

AN ACT concerning finance.

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

Section 5. The Illinois Procurement Code is amended by changing Sections 1-10, 1-11, 1-12, 1-13, 1-15.30, 1-15.50, 1-15.80, 1-15.107, 1-15.108, 1-15.110, 5-5, 5-25, 5-30, 10-20, 15-20, 15-25, 15-30, 15-35, 20-5, 20-10, 20-15, 20-25, 20-30, 20-35, 20-40, 20-43, 20-50, 20-80, 20-95, 20-120, 20-155, 20-160, 25-60, 25-65, 25-80, 30-22, 30-30, 35-30, 35-40, 40-5, 40-15, 40-20, 40-25, 40-55, 45-10, 45-20, 45-30, 45-35, 45-45, 45-57, 45-67, 45-70, 50-5, 50-10, 50-10.5, 50-11, 50-12, 50-13, 50-14, 50-20, 50-25, 50-35, 50-36, 50-37, 50-38, 50-39, 50-40, 50-45, 50-70, 55-10 and by adding Sections 1-15.01, 1-15.02, 1-15.12, 1-15.13, 1-15.17, 1-15.51, 1-15.52, 1-15.86, 1-15.111, 15-40, and 15-45 as follows:

(30 ILCS 500/1-10)

Sec. 1-10. Application.

(a) This Code applies only to procurements for which bidders, offerors, potential contractors, or contractors were first solicited on or after July 1, 1998. This Code shall not be construed to affect or impair any contract, or any provision of a contract, entered into based on a solicitation prior to the implementation date of this Code as described in Article

99, including but not limited to any covenant entered into with respect to any revenue bonds or similar instruments. All procurements for which contracts are solicited between the effective date of Articles 50 and 99 and July 1, 1998 shall be substantially in accordance with this Code and its intent.

(b) This Code shall apply regardless of the source of the funds with which the contracts are paid, including federal assistance moneys. This Code shall not apply to:

(1) Contracts between the State and its political subdivisions or other governments, or between State governmental bodies except as specifically provided in this Code.

(2) Grants, except for the filing requirements of Section 20-80.

(3) Purchase of care.

(4) Hiring of an individual as employee and not as an independent contractor, whether pursuant to an employment code or policy or by contract directly with that individual.

(5) Collective bargaining contracts.

(6) Purchase of real estate, except that notice of this type of contract with a value of more than \$25,000 must be published in the Procurement Bulletin within 10 calendar 7 days after the deed is recorded in the county of jurisdiction. The notice shall identify the real estate purchased, the names of all parties to the contract, the

value of the contract, and the effective date of the contract.

(7) Contracts necessary to prepare for anticipated litigation, enforcement actions, or investigations, provided that the chief legal counsel to the Governor shall give his or her prior approval when the procuring agency is one subject to the jurisdiction of the Governor, and provided that the chief legal counsel of any other procuring entity subject to this Code shall give his or her prior approval when the procuring entity is not one subject to the jurisdiction of the Governor.

(8) Contracts for services to Northern Illinois University by a person, acting as an independent contractor, who is qualified by education, experience, and technical ability and is selected by negotiation for the purpose of providing non-credit educational service activities or products by means of specialized programs offered by the university.

(9) Procurement expenditures by the Illinois Conservation Foundation when only private funds are used.

(10) Procurement expenditures by the Illinois Health Information Exchange Authority involving private funds from the Health Information Exchange Fund. "Private funds" means gifts, donations, and private grants.

(11) Public-private agreements entered into according to the procurement requirements of Section 20 of the

Public-Private Partnerships for Transportation Act and design-build agreements entered into according to the procurement requirements of Section 25 of the Public-Private Partnerships for Transportation Act.

(12) Contracts for legal, financial, and other professional and artistic services entered into on or before December 31, 2018 by the Illinois Finance Authority in which the State of Illinois is not obligated. Such contracts shall be awarded through a competitive process authorized by the Board of the Illinois Finance Authority and are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code, as well as the final approval by the Board of the Illinois Finance Authority of the terms of the contract.

Notwithstanding any other provision of law, contracts entered into under item (12) of this subsection (b) shall be published in the Procurement Bulletin within 14 calendar days after contract execution. The chief procurement officer shall prescribe the form and content of the notice. The Illinois Finance Authority shall provide the chief procurement officer, on a monthly basis, in the form and content prescribed by the chief procurement officer, a report of contracts that are related to the procurement of goods and services identified in item (12) of this subsection (b). At a minimum, this report shall include the name of the contractor, a description of the supply or service provided, the total amount of the contract,

the term of the contract, and the exception to the Code utilized. A copy of each of these contracts shall be made available to the chief procurement officer immediately upon request. The chief procurement officer shall submit a report to the Governor and General Assembly no later than November 1 of each year that shall include, at a minimum, an annual summary of the monthly information reported to the chief procurement officer.

(c) This Code does not apply to the electric power procurement process provided for under Section 1-75 of the Illinois Power Agency Act and Section 16-111.5 of the Public Utilities Act.

(d) Except for Section 20-160 and Article 50 of this Code, and as expressly required by Section 9.1 of the Illinois Lottery Law, the provisions of this Code do not apply to the procurement process provided for under Section 9.1 of the Illinois Lottery Law.

(e) This Code does not apply to the process used by the Capital Development Board to retain a person or entity to assist the Capital Development Board with its duties related to the determination of costs of a clean coal SNG brownfield facility, as defined by Section 1-10 of the Illinois Power Agency Act, as required in subsection (h-3) of Section 9-220 of the Public Utilities Act, including calculating the range of capital costs, the range of operating and maintenance costs, or the sequestration costs or monitoring the construction of clean

coal SNG brownfield facility for the full duration of construction.

(f) This Code does not apply to the process used by the Illinois Power Agency to retain a mediator to mediate sourcing agreement disputes between gas utilities and the clean coal SNG brownfield facility, as defined in Section 1-10 of the Illinois Power Agency Act, as required under subsection (h-1) of Section 9-220 of the Public Utilities Act.

(g) This Code does not apply to the processes used by the Illinois Power Agency to retain a mediator to mediate contract disputes between gas utilities and the clean coal SNG facility and to retain an expert to assist in the review of contracts under subsection (h) of Section 9-220 of the Public Utilities Act. This Code does not apply to the process used by the Illinois Commerce Commission to retain an expert to assist in determining the actual incurred costs of the clean coal SNG facility and the reasonableness of those costs as required under subsection (h) of Section 9-220 of the Public Utilities Act.

(h) This Code does not apply to the process to procure or contracts entered into in accordance with Sections 11-5.2 and 11-5.3 of the Illinois Public Aid Code.

(i) Each chief procurement officer may access records necessary to review whether a contract, purchase, or other expenditure is or is not subject to the provisions of this Code, unless such records would be subject to attorney-client

privilege.

(j) This Code does not apply to the process used by the Capital Development Board to retain an artist or work or works of art as required in Section 14 of the Capital Development Board Act.

(k) This Code does not apply to the process to procure contracts, or contracts entered into, by the State Board of Elections or the State Electoral Board for hearing officers appointed pursuant to the Election Code.

(Source: P.A. 97-96, eff. 7-13-11; 97-239, eff. 8-2-11; 97-502, eff. 8-23-11; 97-689, eff. 6-14-12; 97-813, eff. 7-13-12; 97-895, eff. 8-3-12; 98-90, eff. 7-15-13; 98-463, eff. 8-16-13; 98-572, eff. 1-1-14; revised 9-9-13.)

(30 ILCS 500/1-11)

Sec. 1-11. Applicability of certain Public Acts. The changes made to this Code by Public Act 96-793, Public Act 96-795, and this amendatory Act of the 96th General Assembly apply to those procurements for which bidders, offerors, vendors, potential contractors, or contractors were first solicited on or after July 1, 2010.

(Source: P.A. 96-920, eff. 7-1-10.)

(30 ILCS 500/1-12)

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

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

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

(b) Notice of each contract entered into by a State agency that is related to the procurement of goods and services identified in this Section shall be published in the Illinois Procurement Bulletin within 14 calendar days after contract execution. The chief procurement officer shall prescribe the form and content of the notice. Each State agency shall provide the chief procurement officer, on a monthly basis, in the form and content prescribed by the chief procurement officer, a report of contracts that are related to the procurement of goods and services identified in this Section. At a minimum, this report shall include the name of the contractor, a description of the supply or service provided, the total amount of the contract, the term of the contract, and the exception to the Code utilized. A copy of any or all of these contracts shall be made available to the chief procurement officer immediately upon request. The chief procurement officer shall submit a report to the Governor and General Assembly no later than November 1 of each year that shall include, at a minimum, an annual summary of the monthly information reported to the chief procurement officer.

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

(Source: P.A. 97-895, eff. 8-3-12.)

(30 ILCS 500/1-13)

(Section scheduled to be repealed on December 31, 2014)

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

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

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

(1) Memberships in professional, academic, research, or athletic organizations on behalf of a public institution of higher education, an employee of a public institution of higher education, or a student at a public institution of higher education.

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

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

(4) Procurement expenditures necessary to provide

artistic or musical services, performances, or productions held at a venue operated by a public institution of higher education.

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

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

(7) Contracts for programming and broadcast license rights for university-operated radio and television stations.

Notice of each contract entered into by a public institution of higher education that is related to the procurement of goods and services identified in items (1) through (7) ~~(5)~~ of this subsection shall be published in the Procurement Bulletin within 14 calendar days after contract execution. The Chief Procurement Officer shall prescribe the form and content of the notice. Each public institution of higher education shall provide the Chief Procurement Officer, on a monthly basis, in the form and content prescribed by the Chief Procurement Officer, a report of contracts that are related to the procurement of goods and services identified in this subsection. At a minimum, this report shall include the name of

the contractor, a description of the supply or service provided, the total amount of the contract, the term of the contract, and the exception to the Code utilized. A copy of any or all of these contracts shall be made available to the Chief Procurement Officer immediately upon request. The Chief Procurement Officer shall submit a report to the Governor and General Assembly no later than November 1 of each year that shall include, at a minimum, an annual summary of the monthly information reported to the Chief Procurement Officer.

(b-5) Except as provided in this subsection, the provisions of this Code shall not apply to contracts for FDA-regulated supplies, and to contracts for medical services necessary for the delivery of care and treatment at medical, dental, or veterinary teaching facilities utilized by Southern Illinois University or the University of Illinois. Other supplies and services needed for these teaching facilities shall be subject to the jurisdiction of the Chief Procurement Officer for Public Institutions of Higher Education who may establish expedited procurement procedures and may waive or modify certification, contract, hearing, process and registration requirements required by the Code. All procurements made under this subsection shall be documented and may require publication in the Illinois Procurement Bulletin.

