors in identifying  
26 forest-risk commodities in their supply chain, performing



1 necessary due diligence to meet the requirements of this  
2 Act, and certifying that the commodity did not contribute  
3 to tropical or boreal deforestation or primary forest  
4 degradation;

5 (6) the full set of requirements for a large  
6 contractor's forest policy under Section 35;

7 (7) the process through which contractors shall  
8 certify to the Department of Central Management Services  
9 that they are in compliance with Sections 25 and 30;

10 (8) a process for ensuring that details of certified  
11 contracts are made available for public inspection of the  
12 website of the Department of Central Management Services;  
13 and

14 (9) an easily accessible procedure to receive public  
15 complaints and information regarding violations of this  
16 Act.

17 Section 70. Assessment.

18 (a) At any time after January 1, 2025, but no less  
19 frequently than every 6 months thereafter, the Director of  
20 Central Management Services shall submit to the General  
21 Assembly the details of all contracts certified under this  
22 Act. The Director of Central Management Services shall assess  
23 the compliance of all or a representative subset of all  
24 contracts with the requirements of this Act. Following such  
25 assessment, and subject to approval by a majority of members,

1 the General Assembly may:

2 (1) make recommendations to the Director of Central  
3 Management Services regarding changes to the rules  
4 implementing this Act; or

5 (2) make recommendations to the Director of Central  
6 Management Services, the Office of the Attorney General,  
7 the Office of the State Comptroller, or a contracting  
8 State agency or authority regarding deficiencies in  
9 contract certifications, violations of this Act, or  
10 enforcement actions.

11 (b) All work products produced under Section 25 shall be  
12 made available to the public on the website of the Department  
13 of Central Management Services.

14 (c) In completing a study under Section 80, the  
15 Environmental Protection Agency shall consult with  
16 individuals, including academics and experts from  
17 nongovernmental organizations, having expertise in forest  
18 sustainability, biodiversity, and climate science, as well as  
19 representatives of indigenous communities located within  
20 boreal regions, and hold at least one public hearing, and may  
21 base study findings on existing literature.

22 Section 75. Study.

23 (a) Not later than June 1, 2025, the Environmental  
24 Protection Agency, in consultation with the Director of  
25 Central Management Services, shall complete a study to

1 determine whether the requirements of this Act shall apply to  
2 forest-risk commodities originating in boreal forests.

3 (b) The study shall examine, but not be limited to, the  
4 following considerations:

5 (1) the short-term and long-term impact on greenhouse  
6 gas emissions, biodiversity, ecosystem function, and  
7 climate resilience, of clearcutting primary boreal  
8 forests;

9 (2) the differential impact on greenhouse gas  
10 emissions, biodiversity, ecosystem function, and climate  
11 resilience of clearcutting primary boreal forests versus  
12 previously logged or second-growth forests, within  
13 30-year, 50-year, and 100-year timeframes;

14 (3) the differential impact on greenhouse gas  
15 emissions, biodiversity, ecosystem function, and climate  
16 resilience of clearcutting primary boreal forests versus  
17 no industrial forest activity, within 30-year, 50-year,  
18 and 100-year timeframes;

19 (4) the actual carbon storage capacity of various  
20 harvested wood products, and the percentage of logged  
21 boreal biomass in each of the boreal countries that ends  
22 up in long-lasting versus short-term consumable end uses;

23 (5) the effectiveness of existing available  
24 certification schemes in use in each of the boreal  
25 countries in ensuring compliance with the goals of this  
26 Act;

1           (6) an independent assessment of the current  
2 greenhouse gas footprint of the forest products industry  
3 in each of the boreal countries;

4           (7) an independent assessment of whether current  
5 forest management policies in each of the boreal countries  
6 are sufficient to prevent the forestry industry's role in  
7 the decline of at-risk species;

8           (8) the effectiveness of the forestry policies of each  
9 of the boreal countries in ensuring the free, prior, and  
10 informed consent of indigenous peoples affected by  
11 industrial logging within the boreal forest; and

12           (9) the effectiveness of replanting practices in  
13 restoring the ecological benefits of primary boreal  
14 forests that have been logged, and the timescale for  
15 restoring these benefits.

16           (c) The requirements of this Act shall apply to all  
17 forest-risk commodities unless the Director of the  
18 Environmental Protection Agency and the Director of Central  
19 Management Services have, not later than June 1, 2025, jointly  
20 designated the provisions of this Act inapplicable to  
21 forest-risk commodities originating in boreal forests based on  
22 the results of the study.

23           Section 80. Applicability. This Act shall apply to all  
24 contracts entered into, extended, or renewed on or after  
25 January 1, 2025.

1           Section 95. Report. Beginning 2 years after the effective  
2           date of this Act and biennially thereafter, the Director of  
3           Central Management Services shall issue a report to the  
4           Governor, the Senate President, and the Speaker of the House  
5           of Representatives on the implementation of this Act.

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