(c) Procurements made by or on behalf of public institutions of higher education for any of the following shall be made in accordance with the requirements of this Code to the

extent practical as provided in this subsection:

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

(2) (Blank). ~~Procurements of FDA regulated goods, products, and services necessary for the delivery of care and treatment at medical, dental, or veterinary teaching facilities utilized by the University of Illinois or Southern Illinois University.~~

(3) (Blank). ~~Contracts for programming and broadcast license rights for university operated radio and television stations.~~

(4) Procurements required for fulfillment of a grant.

Upon the written request of a public institution of higher education, the Chief Procurement Officer may waive registration, certification, and hearing requirements of this Code if, based on the item to be procured or the terms of a grant, compliance is impractical. The public institution of higher education shall provide the Chief Procurement Officer with specific reasons for the waiver, including the necessity of contracting with a particular potential contractor ~~vendor~~, and shall certify that an effort was made in good faith to comply with the provisions of this Code. The Chief Procurement Officer shall provide written justification for any waivers. By

November 1 of each year, the Chief Procurement Officer shall file a report with the General Assembly identifying each contract approved with waivers and providing the justification given for any waivers for each of those contracts. Notice of each waiver made under this subsection shall be published in the Procurement Bulletin within 14 calendar days after contract execution. The Chief Procurement Officer shall prescribe the form and content of the notice.

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

(e) Notwithstanding subsection (e) of Section 50-10.5 of this Code, the Chief Procurement Officer, with the approval of the Executive Ethics Commission, may permit a public institution of higher education to accept a bid or enter into a contract with a business that assisted the public institution of higher education in determining whether there is a need for a contract or assisted in reviewing, drafting, or preparing documents related to a bid or contract, provided that the bid or contract is essential to research administered by the public institution of higher education and it is in the best interest

of the public institution of higher education to accept the bid or contract. For purposes of this subsection, "business" includes all individuals with whom a business is affiliated, including, but not limited to, any officer, agent, employee, consultant, independent contractor, director, partner, manager, or shareholder of a business. The Executive Ethics Commission may promulgate rules and regulations for the implementation and administration of the provisions of this subsection (e).

(f) As used in this Section:

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

"Public institution of higher education" means Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Southern Illinois University, University of Illinois, Western Illinois University, and, for purposes of this Code only, the Illinois Mathematics and Science Academy.

(g) This Section is repealed on December 31, 2016 ~~2014~~.

(Source: P.A. 97-643, eff. 12-20-11; 97-895, eff. 8-3-12.)

(30 ILCS 500/1-15.01 new)

Sec. 1-15.01. Bid. "Bid" means the response submitted by a bidder in a competitive sealed bidding process, to an invitation for bid, or to a multi-step sealed bidding process.

(30 ILCS 500/1-15.02 new)

Sec. 1-15.02. Bidder. "Bidder" means one who submits a response in a competitive sealed bidding process, to an invitation for bid, or to a multi-step sealed bidding process.

(30 ILCS 500/1-15.12 new)

Sec. 1-15.12. Change order. "Change order" means a change in a contract term, other than as specifically provided for in the contract, which authorizes or necessitates any increase or decrease in the cost of the contract or the time for completion for procurements subject to the jurisdiction of the chief procurement officers appointed pursuant to Section 10-20.

(30 ILCS 500/1-15.13 new)

Sec. 1-15.13. Chief Procurement Office. "Chief Procurement Office" means the offices to which the chief procurement officers are appointed pursuant to Section 10-20.

(30 ILCS 500/1-15.17 new)

Sec. 1-15.17. Contractor. "Contractor" means any person having a contract with a State agency as defined in Section 1-15.30.

(30 ILCS 500/1-15.30)

Sec. 1-15.30. Contract. "Contract" means all types of State agreements, ~~including change orders and renewals,~~ regardless of what they may be called, for the procurement, use, or disposal of supplies, services, professional or artistic services, or construction or for leases of real property where the State is the ~~, whether the State is lessor or lessee,~~ or capital improvements, and including renewals, master contracts, contracts for financing through use of installment or lease-purchase arrangements, renegotiated contracts, amendments to contracts, and change orders.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795).)

(30 ILCS 500/1-15.50)

Sec. 1-15.50. Negotiation. "Negotiation" means the process of selecting a contractor other than by competitive sealed bids, multi-step sealed bidding, or competitive sealed proposals, whereby a purchasing agency can establish any and all terms and conditions of a procurement contract by discussion with one or more potential ~~prospective~~ contractors.

(Source: P.A. 90-572, eff. 2-6-98.)

(30 ILCS 500/1-15.51 new)

Sec. 1-15.51. Offer. "Offer" means a response submitted by

an offeror in a competitive sealed proposal process or to a request for proposal.

(30 ILCS 500/1-15.52 new)

Sec. 1-15.52. Offeror. "Offeror" means any person who submits a proposal in response to a competitive sealed proposal process or a request for proposals.

(30 ILCS 500/1-15.80)

Sec. 1-15.80. Responsible bidder, potential contractor, or offeror. "Responsible bidder, potential contractor, or offeror" means a person who has the capability in all respects to perform fully the contract requirements and the integrity and reliability that will assure good faith performance. A responsible bidder or offeror shall not include a business or other entity that does not exist as a legal entity at the time a bid or offer ~~or proposal~~ is submitted for a State contract.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795).)

(30 ILCS 500/1-15.86 new)

Sec. 1-15.86. Responsive offeror. "Responsive offeror" means a person who has submitted an offer that conforms in all material respects to the request for proposals.

(30 ILCS 500/1-15.107)

Sec. 1-15.107. Subcontract. "Subcontract" means a contract between a person and a person who has a contract subject to this Code, pursuant to which the subcontractor provides to the contractor, or, if the contract price exceeds \$50,000, another subcontractor, some or all of the goods, services, real property, remuneration, or other monetary forms of consideration that are the subject of the primary contract and includes, among other things, subleases from a lessee of a State agency. For purposes of this Code, a "subcontract" does not include purchases of goods or supplies that are incidental to the performance of a contract by a person who has a contract subject to this Code.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of P.A. 96-795); 97-895, eff. 8-3-12.)

(30 ILCS 500/1-15.108)

Sec. 1-15.108. Subcontractor. "Subcontractor" means a person or entity that enters into a contractual agreement with a total value of \$50,000 or more with a person or entity who has a contract subject to this Code pursuant to which the person or entity provides some or all of the goods, services, real property, remuneration, or other monetary forms of consideration that are the subject of the primary State contract, including subleases from a lessee of a State contract. For purposes of this Code, a person or entity is not a "subcontractor" if that person only provides goods or

supplies that are incidental to the performance of a contract by a person who has a contract subject to this Code.

(Source: P.A. 96-920, eff. 7-1-10; 97-895, eff. 8-3-12.)

(30 ILCS 500/1-15.110)

Sec. 1-15.110. Supplies. "Supplies" means all personal property, including but not limited to equipment, materials, printing, and insurance, and the financing of those supplies that can be procured regularly or are available on the commercial market.

(Source: P.A. 90-572, eff. 2-6-98.)

(30 ILCS 500/1-15.111 new)

Sec. 1-15.111. Supplier. "Supplier" means any person or entity providing supplies, including, but not limited to, equipment, materials, printing, and insurance, and the financing of those supplies that can be procured regularly or are available on the commercial market.

(30 ILCS 500/5-5)

Sec. 5-5. Procurement Policy Board.

(a) Creation. There is created a Procurement Policy Board, an agency of the State of Illinois.

(b) Authority and duties. The Board shall have the authority and responsibility to review, comment upon, and recommend, consistent with this Code, rules and practices

governing the procurement, management, control, and disposal of supplies, services, professional or artistic services, construction, and real property and capital improvement leases procured by the State. The Board shall also have the authority to recommend a program for professional development and provide opportunities for training in procurement practices and policies to chief procurement officers and their staffs in order to ensure that all procurement is conducted in an efficient, professional, and appropriately transparent manner.

Upon a three-fifths vote of its members, the Board may review a contract. Upon a three-fifths vote of its members, the Board may propose procurement rules for consideration by chief procurement officers. These proposals shall be published in each volume of the Procurement Bulletin. Except as otherwise provided by law, the Board shall act upon the vote of a majority of its members who have been appointed and are serving.

(b-5) Reviews, studies, and hearings. The Board may review, study, and hold public hearings concerning the implementation and administration of this Code. Each chief procurement officer, State purchasing officer, procurement compliance monitor, and State agency shall cooperate with the Board, provide information to the Board, and be responsive to the Board in the Board's conduct of its reviews, studies, and hearings.

(c) Members. The Board shall consist of 5 members appointed

one each by the 4 legislative leaders and the Governor. Each member shall have demonstrated sufficient business or professional experience in the area of procurement to perform the functions of the Board. No member may be a member of the General Assembly.

(d) Terms. Of the initial appointees, the Governor shall designate one member, as Chairman, to serve a one-year term, the President of the Senate and the Speaker of the House shall each appoint one member to serve 3-year terms, and the Minority Leader of the House and the Minority Leader of the Senate shall each appoint one member to serve 2-year terms. Subsequent terms shall be 4 years. Members may be reappointed for succeeding terms.

(e) Reimbursement. Members shall receive no compensation but shall be reimbursed for any expenses reasonably incurred in the performance of their duties.

(f) Staff support. Upon a three-fifths vote of its members, the Board may employ an executive director. Subject to appropriation, the Board also may employ a reasonable and necessary number of staff persons.

(g) Meetings. Meetings of the Board may be conducted telephonically, electronically, or through the use of other telecommunications. Written minutes of such meetings shall be created and available for public inspection and copying.

(h) Procurement recommendations. Upon a three-fifths vote of its members, the Board may review a proposal, bid, or

contract and issue a recommendation to void a contract or reject a proposal or bid based on any violation of this Code or the existence of a conflict of interest as described in subsections (b) and (d) of Section 50-35. A chief procurement officer or State purchasing officer shall notify the Board if an alleged conflict of interest or violation of the Code is identified, discovered, or reasonably suspected to exist. Any person or entity may notify the Board of an alleged conflict of interest or violation of the Code. A recommendation of the Board shall be delivered to the appropriate chief procurement officer and Executive Ethics Commission within 7 calendar ~~5~~ days and must be published in the next volume of the Procurement Bulletin. In the event that an alleged conflict of interest or violation of the Code that was not originally disclosed with the bid, offer, or proposal is identified and filed with the Board, the Board shall provide written notice of the alleged conflict of interest or violation to the bidder, offeror, potential contractor, contractor, or subcontractor on that contract. If the alleged conflict of interest or violation is by the subcontractor, written notice shall also be provided to the bidder, offeror, potential contractor, or contractor. The bidder, offeror, potential contractor, contractor, or subcontractor shall have 15 calendar days to provide a written response to the notice, and a hearing before the Board on the alleged conflict of interest or violation shall be held upon request by the bidder, offeror, potential contractor,

contractor^L or subcontractor. The requested hearing date and time shall be determined by the Board, but in no event shall the hearing occur later than 15 calendar days after the date of the request.

(i) After providing notice and a hearing as required by subsection (h), the Board shall refer any alleged violations of this Code to the Executive Inspector General in addition to or instead of issuing a recommendation to void a contract.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 97-895, eff. 8-3-12.)

(30 ILCS 500/5-25)

Sec. 5-25. Rulemaking authority; agency policy; agency response.

(a) Rulemaking. A chief procurement officer authorized to make procurements under this Code shall have the authority to promulgate rules to carry out that authority. The ~~That~~ rulemaking on specific procurement topics ~~is~~ mentioned in specific Sections of this Code shall not be construed as prohibiting or limiting rulemaking on other procurement topics.

All rules shall be promulgated in accordance with the Illinois Administrative Procedure Act. Contractual provisions, specifications, and procurement descriptions are not rules and are not subject to the Illinois Administrative Procedure Act.

All rules other than those promulgated by the Board shall be presented in writing to the Board ~~and the Executive Procurement Officer~~ for review and comment. The Board ~~and the Executive Procurement Officer~~ shall express their opinions and recommendations in writing. The proposed rules and recommendations shall be made available for public review. The rules shall also be approved by the Joint Committee on Administrative Rules.

(b) Policy. Each chief procurement officer shall promptly notify the Procurement Policy Board in writing of any proposed new procurement rule or policy or any proposed change in an existing procurement rule or policy.

(c) Response. Each State agency must respond promptly in writing to all inquiries and comments of the Procurement Policy Board ~~or Executive Procurement Officer~~.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795).)

(30 ILCS 500/5-30)

Sec. 5-30. Proposed contracts; Procurement Policy Board.

(a) Except as provided in subsection (c), within 30 calendar days after notice of the awarding or letting of a contract has appeared in the Procurement Bulletin in accordance with subsection (b) of Section 15-25, the Board may request in writing from the contracting agency and the contracting agency shall promptly, but in no event later than 7 calendar 5

~~business~~ days after receipt of the request, provide to the Board, by electronic or other means satisfactory to the Board, documentation in the possession of the contracting agency concerning the proposed contract. Nothing in this subsection is intended to waive or abrogate any privilege or right of confidentiality authorized by law.

(b) No contract subject to this Section may be entered into until the 30-day period described in subsection (a) has expired, unless the contracting agency requests in writing that the Board waive the period and the Board grants the waiver in writing.

(c) This Section does not apply to (i) contracts entered into under this Code for small and emergency procurements as those procurements are defined in Article 20 and (ii) contracts for professional and artistic services that are nonrenewable, one year or less in duration, and have a value of less than \$20,000. If requested in writing by the Board, however, the contracting agency must promptly, but in no event later than 10 calendar ~~8 business~~ days after receipt of the request, transmit to the Board a copy of the contract for an emergency procurement and documentation in the possession of the contracting agency concerning the contract.

(Source: P.A. 93-839, eff. 7-30-04.)

(30 ILCS 500/10-20)

Sec. 10-20. Independent chief procurement officers.

(a) Appointment. Within 60 calendar days after the effective date of this amendatory Act of the 96th General Assembly, the Executive Ethics Commission, with the advice and consent of the Senate shall appoint or approve 4 chief procurement officers, one for each of the following categories:

(1) for procurements for construction and construction-related services committed by law to the jurisdiction or responsibility of the Capital Development Board;

(2) for procurements for all construction, construction-related services, operation of any facility, and the provision of any service or activity committed by law to the jurisdiction or responsibility of the Illinois Department of Transportation, including the direct or reimbursable expenditure of all federal funds for which the Department of Transportation is responsible or accountable for the use thereof in accordance with federal law, regulation, or procedure, the chief procurement officer recommended for approval under this item appointed by the Secretary of Transportation after consent by the Executive Ethics Commission;

(3) for all procurements made by a public institution of higher education; and

(4) for all other procurement needs of State agencies.

A chief procurement officer shall be responsible to the Executive Ethics Commission but must be located within the

agency that the officer provides with procurement services. The chief procurement officer for higher education shall have an office located within the Board of Higher Education, unless otherwise designated by the Executive Ethics Commission. The chief procurement officer for all other procurement needs of the State shall have an office located within the Department of Central Management Services, unless otherwise designated by the Executive Ethics Commission.

(b) Terms and independence. Each chief procurement officer appointed under this Section shall serve for a term of 5 years beginning on the date of the officer's appointment. The chief procurement officer may be removed for cause after a hearing by the Executive Ethics Commission. The Governor or the director of a State agency directly responsible to the Governor may institute a complaint against the officer by filing such complaint with the Commission. The Commission shall have a hearing based on the complaint. The officer and the complainant shall receive reasonable notice of the hearing and shall be permitted to present their respective arguments on the complaint. After the hearing, the Commission shall make a finding on the complaint and may take disciplinary action, including but not limited to removal of the officer.

The salary of a chief procurement officer shall be established by the Executive Ethics Commission and may not be diminished during the officer's term. The salary may not exceed the salary of the director of a State agency for which the

officer serves as chief procurement officer.

(c) Qualifications. In addition to any other requirement or qualification required by State law, each chief procurement officer must within 12 months of employment be a Certified Professional Public Buyer or a Certified Public Purchasing Officer, pursuant to certification by the Universal Public Purchasing Certification Council, and must reside in Illinois.

(d) Fiduciary duty. Each chief procurement officer owes a fiduciary duty to the State.

(e) Vacancy. In case of a vacancy in one or more of the offices of a chief procurement officer under this Section during the recess of the Senate, the Executive Ethics Commission shall make a temporary appointment until the next meeting of the Senate, when the Executive Ethics Commission shall nominate some person to fill the office, and any person so nominated who is confirmed by the Senate shall hold office during the remainder of the term and until his or her successor is appointed and qualified. If the Senate is not in session at the time this amendatory Act of the 96th General Assembly takes effect, the Executive Ethics Commission shall make a temporary appointment as in the case of a vacancy.

(f) (Blank). ~~Acting chief procurement officers. Prior to August 31, 2010, the Executive Ethics Commission may, until an initial chief procurement officer is appointed and qualified, designate some person as an acting chief procurement officer to execute the powers and discharge the duties vested by law in~~

~~that chief procurement officer. An acting chief procurement officer shall serve no later than the appointment of the initial chief procurement officer pursuant to subsection (a) of this Section. Nothing in this subsection shall prohibit the Executive Ethics Commission from appointing an acting chief procurement officer as a chief procurement officer.~~

~~(g) (Blank). Transition schedule. Notwithstanding any other provision of this Act or this amendatory Act of the 96th General Assembly, the chief procurement officers on the effective date of Public Act 96-793 shall continue to serve as chief procurement officers until August 31, 2010 and shall retain their powers and duties pertaining to procurements, provided the chief procurement officer appointed or approved by the Executive Ethics Commission shall approve any rules promulgated to implement this Code or the provisions of this amendatory Act of the 96th General Assembly. The chief procurement officers appointed or approved by the Executive Ethics Commission shall assume the position of chief procurement officer upon appointment and work in collaboration with the current chief procurement officer and staff. On September 1, 2010, the chief procurement officers appointed by the Executive Ethics Commission shall assume the powers and duties of the chief procurement officers.~~

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of P.A. 96-795); 96-920, eff. 7-1-10.)

(30 ILCS 500/15-20)

Sec. 15-20. Qualified bidders or offerors. Subscription to the Illinois Procurement Bulletin shall not be required to qualify as a bidder or offeror under this Code.

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

(30 ILCS 500/15-25)

Sec. 15-25. Bulletin content.

(a) Invitations for bids. Notice of each and every contract that is offered, including renegotiated contracts and change orders, shall be published in the Bulletin. All ~~, and all~~ businesses listed on the Department of Transportation Disadvantaged Business Enterprise Directory, the Department of Central Management Services Business Enterprise Program, and the Chief Procurement Office's Small Business Vendors Directory, ~~and the Capital Development Board's Directory of Certified Minority and Female Business Enterprises~~ shall be furnished written instructions and information on how to register on each Procurement Bulletin maintained by the State. Such information shall be provided to each business within 30 calendar days after the business' notice of certification. The applicable chief procurement officer may provide by rule an organized format for the publication of this information, but in any case it must include at least the date first offered, the date submission of offers is due, the location that offers are to be submitted to, the purchasing State agency, the

responsible State purchasing officer, a brief purchase description, the method of source selection, information of how to obtain a comprehensive purchase description and any disclosure and contract forms, and encouragement to potential contractors ~~prospective vendors~~ to hire qualified veterans, as defined by Section 45-67 of this Code, and qualified Illinois minorities, women, persons with disabilities, and residents discharged from any Illinois adult correctional center.

(b) Contracts let. Notice of each and every contract that is let, including renegotiated contracts and change orders, shall be issued electronically to those bidders ~~or offerors~~ submitting responses to the solicitations, inclusive of the unsuccessful bidders, immediately upon contract let. Failure of any chief procurement officer to give such notice shall result in tolling the time for filing a bid protest up to 7 calendar ~~5 business~~ days.

For purposes of this subsection (b), "contracts let" means a construction agency's act of advertising an invitation for bids for one or more construction projects. ~~The apparent low bidder's award and all other bids from bidders responding to solicitations shall be posted on the agency's website the next business day.~~

(b-5) Contracts awarded. Notice of each and every contract that is awarded, including renegotiated contracts and change orders, shall be issued electronically to the successful responsible bidder, ~~or offeror,~~ or contractor ~~posted on the~~

~~agency's website the next business day,~~ and published in the next available subsequent Bulletin. The applicable chief procurement officer may provide by rule an organized format for the publication of this information, but in any case it must include at least all of the information specified in subsection (a) as well as the name of the successful responsible bidder, ~~or~~ offeror, the contract price, the number of unsuccessful ~~responsive~~ bidders or offerors, and any other disclosure specified in any Section of this Code. This notice must be posted in the online electronic Bulletin prior to execution of the contract.

For purposes of this subsection (b-5), "contract award" means the determination that a particular bidder or offeror has been selected from among other bidders or offerors to receive a contract, subject to the successful completion of final negotiations. "Contract award" is evidenced by the posting of a Notice of Award or a Notice of Intent to Award to the respective volume of the Illinois Procurement Bulletin.

(c) Emergency purchase disclosure. Any chief procurement officer or State purchasing officer exercising emergency purchase authority under this Code shall publish a written description and reasons and the total cost, if known, or an estimate if unknown and the name of the responsible chief procurement officer and State purchasing officer, and the business or person contracted with for all emergency purchases in the next timely, practicable Bulletin. This notice must be

posted in the online electronic Bulletin no later than 5 calendar ~~3-business~~ days after the contract is awarded. Notice of a hearing to extend an emergency contract must be posted in the online electronic Procurement Bulletin no later than 14 calendar ~~5-business~~ days prior to the hearing.

(c-5) Business Enterprise Program report. Each purchasing agency shall, with the assistance of the applicable chief procurement officer, post in the online electronic Bulletin a copy of its annual report of utilization of businesses owned by minorities, females, and persons with disabilities as submitted to the Business Enterprise Council for Minorities, Females, and Persons with Disabilities pursuant to Section 6(c) of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act within 10 calendar ~~business~~ days after its submission of its report to the Council.

(c-10) Renewals. Notice of each contract renewal shall be posted in the online electronic Bulletin within 14 calendar ~~10-business~~ days of the determination to renew the contract and the next available subsequent Bulletin. The notice shall include at least all of the information required in subsection (b).

(c-15) Sole source procurements. Before entering into a sole source contract, a chief procurement officer exercising sole source procurement authority under this Code shall publish a written description of intent to enter into a sole source contract along with a description of the item to be procured

and the intended sole source contractor. This notice must be posted in the online electronic Procurement Bulletin before a sole source contract is awarded and at least 14 calendar days before the hearing required by Section 20-25.

(d) Other required disclosure. The applicable chief procurement officer shall provide by rule for the organized publication of all other disclosure required in other Sections of this Code in a timely manner.

(e) The changes to subsections (b), (c), (c-5), (c-10), and (c-15) of this Section made by this amendatory Act of the 96th General Assembly apply to reports submitted, offers made, and notices on contracts executed on or after its effective date.

(f) Each chief procurement officer shall, in consultation with the agencies under his or her jurisdiction, provide the Procurement Policy Board with the information and resources necessary, and in a manner, to effectuate the purpose of this amendatory Act of the 96th General Assembly.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 96-1444, eff. 8-20-10; 97-895, eff. 8-3-12.)

(30 ILCS 500/15-30)

Sec. 15-30. Electronic Bulletin clearinghouse.

(a) The Procurement Policy Board shall maintain on its official website a searchable database containing all information required to be included in the Illinois Procurement

Bulletin under subsections (b), (c), (c-10), and (c-15) of Section 15-25 and all information required to be disclosed under Section 50-41. The posting of procurement information on the website is subject to the same posting requirements as the online electronic Bulletin.

(b) For the purposes of this Section, searchable means searchable and sortable by successful responsible bidder, ~~or~~ offeror, potential contractor, or contractor, for emergency purchases, business or person contracted with; the contract price or total cost; the service or good; the purchasing State agency; and the date first offered or announced.

(c) The applicable chief procurement officer shall provide the Procurement Policy Board the information and resources necessary, and in a manner, to effectuate the purpose of this Section.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 97-895, eff. 8-3-12.)

(30 ILCS 500/15-35)

Sec. 15-35. Vendor portal. Each chief procurement officer may, in consultation with the agencies under his or her jurisdiction and the Procurement Policy Board, establish a vendor portal. The vendor portal shall allow a potential ~~prospective~~ vendor to provide certifications, disclosures, registrations, and other documentation needed to do business

with a State agency in advance of any particular procurement. A potential ~~prospective~~ vendor who registers with the vendor portal and provides this information may submit its registration number, with a confirmation that the portal information remains current, as part of its response to a competitive selection or a contracting process, rather than submit the same information in full. One or more chief procurement officers may jointly operate a vendor portal if a single portal would better serve the needs of the State agencies and the vendor community. A chief procurement officer may accept, for use on procurements and contracts under his or her jurisdiction, the registration from another chief procurement officer's vendor portal. This Section applies notwithstanding any laws to the contrary except for later enacted laws that specifically refer to this Section.

Nothing in this Section shall preclude a State agency from implementing its own pre-qualification, certification, disclosure, and registration requirements necessary to conduct and manage its program operation.

This Section does not apply to any contract for any project as to which federal funds are available for expenditure when its provisions may be in conflict with federal law or federal regulation.

(Source: P.A. 97-895, eff. 8-3-12.)

Sec. 15-40. Method of notices and reports. Notices and reports required by any Section of this Code may be made by either paper or electronic means.

(30 ILCS 500/15-45 new)

Sec. 15-45. Computation of days. The time within which any act provided in this Code is to be done shall be computed by excluding the first day and including the last, unless the last day is Saturday or Sunday or is a holiday, and then it shall also be excluded. If the day succeeding a Saturday, Sunday, or holiday is also a holiday, a Saturday, or a Sunday, then that succeeding day shall also be excluded. For the purposes of this Code, "holiday" means: New Year's Day; Dr. Martin Luther King, Jr.'s Birthday; Lincoln's Birthday; President's Day; Memorial Day; Independence Day; Labor Day; Columbus Day; Veterans' Day; Thanksgiving Day; Christmas Day; and any other day from time to time declared by the President of the United States or the Governor of Illinois to be a day during which the agencies of the State of Illinois that are ordinarily open to do business with the public shall be closed for business.

(30 ILCS 500/20-5)

Sec. 20-5. Method of source selection. Unless otherwise authorized by law, all State contracts shall be awarded by competitive sealed bidding, in accordance with Section 20-10, except as provided in Sections 20-15, 20-20, 20-25, 20-30,

20-35, 30-15, and 40-20. The chief procurement officers appointed pursuant to Section 10-20 may determine the method of solicitation and contract for all procurements pursuant to this Code.

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

(30 ILCS 500/20-10)

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

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

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

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

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

(d) Bid opening. Bids shall be opened publicly in the presence of one or more witnesses at the time and place designated in the invitation for bids. The name of each bidder, the amount of each bid, and other relevant information as may be specified by rule shall be recorded. After the award of the

contract, the winning bid and the record of each unsuccessful bid shall be open to public inspection.

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

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

(g) Award. The contract shall be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria

set forth in the invitation for bids, except when a State purchasing officer determines it is not in the best interest of the State and by written explanation determines another bidder shall receive the award. The explanation shall appear in the appropriate volume of the Illinois Procurement Bulletin. The written explanation must include:

- (1) a description of the agency's needs;
- (2) a determination that the anticipated cost will be fair and reasonable;
- (3) a listing of all responsible and responsive bidders; and
- (4) the name of the bidder selected, the total contract price, and the reasons for selecting that bidder.

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

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

(h) Multi-step sealed bidding. When it is considered impracticable to initially prepare a purchase description to support an award based on price, an invitation for bids may be issued requesting the submission of unpriced offers to be followed by an invitation for bids limited to those bidders whose offers have been qualified under the criteria set forth in the first solicitation.

(i) Alternative procedures. Notwithstanding any other provision of this Act to the contrary, the Director of the Illinois Power Agency may create alternative bidding procedures to be used in procuring professional services under subsection (a) of Section 1-75 and subsection (d) of Section 1-78 of the Illinois Power Agency Act and Section 16-111.5(c) of the Public Utilities Act and to procure renewable energy resources under Section 1-56 of the Illinois Power Agency Act. These alternative procedures shall be set forth together with the other criteria contained in the invitation for bids, and shall appear in the appropriate volume of the Illinois Procurement Bulletin.

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

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

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

Bids shall be accepted electronically at the time and in the manner designated in the invitation for bids. During the auction, a bidder's price shall be disclosed to other bidders. Bidders shall have the opportunity to reduce their bid prices during the auction. At the conclusion of the auction, the record of the bid prices received and the name of each bidder shall be open to public inspection.

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

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

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

(Source: P.A. 96-159, eff. 8-10-09; 96-588, eff. 8-18-09; 97-96, eff. 7-13-11; 97-895, eff. 8-3-12.)

(Text of Section from P.A. 96-159, 96-795, 97-96, and

97-895)

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

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

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

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

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

(e) Bid acceptance and bid evaluation. Bids shall be unconditionally accepted without alteration or correction, except as authorized in this Code. Bids shall be evaluated based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and

suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award, such as discounts, transportation costs, and total or life cycle costs, shall be objectively measurable. The invitation for bids shall set forth the evaluation criteria to be used.

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

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

- (1) a description of the agency's needs;
- (2) a determination that the anticipated cost will be

fair and reasonable;

(3) a listing of all responsible and responsive bidders; and

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

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

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

(h) Multi-step sealed bidding. When it is considered impracticable to initially prepare a purchase description to support an award based on price, an invitation for bids may be issued requesting the submission of unpriced offers to be followed by an invitation for bids limited to those bidders whose offers have been qualified under the criteria set forth in the first solicitation.

(i) Alternative procedures. Notwithstanding any other provision of this Act to the contrary, the Director of the Illinois Power Agency may create alternative bidding procedures to be used in procuring professional services under subsection (a) of Section 1-75 and subsection (d) of Section 1-78 of the Illinois Power Agency Act and Section 16-111.5(c) of the Public Utilities Act and to procure renewable energy resources under Section 1-56 of the Illinois Power Agency Act.

These alternative procedures shall be set forth together with the other criteria contained in the invitation for bids, and shall appear in the appropriate volume of the Illinois Procurement Bulletin.

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

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

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

Bids shall be accepted electronically at the time and in the manner designated in the invitation for bids. During the auction, a bidder's price shall be disclosed to other bidders. Bidders shall have the opportunity to reduce their bid prices during the auction. At the conclusion of the auction, the record of the bid prices received and the name of each bidder

shall be open to public inspection.

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

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

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

(Source: P.A. 96-159, eff. 8-10-09; 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 97-96, eff. 7-13-11; 97-895, eff. 8-3-12.)

(30 ILCS 500/20-15)

Sec. 20-15. Competitive sealed proposals.

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

(b) Request for proposals. Proposals shall be solicited

through a request for proposals.

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

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

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

(f) Discussion with responsible offerors and revisions of offers or proposals. As provided in the request for proposals and under rules, discussions may be conducted with responsible offerors who submit offers or proposals determined to be reasonably susceptible of being selected for award for the purpose of clarifying and assuring full understanding of and responsiveness to the solicitation requirements. Those offerors shall be accorded fair and equal treatment with

respect to any opportunity for discussion and revision of proposals. Revisions may be permitted after submission and before award for the purpose of obtaining best and final offers. In conducting discussions there shall be no disclosure of any information derived from proposals submitted by competing offerors. If information is disclosed to any offeror, it shall be provided to all competing offerors.

(g) Award. Awards shall be made to the responsible offeror whose proposal is determined in writing to be the most advantageous to the State, taking into consideration price and the evaluation factors set forth in the request for proposals. The contract file shall contain the basis on which the award is made.

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

(30 ILCS 500/20-25)

Sec. 20-25. Sole source procurements.

(a) In accordance with standards set by rule, contracts may be awarded without use of the specified method of source selection when there is only one economically feasible source for the item. A State contract may be awarded as a sole source procurement unless an interested party submits a written request for a public hearing at which the chief procurement officer and purchasing agency present written justification for the procurement method. Any interested party may present testimony. A sole source contract where a hearing was requested

by an interested party may be awarded after the hearing is conducted with the approval of the chief procurement officer.

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

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

(d) By August 1 each year, each chief procurement officer shall file a report with the General Assembly identifying each contract the officer sought under the sole source procurement method and providing the justification given for seeking sole source as the procurement method for each of those contracts.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 96-920, eff. 7-1-10; 97-895, eff. 8-3-12.)

(30 ILCS 500/20-30)

Sec. 20-30. Emergency purchases.

(a) Conditions for use. In accordance with standards set by rule, a purchasing agency may make emergency procurements without competitive sealed bidding or prior notice when there exists a threat to public health or public safety, or when immediate expenditure is necessary for repairs to State property in order to protect against further loss of or damage to State property, to prevent or minimize serious disruption in critical State services that affect health, safety, or collection of substantial State revenues, or to ensure the integrity of State records; provided, however, that the term of the emergency purchase shall be limited to the time reasonably needed for a competitive procurement, not to exceed 90 calendar days. A contract may be extended beyond 90 calendar days if the chief procurement officer determines additional time is necessary and that the contract scope and duration are limited to the emergency. Prior to execution of the extension, the chief procurement officer must hold a public hearing and provide written justification for all emergency contracts. Members of the public may present testimony. Emergency procurements shall be made with as much competition as is practicable under the circumstances. A written description of the basis for the emergency and reasons for the selection of the particular contractor shall be included in the contract

file.

(b) Notice. Notice of all emergency procurements shall be provided to the Procurement Policy Board and published in the online electronic Bulletin no later than 5 calendar ~~3 business~~ days after the contract is awarded. Notice of intent to extend an emergency contract shall be provided to the Procurement Policy Board and published in the online electronic Bulletin at least 14 calendar days before the public hearing. Notice shall include at least a description of the need for the emergency purchase, the contractor, and if applicable, the date, time, and location of the public hearing. A copy of this notice and all documents provided at the hearing shall be included in the subsequent Procurement Bulletin. Before the next appropriate volume of the Illinois Procurement Bulletin, the purchasing agency shall publish in the Illinois Procurement Bulletin a copy of each written description and reasons and the total cost of each emergency procurement made during the previous month. When only an estimate of the total cost is known at the time of publication, the estimate shall be identified as an estimate and published. When the actual total cost is determined, it shall also be published in like manner before the 10th day of the next succeeding month.

(c) Affidavits. A chief procurement officer making a procurement under this Section shall file affidavits with the Procurement Policy Board and the Auditor General within 10 calendar days after the procurement setting forth the amount

expended, the name of the contractor involved, and the conditions and circumstances requiring the emergency procurement. When only an estimate of the cost is available within 10 calendar days after the procurement, the actual cost shall be reported immediately after it is determined. At the end of each fiscal quarter, the Auditor General shall file with the Legislative Audit Commission and the Governor a complete listing of all emergency procurements reported during that fiscal quarter. The Legislative Audit Commission shall review the emergency procurements so reported and, in its annual reports, advise the General Assembly of procurements that appear to constitute an abuse of this Section.

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

(e) The changes to this Section made by this amendatory Act of the 96th General Assembly apply to procurements executed on or after its effective date.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795).)

(30 ILCS 500/20-35)

Sec. 20-35. Competitive selection procedures.

(a) Conditions for use. The services specified in Article

35 shall be procured in accordance with this Section, except as authorized under Sections 20-25 and 20-30 of this Article.

(b) Statement of qualifications. Respondents ~~Potential contractors~~ shall submit statements of qualifications and expressions of interest. The chief procurement officer shall specify a uniform format for statements of qualifications. Persons may amend these statements at any time by filing a new statement.

(c) Public announcement and form of request for proposals. Public notice of the need for the procurement shall be given in the form of a request for proposals and published in the Illinois Procurement Bulletin at least 14 calendar days before the date set in the request for proposals for the opening of proposals. The request for proposals shall describe the services required, list the type of information and data required of each respondent ~~offeror~~, and state the relative importance of particular qualifications.

(d) Discussions. The purchasing agency may conduct discussions with any respondent ~~offeror~~ who has submitted a response ~~proposal~~ to determine the respondent's ~~offeror's~~ qualifications for further consideration. Discussions shall not disclose any information derived from proposals submitted by other respondents ~~offerors~~.

(e) Award. Award shall be made to the respondent ~~offeror~~ determined in writing by the purchasing agency to be best qualified based on the evaluation factors set forth in the

request for proposals and negotiation of compensation determined to be fair and reasonable.

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

(30 ILCS 500/20-40)

Sec. 20-40. Cancellation of invitations for bids or requests for proposals. An invitation for bids, a request for proposals, or any other solicitation may be cancelled without penalty, or any and all bids, offers, or proposals, or any other solicitation may be rejected in whole or in part as may be specified in the solicitation, when it is in the best interests of the State in accordance with rules. The reasons for cancellation or rejection shall be made part of the contract file.

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

(30 ILCS 500/20-43)

Sec. 20-43. Bidder or offeror authorized to do business in Illinois. In addition to meeting any other requirement of law or rule, a person (other than an individual acting as a sole proprietor) may qualify as a bidder or offeror under this Code only if the person is a legal entity authorized to transact ~~do~~ business or conduct affairs in Illinois prior to submitting the bid, offer, or proposal.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of P.A. 96-795).)

(30 ILCS 500/20-50)

Sec. 20-50. Specifications. Specifications shall be prepared in accordance with consistent standards that are promulgated by the chief procurement officer and reviewed by the Board and the Joint Committee on Administrative Rules. Those standards shall include a prohibition against the use of brand-name only products, except for products intended for retail sale or as specified by rule. All specifications shall seek to promote overall economy for the purposes intended and encourage competition in satisfying the State's needs and shall not be unduly restrictive.

A solicitation or specification for a contract or a contract, including ~~a contract~~ but not limited to of a college, university, or institution under the jurisdiction of a governing board listed in Section 1-15.100, may not require, stipulate, suggest, or encourage a monetary or other financial contribution or donation, cash bonus or incentive, ~~or~~ economic investment, or other prohibited conduct as an explicit or implied term or condition for awarding or completing the contract. The contract, solicitation, or specification also may not include a requirement that an individual or individuals employed by such a college, university, or institution receive a consulting contract for professional services.

As used in this Section, "prohibited conduct" includes requested payments or other consideration by a third party to

the university or State agency that is not part of the solicitation or that is unrelated to the subject matter or purpose of the solicitation. "Prohibited conduct" does not include a payment from the vendor that is supported by additional consideration (such as exclusive rights to sell items or rights to advertise), other than the consideration of the State's awarding a contract to purchase of goods and services.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795).)

(30 ILCS 500/20-80)

Sec. 20-80. Contract files.

(a) Written determinations. All written determinations required under this Article shall be placed in the contract file maintained by the chief procurement officer.

(b) Filing with Comptroller. Whenever a grant, defined pursuant to accounting standards established by the Comptroller, or a contract liability, except for: (1) contracts paid from personal services, or (2) contracts between the State and its employees to defer compensation in accordance with Article 24 of the Illinois Pension Code, exceeding \$20,000 is incurred by any State agency, a copy of the contract, purchase order, grant, or lease shall be filed with the Comptroller within 30 calendar days thereafter. Beginning January 1, 2013, the Comptroller may require that contracts and grants required

to be filed with the Comptroller under this Section shall be filed electronically, unless the agency is incapable of filing the contract or grant electronically because it does not possess the necessary technology or equipment. Any agency that is incapable of electronically filing its contracts or grants shall submit a written statement to the Governor and to the Comptroller attesting to the reasons for its inability to comply. This statement shall include a discussion of what the agency needs in order to effectively comply with this Section. Prior to requiring electronic filing, the Comptroller shall consult with the Governor as to the feasibility of establishing mutually agreeable technical standards for the electronic document imaging, storage, and transfer of contracts and grants, taking into consideration the technology available to that agency, best practices, and the technological capabilities of State agencies. Nothing in this amendatory Act of the 97th General Assembly shall be construed to impede the implementation of an Enterprise Resource Planning (ERP) system. For each State contract for goods, supplies, or services awarded on or after July 1, 2010, the contracting agency shall provide the applicable rate and unit of measurement of the goods, supplies, or services on the contract obligation document as required by the Comptroller. If the contract obligation document that is submitted to the Comptroller contains the rate and unit of measurement of the goods, supplies, or services, the Comptroller shall provide

that information on his or her official website. Any cancellation or modification to any such contract liability shall be filed with the Comptroller within 30 calendar days of its execution.

(c) Late filing affidavit. When a contract, purchase order, grant, or lease required to be filed by this Section has not been filed within 30 calendar days of execution, the Comptroller shall refuse to issue a warrant for payment thereunder until the agency files with the Comptroller the contract, purchase order, grant, or lease and an affidavit, signed by the chief executive officer of the agency or his or her designee, setting forth an explanation of why the contract liability was not filed within 30 calendar days of execution. A copy of this affidavit shall be filed with the Auditor General.

(d) Timely execution of contracts. No voucher shall be submitted to the Comptroller for a warrant to be drawn for the payment of money from the State treasury or from other funds held by the State Treasurer on account of any contract unless the contract is reduced to writing before the services are performed and filed with the Comptroller. Vendors shall not be paid for any goods that were received or services that were rendered before the contract was reduced to writing and signed by all necessary parties. A chief procurement officer may request an exception to this subsection by submitting a written statement to the Comptroller and Treasurer setting forth the circumstances and reasons why the contract could not be reduced

to writing before the supplies were received or services were performed. A waiver of this subsection must be approved by the Comptroller and Treasurer. This Section shall not apply to emergency purchases if notice of the emergency purchase is filed with the Procurement Policy Board and published in the Bulletin as required by this Code.

(e) Method of source selection. When a contract is filed with the Comptroller under this Section, the Comptroller's file shall identify the method of source selection used in obtaining the contract.

(Source: P.A. 96-794, eff. 1-1-10; 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 96-1000, eff. 7-2-10; 97-932, eff. 8-10-12.)

(30 ILCS 500/20-95)

Sec. 20-95. Donations. Nothing in this Code or in the rules promulgated under this Code shall prevent any State agency from complying with the terms and conditions of any grant, gift, or bequest that calls for the procurement of a particular good or service or the use of a particular vendor ~~contractor~~, provided that the grant, gift, or bequest provides majority funding for the contract.

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

(30 ILCS 500/20-120)

Sec. 20-120. Subcontractors.

(a) Any contract granted under this Code shall state whether the services of a subcontractor will be used. The contract shall include the names and addresses of all known subcontractors with subcontracts with an annual value of more than \$50,000, the general type of work to be performed by these subcontractors, and the expected amount of money each will receive under the contract. Upon the request of the chief procurement officer appointed pursuant to paragraph (2) of subsection (a) of Section 10-20, the contractor shall provide the chief procurement officer a copy of a subcontract so identified within 15 calendar days after the request is made. A subcontractor, or contractor on behalf of a subcontractor, may identify information that is deemed proprietary or confidential. If the chief procurement officer determines the information is not relevant to the primary contract, the chief procurement officer may excuse the inclusion of the information. If the chief procurement officer determines the information is proprietary or could harm the business interest of the subcontractor, the chief procurement officer may, in his or her discretion, redact the information. Redacted information shall not become part of the public record.

(b) If at any time during the term of a contract, a contractor adds or changes any subcontractors, he or she shall promptly notify, in writing, the chief procurement officer, State purchasing officer, or their designee of the names and addresses of each new or replaced subcontractor and the general

type of work to be performed. Upon the request of the chief procurement officer appointed pursuant to paragraph (2) of subsection (a) of Section 10-20, the contractor shall provide the chief procurement officer a copy of any new or amended subcontract so identified within 15 calendar days after the request is made.

(c) In addition to any other requirements of this Code, a subcontract subject to this Section must include all of the subcontractor's certifications required by Article 50 of the Code.

(d) This Section applies to procurements solicited on or after the effective date of this amendatory Act of the 96th General Assembly. The changes made to this Section by this amendatory Act of the 97th General Assembly apply to procurements solicited on or after the effective date of this amendatory Act of the 97th General Assembly.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of P.A. 96-795); 96-920, eff. 7-1-10; 97-895, eff. 8-3-12.)

(30 ILCS 500/20-155)

Sec. 20-155. Solicitation and contract documents.

(a) Each chief procurement officer appointed pursuant to Section 10-20 shall have the sole authority in their respective jurisdiction to develop and distribute uniform documents for the solicitation, review, and acceptance of all bids, offers,

and responses and the award of contracts pursuant to this Code.
If a chief procurement officer appointed pursuant to Section
10-20 exercises the authority to develop and distribute uniform
documents for the solicitation, review and acceptance of all
bids, offers and responses and the award of contracts, then the
State agency shall use the uniform documents.

(b) ~~(a)~~ After award of a contract and subject to provisions of the Freedom of Information Act, the procuring agency shall make available for public inspection and copying all pre-award, post-award, administration, and close-out documents relating to that particular contract.

(c) ~~(b)~~ A procurement file shall be maintained for all contracts, regardless of the method of procurement. The procurement file shall contain the basis on which the award is made, all submitted bids and proposals, all evaluation materials, score sheets and all other documentation related to or prepared in conjunction with evaluation, negotiation, and the award process. The procurement file shall contain a written determination, signed by the chief procurement officer or State purchasing officer, setting forth the reasoning for the contract award decision. The procurement file shall not include trade secrets or other competitively sensitive, confidential, or proprietary information. The procurement file shall be open to public inspection within 7 calendar ~~7-business~~ days following award of the contract.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793

for the effective date of changes made by P.A. 96-795); 97-895, eff. 8-3-12.)

(30 ILCS 500/20-160)

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

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

(b) Every bid and offer submitted to and every contract executed by the State on or after January 1, 2009 (the effective date of Public Act 95-971) and every submission to a vendor portal shall contain (1) a certification by the bidder, offeror, vendor, or contractor that either (i) the bidder, offeror, vendor, or contractor is not required to register as a business entity with the State Board of Elections pursuant to this Section or (ii) the bidder, offeror, vendor, or contractor has registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration and (2) a statement that the contract is voidable under Section 50-60 for the bidder's, offeror's, vendor's, or contractor's failure to comply with this Section.

(c) ~~Within 30 days after the effective date of this amendatory Act of the 95th General Assembly, each~~ Each business

entity (i) whose aggregate bids and proposals on State contracts annually total more than \$50,000, (ii) whose aggregate bids and proposals on State contracts combined with the business entity's aggregate annual total value of State contracts exceed \$50,000, or (iii) whose contracts with State agencies, in the aggregate, annually total more than \$50,000 shall register with the State Board of Elections in accordance with Section 9-35 of the Election Code. ~~A business entity required to register under this subsection shall submit a copy of the certificate of registration to the applicable chief procurement officer within 90 days after the effective date of this amendatory Act of the 95th General Assembly.~~ A business entity required to register under this subsection due to item (i) or (ii) has a continuing duty to ensure that the registration is accurate during the period beginning on the date of registration and ending on the day after the date the contract is awarded; any change in information must be reported to the State Board of Elections 5 business days following such change or no later than a day before the contract is awarded, whichever date is earlier. A business entity required to register under this subsection due to item (iii) has a continuing duty to ensure that the registration is accurate in accordance with subsection (e).

(d) Any business entity, not required under subsection (c) to register ~~within 30 days after the effective date of this amendatory Act of the 95th General Assembly,~~ whose aggregate

bids and proposals on State contracts annually total more than \$50,000, or whose aggregate bids and proposals on State contracts combined with the business entity's aggregate annual total value of State contracts exceed \$50,000, shall register with the State Board of Elections in accordance with Section 9-35 of the Election Code prior to submitting to a State agency the bid or proposal whose value causes the business entity to fall within the monetary description of this subsection. A business entity required to register under this subsection has a continuing duty to ensure that the registration is accurate during the period beginning on the date of registration and ending on the day after the date the contract is awarded. Any change in information must be reported to the State Board of Elections within 5 business days following such change or no later than a day before the contract is awarded, whichever date is earlier.

(e) A business entity whose contracts with State agencies, in the aggregate, annually total more than \$50,000 must maintain its registration under this Section and has a continuing duty to ensure that the registration is accurate for the duration of the term of office of the incumbent officeholder awarding the contracts or for a period of 2 years following the expiration or termination of the contracts, whichever is longer. A business entity, required to register under this subsection, has a continuing duty to report any changes on a quarterly basis to the State Board of Elections

within 14 calendar ~~10-business~~ days following the last day of January, April, July, and October of each year. Any update pursuant to this paragraph that is received beyond that date is presumed late and the civil penalty authorized by subsection (e) of Section 9-35 of the Election Code (10 ILCS 5/9-35) may be assessed.

Also, if a business entity required to register under this subsection has a pending bid or offer ~~proposal~~, any change in information shall be reported to the State Board of Elections within 7 calendar ~~5-business~~ days following such change or no later than a day before the contract is awarded, whichever date is earlier.

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

(g) For any bid or offer ~~proposal~~ for a contract with a State agency by a business entity required to register under this Section, the chief procurement officer shall verify that the business entity is required to register under this Section and is in compliance with the registration requirements on the date the bid or offer ~~proposal~~ is due. A chief procurement officer shall not accept a bid or offer ~~proposal~~ if the business entity is not in compliance with the registration

requirements as of the date bids or offers ~~proposals~~ are due.

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

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

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

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 96-848, eff. 1-1-10; 97-333, eff. 8-12-11; 97-895, eff. 8-3-12.)

(30 ILCS 500/25-60)

Sec. 25-60. Prevailing wage requirements.

(a) All services furnished under service contracts of \$2,000 or more or \$200 or more per month and under printing contracts shall be subject to the following prevailing wage requirements:

(1) Not less than the general prevailing wage rate of hourly wages for work of a similar character in the

locality in which the work is produced shall be paid by the successful bidder, offeror, or potential contractor ~~vendor~~ to its employees who perform the work on the State contracts. The bidder, ~~or~~ offeror, potential contractor, or contractor in order to be considered to be a responsible bidder, ~~or~~ offeror, potential contractor, or contractor for the purposes of this Code, shall certify to the purchasing agency that wages to be paid to its employees are no less, and fringe benefits and working conditions of employees are not less favorable, than those prevailing in the locality where the contract is to be performed. Prevailing wages and working conditions shall be determined by the Director of the Illinois Department of Labor.

(2) Whenever a collective bargaining agreement is in effect between an employer, other than a governmental body, and service or printing employees as defined in this Section who are represented by a responsible organization that is in no way influenced or controlled by the management, that agreement and its provisions shall be considered as conditions prevalent in that locality and shall be the minimum requirements taken into consideration by the Director of Labor.

(b) As used in this Section, "services" means janitorial cleaning services, window cleaning services, building and grounds services, site technician services, natural resources

services, food services, and security services. "Printing" means and includes all processes and operations involved in printing, including but not limited to letterpress, offset, and gravure processes, the multilith method, photographic or other duplicating process, the operations of composition, platemaking, presswork, and binding, and the end products of those processes, methods, and operations. As used in this Code "printing" does not include photocopiers used in the course of normal business activities, photographic equipment used for geographic mapping, or printed matter that is commonly available to the general public from contractor inventory.

(c) The terms "general prevailing rate of hourly wages", "general prevailing rate of wages", or "prevailing rate of wages" when used in this Section mean the hourly cash wages plus fringe benefits for health and welfare, insurance, vacations, and pensions paid generally, in the locality in which the work is being performed, to employees engaged in work of a similar character.

(d) "Locality" shall have the meaning established by rule.

(e) This Section does not apply to services furnished under contracts for professional or artistic services.

(f) This Section does not apply to vocational programs of training for physically or mentally handicapped persons or to sheltered workshops for the severely disabled.

(Source: P.A. 93-370, eff. 1-1-04.)

(30 ILCS 500/25-65)

Sec. 25-65. Contracts performed outside the United States. Prior to contracting or as a requirement of solicitation of any State contracts for services as defined in Section 1-15.90, whichever is appropriate, potential contractors ~~prospective vendors~~ shall disclose in a statement of work where services will be performed under that contract, including any subcontracts, and whether any services under that contract, including any subcontracts, are anticipated to be performed outside the United States.

In awarding the contract or evaluating the bid or offer, the chief procurement officer may consider such disclosure and the economic impact to the State of Illinois and its residents.

If the chief procurement officer awards a contract to a vendor based upon disclosure that work will be performed in the United States and during the term of the contract the contractor or a subcontractor proceeds to shift work outside of the United States, the contractor shall be deemed in breach of contract, unless the chief procurement officer shall have first determined in writing that circumstances require the shift of work or that termination of the contract would not be in the State's best interest.

Nothing in this Section is intended to contravene any existing treaty, law, agreement, or regulation of the United States.

The chief procurement officer appointed pursuant to

paragraph (4) of subsection (a) of Section 10-20 shall prepare and deliver to the General Assembly, no later than September 1, 2015, a report on the impact of outsourcing services for State agencies subject to the jurisdiction of the chief procurement officer. The report shall include the State's cost of procurement and shall identify those contracts where it was disclosed that services were provided outside of the United States, including a description and value of those services. Each State agency subject to the jurisdiction of the chief procurement officer appointed pursuant to paragraph (4) of subsection (a) of Section 10-20 must provide the chief procurement officer the information necessary to comply with this Section on or before June 1, 2015. The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report in the manner provided by Section 3.1 of the General Assembly Organization Act.

~~The Department of Central Management Services shall prepare and deliver to the General Assembly, no later than September 1, 2007, a report on the impact of outsourcing services on the State's cost of procurement that identifies those contracts where it was disclosed that services were provided outside of the United States and a description and value of those services.~~

(Source: P.A. 93-1081, eff. 6-1-05.)

Sec. 25-80. Successor contractor ~~vendor~~. All service contracts shall include a clause requiring the bidder or offeror, in order to be considered a responsible bidder or offeror for the purposes of this Code, to certify to the purchasing agency (i) that it shall offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its bid or offer, and (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit performing substantially similar work that will be performed by the successor vendor.

This Section does not apply to heating and air conditioning service contracts, plumbing service contracts, and electrical service contracts.

(Source: P.A. 95-314, eff. 1-1-08.)

(30 ILCS 500/30-22)

Sec. 30-22. Construction contracts; responsible bidder requirements. To be considered a responsible bidder on a construction contract for purposes of this Code, a bidder must comply with all of the following requirements and must present satisfactory evidence of that compliance to the appropriate construction agency:

(1) The bidder must comply with all applicable laws concerning the bidder's entitlement to conduct business in Illinois.

(2) The bidder must comply with all applicable provisions of the Prevailing Wage Act.

(3) The bidder must comply with Subchapter VI ("Equal Employment Opportunities") of Chapter 21 of Title 42 of the United States Code (42 U.S.C. 2000e and following) and with Federal Executive Order No. 11246 as amended by Executive Order No. 11375.

(4) The bidder must have a valid Federal Employer Identification Number or, if an individual, a valid Social Security Number.

(5) The bidder must have a valid certificate of insurance showing the following coverages: general liability, professional liability, product liability, workers' compensation, completed operations, hazardous occupation, and automobile.

(6) The bidder and all bidder's subcontractors must participate in applicable apprenticeship and training programs approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training.

(7) For contracts with the Illinois Power Agency, the Director of the Illinois Power Agency may establish additional requirements for responsible bidders. These

additional requirements, if established, shall be set forth together with the other criteria contained in the invitation for bids, and shall appear in the appropriate volume of the Illinois Procurement Bulletin.

(8) The bidder must certify ~~submit a signed affidavit stating~~ that the bidder will maintain an Illinois office as the primary place of employment for persons employed in the construction authorized by the contract.

The provisions of this Section shall not apply to federally funded construction projects if such application would jeopardize the receipt or use of federal funds in support of such a project.

(Source: P.A. 97-369, eff. 8-15-11.)

(30 ILCS 500/30-30)

Sec. 30-30. Contracts in excess of \$250,000. For building construction contracts in excess of \$250,000, separate specifications shall be prepared for all equipment, labor, and materials in connection with the following 5 subdivisions of the work to be performed:

(1) plumbing;

(2) heating, piping, refrigeration, and automatic temperature control systems, including the testing and balancing of those systems;

(3) ventilating and distribution systems for conditioned air, including the testing and balancing of

those systems;

(4) electric wiring; and

(5) general contract work.

The specifications must be so drawn as to permit separate and independent bidding upon each of the 5 subdivisions of work. All contracts awarded for any part thereof shall award the 5 subdivisions of work separately to responsible and reliable persons, firms, or corporations engaged in these classes of work. The contracts, at the discretion of the construction agency, may be assigned to the successful bidder on the general contract work or to the successful bidder on the subdivision of work designated by the construction agency before the bidding as the prime subdivision of work, provided that all payments will be made directly to the contractors for the 5 subdivisions of work upon compliance with the conditions of the contract.

Until a date 4 years after July 1, 2011, the requirements of this Section do not apply to a construction project for which the Capital Development Board is the construction agency if: (i) the project budget is at least \$15,000,000; (ii) the Capital Development Board has submitted to the Procurement Policy Board a written request for a public hearing on waiver of the application of the requirements of this Section to that project, including its reasons for seeking the waiver and why the waiver is in the best interest of the State; (iii) the Capital Development Board has posted notice of the waiver

hearing on its procurement web page and on the online Procurement Bulletin at least 15 calendar ~~working~~ days before the hearing; (iv) the Procurement Policy Board, after conducting the public hearing on the waiver request, reviews and approves the request in writing before the award of the contract; (v) the successful low bidder has prequalified with the Capital Development Board; (vi) the bid of the successful low bidder identifies the name of the subcontractor, if any, and the bid proposal costs for each of the 5 subdivisions of work set forth in this Section; and (vii) the contract entered into with the successful bidder provides that no identified subcontractor may be terminated without the written consent of the Capital Development Board. With respect to any construction project described in this paragraph, the Capital Development Board shall: (i) provide to the Auditor General an affidavit that the waiver of the application of the requirements of this Section is in the best interest of the State; (ii) specify in writing as a public record that the project shall comply with the disadvantaged business practices of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act and the equal employment practices of Section 2-105 of the Illinois Human Rights Act; and (iii) report annually to the Governor and the General Assembly on the bidding, award, and performance. On and after January 1, 2009 (the effective date of Public Act 95-758), the Capital Development Board may award in each year contracts with an

aggregate total value of no more than \$200,000,000 with respect to construction projects described in this paragraph.

Until a date 11 years after November 29, 2005 (the effective date of Public Act 94-699), the requirements of this Section do not apply to the Capitol Building HVAC upgrade project if (i) the bid of the successful bidder identifies the name of the subcontractor, if any, and the bid proposal costs for each of the 5 subdivisions of work set forth in this Section, and (ii) the contract entered into with the successful bidder provides that no identified subcontractor may be terminated without the written consent of the Capital Development Board.

(Source: P.A. 97-182, eff. 7-22-11; 98-431, eff. 8-16-13.)

(30 ILCS 500/35-30)

Sec. 35-30. Awards.

(a) All State contracts for professional and artistic services, except as provided in this Section, shall be awarded using the competitive request for proposal process outlined in this Section.

(b) For each contract offered, the chief procurement officer, State purchasing officer, or his or her designee shall use the appropriate standard solicitation forms available from the chief procurement officer for matters other than construction or the higher education chief procurement officer.

(c) Prepared forms shall be submitted to the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate, for publication in its Illinois Procurement Bulletin and circulation to the chief procurement officer for matters other than construction or the higher education chief procurement officer's list of prequalified vendors. Notice of the offer or request for proposal shall appear at least 14 calendar days before the response to the offer is due.

(d) All interested respondents shall return their responses to the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate, which shall open and record them. The chief procurement officer for matters other than construction or higher education chief procurement officer then shall forward the responses, together with any information it has available about the qualifications and other State work of the respondents.

(e) After evaluation, ranking, and selection, the responsible chief procurement officer, State purchasing officer, or his or her designee shall notify the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate, of the successful respondent and shall forward a copy of the signed contract for the chief procurement officer for matters other than construction or higher education chief

procurement officer's file. The chief procurement officer for matters other than construction or higher education chief procurement officer shall publish the names of the responsible procurement decision-maker, the agency letting the contract, the successful respondent, a contract reference, and value of the let contract in the next appropriate volume of the Illinois Procurement Bulletin.

(f) For all professional and artistic contracts with annualized value that exceeds \$25,000, evaluation and ranking by price are required. Any chief procurement officer or State purchasing officer, but not their designees, may select a respondent ~~an offeror~~ other than the lowest respondent ~~bidder~~ by price. In any case, when the contract exceeds the \$25,000 threshold and the lowest respondent ~~bidder~~ is not selected, the chief procurement officer or the State purchasing officer shall forward together with the contract notice of who the low respondent by price ~~bidder~~ was and a written decision as to why another was selected to the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate. The chief procurement officer for matters other than construction or higher education chief procurement officer shall publish as provided in subsection (e) of Section 35-30, but shall include notice of the chief procurement officer's or State purchasing officer's written decision.

(g) The chief procurement officer for matters other than

construction and higher education chief procurement officer may each refine, but not contradict, this Section by promulgating rules for submission to the Procurement Policy Board and then to the Joint Committee on Administrative Rules. Any refinement shall be based on the principles and procedures of the federal Architect-Engineer Selection Law, Public Law 92-582 Brooks Act, and the Architectural, Engineering, and Land Surveying Qualifications Based Selection Act; except that pricing shall be an integral part of the selection process.

(Source: P.A. 95-331, eff. 8-21-07; 95-481, eff. 8-28-07; 96-920, eff. 7-1-10.)

(30 ILCS 500/35-40)

Sec. 35-40. Subcontractors.

(a) Any contract granted under this Article shall state whether the services of a subcontractor will be used. The contract shall include the names and addresses of all subcontractors with an annual value of more than \$50,000, the general type of work to be performed by these subcontractors, and the expected amount of money each will receive under the contract. Upon the request of the chief procurement officer appointed pursuant to paragraph (2) of subsection (a) of Section 10-20, the contractor shall provide the chief procurement officer a copy of a subcontract so identified within 15 calendar days after the request is made. A subcontractor, or contractor on behalf of a subcontractor, may

identify information that is deemed proprietary or confidential. If the chief procurement officer determines the information is not relevant to the primary contract, the chief procurement officer may excuse the inclusion of the information. If the chief procurement officer determines the information is proprietary or could harm the business interest of the subcontractor, the chief procurement officer may, in his or her discretion, redact the information. Redacted information shall not become part of the public record.

(b) If at any time during the term of a contract, a contractor adds or changes any subcontractors, he or she shall promptly notify, in writing, the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate, and the responsible State purchasing officer, or their designee of the names and addresses and the expected amount of money each new or replaced subcontractor will receive. Upon request of the chief procurement officer appointed pursuant to paragraph (2) of subsection (a) of Section 10-20, the contractor shall provide the chief procurement officer a copy of any new or amended subcontract so identified within 15 calendar days after the request is made.

(c) In addition to any other requirements of this Code, a subcontract subject to this Section must include all of the subcontractor's certifications required by Article 50 of this Code.

(d) For purposes of this Section, the changes made by this amendatory Act of the 98th General Assembly apply to procurements solicited on or after the effective date of this amendatory Act of the 98th General Assembly.

(Source: P.A. 95-481, eff. 8-28-07; 96-920, eff. 7-1-10.)

(30 ILCS 500/40-5)

Sec. 40-5. Applicability. All leases for real property or capital improvements, including office and storage space, buildings, and other facilities for State agencies where the State is the lessee, shall be procured in accordance with the provisions of this Article. All State agencies, with the exception of public institutions of higher education, shall, in consultation with the Department of Central Management Services, evaluate the State's existing lease portfolio prior to engaging in a procurement for real property or capital improvements.

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

(30 ILCS 500/40-15)

Sec. 40-15. Method of source selection.

(a) Request for information. Except as provided in subsections (b) and (c), all State contracts for leases of real property or capital improvements shall be awarded by a request for information process in accordance with Section 40-20.

(b) Other methods. A request for information process need

not be used in procuring any of the following leases:

(1) Property of less than 10,000 square feet with rent of less than \$100,000 per year.

(2) (Blank).

(3) Duration of less than one year that cannot be renewed.

(4) Specialized space available at only one location.

(5) Renewal or extension of a lease; provided that: (i) the chief procurement officer determines in writing that the renewal or extension is in the best interest of the State; (ii) the chief procurement officer submits his or her written determination and the renewal or extension to the Board; (iii) the Board does not object in writing to the renewal or extension within 30 calendar days after its submission; and (iv) the chief procurement officer publishes the renewal or extension in the appropriate volume of the Procurement Bulletin.

(c) Leases with governmental units. Leases with other governmental units may be negotiated without using the request for information process when deemed by the chief procurement officer to be in the best interest of the State.

(Source: P.A. 95-647, eff. 10-11-07; 96-920, eff. 7-1-10.)

(30 ILCS 500/40-20)

Sec. 40-20. Request for information.

(a) Conditions for use. Leases shall be procured by request

for information except as otherwise provided in Section 40-15.

(b) Form. A request for information shall be issued and shall include:

- (1) the type of property to be leased;
- (2) the proposed uses of the property;
- (3) the duration of the lease;
- (4) the preferred location of the property; and
- (5) a general description of the configuration desired.

(c) Public notice. Public notice of the request for information for the availability of real property to lease shall be published in the appropriate volume of the Illinois Procurement Bulletin at least 14 calendar days before the date set forth in the request for receipt of responses and shall also be published in similar manner in a newspaper of general circulation in the community or communities where the using agency is seeking space.

(d) Response. The request for information response shall consist of written information sufficient to show that the respondent can meet minimum criteria set forth in the request. State purchasing officers may enter into discussions with respondents for the purpose of clarifying State needs and the information supplied by the respondents. On the basis of the information supplied and discussions, if any, a State purchasing officer shall make a written determination identifying the responses that meet the minimum criteria set

forth in the request for information. Negotiations shall be entered into with all qualified respondents for the purpose of securing a lease that is in the best interest of the State. A written report of the negotiations shall be retained in the lease files and shall include the reasons for the final selection. All leases shall be reduced to writing; one copy shall be filed with the Comptroller in accordance with the provisions of Section 20-80, and one copy shall be filed with the Board.

When the lowest response by price is not selected, the State purchasing officer shall forward to the chief procurement officer, along with the lease, notice of the identity of the lowest respondent by price and written reasons for the selection of a different response. The chief procurement officer shall publish the written reasons in the next volume of the Illinois Procurement Bulletin.

(e) Board review. Upon receipt of (1) any proposed lease of real property of 10,000 or more square feet or (2) any proposed lease of real property with annual rent payments of \$100,000 or more, the Procurement Policy Board shall have 30 calendar days to review the proposed lease. If the Board does not object in writing within 30 calendar days, then the proposed lease shall become effective according to its terms as submitted. The leasing agency shall make any and all materials available to the Board to assist in the review process.

(Source: P.A. 96-1521, eff. 2-14-11.)

(30 ILCS 500/40-25)

Sec. 40-25. Length of leases.

(a) Maximum term. Leases shall be for a term not to exceed 10 years inclusive, beginning January, 1, 2010, of proposed contract renewals and shall include a termination option in favor of the State after 5 years.

(b) Renewal. Leases may include a renewal option. An option to renew may be exercised only when a State purchasing officer determines in writing that renewal is in the best interest of the State and notice of the exercise of the option is published in the appropriate volume of the Procurement Bulletin at least 60 calendar days prior to the exercise of the option.

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

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

(Source: P.A. 96-15, eff. 6-22-09; 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795).)

(30 ILCS 500/40-55)

Sec. 40-55. Lessor's failure to make improvements. Each lease must provide for actual or liquidated damages ~~a penalty~~ upon the lessor's failure to make improvements agreed upon in the lease. The actual or liquidated damages ~~penalty~~ shall consist of a reduction in lease payments equal to the corresponding percentage of the improvement value to the lease value. The actual or liquidated damages ~~penalty~~ shall continue until the lessor complies with the lease and the improvements are certified by the chief procurement officer and the leasing State agency.

(Source: P.A. 93-839, eff. 7-30-04.)

(30 ILCS 500/45-10)

Sec. 45-10. Resident bidders and offerors.

(a) Amount of preference. When a contract is to be awarded to the lowest responsible bidder or offeror, a resident bidder or offeror shall be allowed a preference as against a non-resident bidder or offeror from any state that gives or requires a preference to bidders or offerors from that state. The preference shall be equal to the preference given or required by the state of the non-resident bidder or offeror. Further, if only non-resident bidders or offerors are bidding, the purchasing agency is within its right to specify that Illinois labor and manufacturing locations be used as a part of the manufacturing process, if applicable. This specification

may be negotiated as part of the solicitation process.

(b) Residency. A resident bidder or offeror is a person authorized to transact business in this State and having a bona fide establishment for transacting business within this State where it was actually transacting business on the date when any bid for a public contract is first advertised or announced. A resident bidder or offeror includes a foreign corporation duly authorized to transact business in this State that has a bona fide establishment for transacting business within this State where it was actually transacting business on the date when any bid for a public contract is first advertised or announced.

(c) Federal funds. This Section does not apply to any contract for any project as to which federal funds are available for expenditure when its provisions may be in conflict with federal law or federal regulation.

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

(30 ILCS 500/45-20)

Sec. 45-20. Recycled supplies. When a public contract is to be awarded to the lowest responsible bidder or offeror, an otherwise qualified bidder or offeror who will fulfill the contract through the use of products made of recycled supplies may be given preference over other bidders or offerors unable to do so, provided that the cost included in the bid of supplies made of recycled materials does not constitute an undue economic or practical hardship.

(Source: P.A. 96-197, eff. 1-1-10.)

(30 ILCS 500/45-30)

Sec. 45-30. Illinois Correctional industries. Notwithstanding anything to the contrary in other law, the chief procurement officer appointed pursuant to paragraph (4) of subsection (a) of Section 10-20 of the Department of Central Management Services shall, in consultation with Illinois Correctional Industries, a division of the Illinois Department of Corrections (referred to as the "Illinois Correctional Industries" or "ICI") determine for all State agencies which articles, materials, industry related services, food stuffs, and finished goods that are produced or manufactured by persons confined in institutions and facilities of the Department of Corrections who are participating in Illinois Correctional Industries programs shall be purchased from Illinois Correctional Industries. The chief procurement officer appointed pursuant to paragraph (4) of subsection (a) of Section 10-20 of Central Management Services shall develop and distribute to the various purchasing and using agencies a listing of all Illinois Correctional Industries products and procedures for implementing this Section.

(Source: P.A. 96-877, eff. 7-1-10; 96-943, eff. 7-1-10.)

(30 ILCS 500/45-35)

Sec. 45-35. Facilities for persons with severe

disabilities.

(a) Qualification. Supplies and services may be procured without advertising or calling for bids from any qualified not-for-profit agency for persons with severe disabilities that:

(1) complies with Illinois laws governing private not-for-profit organizations;

(2) is certified as a sheltered workshop by the Wage and Hour Division of the United States Department of Labor or is an accredited vocational program that provides transition services to youth between the ages of 14 1/2 and 22 in accordance with individualized education plans under Section 14-8.03 of the School Code and that provides residential services at a child care institution, as defined under Section 2.06 of the Child Care Act of 1969, or at a group home, as defined under Section 2.16 of the Child Care Act of 1969; and

(3) meets the applicable Illinois Department of Human Services just standards.

(b) Participation. To participate, the not-for-profit agency must have indicated an interest in providing the supplies and services, must meet the specifications and needs of the using agency, and must set a fair market price.

(c) Committee. There is created within the Department of Central Management Services a committee to facilitate the purchase of products and services of persons so severely

disabled by a physical, developmental, or mental disability or a combination of any of those disabilities that they cannot engage in normal competitive employment. This committee is called the State Use Committee. The committee shall consist of the Director of the Department of Central Management Services or his or her designee, the Director of the Department of Human Services or his or her designee, one public member representing private business who is knowledgeable of the employment needs and concerns of persons with developmental disabilities, one public member representing private business who is knowledgeable of the needs and concerns of rehabilitation facilities, one public member who is knowledgeable of the employment needs and concerns of persons with developmental disabilities, one public member who is knowledgeable of the needs and concerns of rehabilitation facilities, and 2 public members from a statewide association that represents community-based rehabilitation facilities, all appointed by the Governor. The public members shall serve 2 year terms, commencing upon appointment and every 2 years thereafter. A public member may be reappointed, and vacancies shall be filled by appointment for the completion of the term. In the event there is a vacancy on the Committee, the Governor must make an appointment to fill that vacancy within 30 calendar days after the notice of vacancy. The members shall serve without compensation but shall be reimbursed for expenses at a rate equal to that of State employees on a per diem basis by the

Department of Central Management Services. All members shall be entitled to vote on issues before the committee.

The committee shall have the following powers and duties:

(1) To request from any State agency information as to product specification and service requirements in order to carry out its purpose.

(2) To meet quarterly or more often as necessary to carry out its purposes.

(3) To request a quarterly report from each participating qualified not-for-profit agency for persons with severe disabilities describing the volume of sales for each product or service sold under this Section.

(4) To prepare a report for the Governor and General Assembly no later than December 31 of each year annually.
The requirement for reporting to the General Assembly shall be satisfied by following the procedures set forth in Section 3.1 of the General Assembly Organization Act.

(5) To prepare a publication that lists all supplies and services currently available from any qualified not-for-profit agency for persons with severe disabilities. This list and any revisions shall be distributed to all purchasing agencies.

(6) To encourage diversity in supplies and services provided by qualified not-for-profit agencies for persons with severe disabilities and discourage unnecessary duplication or competition among facilities.

(7) To develop guidelines to be followed by qualifying agencies for participation under the provisions of this Section. The guidelines shall be developed within 6 months after the effective date of this Code and made available on a nondiscriminatory basis to all qualifying agencies.

(8) To review all bids submitted under the provisions of this Section and reject any bid for any purchase that is determined to be substantially more than the purchase would have cost had it been competitively bid.

(9) To develop a 5-year plan for increasing the number of products and services purchased from qualified not-for-profit agencies for persons with severe disabilities, including the feasibility of developing mandatory set-aside contracts. This 5-year plan must be developed no later than 180 calendar days after the effective date of this amendatory Act of the 96th General Assembly.

(c-5) Conditions for Use. Each chief procurement officer shall, in consultation with the State Use Committee, determine which articles, materials, services, food stuffs, and supplies that are produced, manufactured, or provided by persons with severe disabilities in qualified not-for-profit agencies shall be given preference by purchasing agencies procuring those items.

(d) Former committee. The committee created under subsection (c) shall replace the committee created under

Section 7-2 of the Illinois Purchasing Act, which shall continue to operate until the appointments under subsection (c) are made.

(Source: P.A. 96-634, eff. 8-24-09; 97-895, eff. 8-3-12.)

(30 ILCS 500/45-45)

Sec. 45-45. Small businesses.

(a) Set-asides. Each ~~The~~ chief procurement officer has authority to designate as small business set-asides a fair proportion of construction, supply, and service contracts for award to small businesses in Illinois. Advertisements for bids or offers for those contracts shall specify designation as small business set-asides. In awarding the contracts, only bids or offers from qualified small businesses shall be considered.

(b) Small business. "Small business" means a business that is independently owned and operated and that is not dominant in its field of operation. The chief procurement officer shall establish a detailed definition by rule, using in addition to the foregoing criteria other criteria, including the number of employees and the dollar volume of business. When computing the size status of a potential contractor bidder ~~bidder~~, annual sales and receipts of the potential contractor bidder ~~bidder~~ and all of its affiliates shall be included. The maximum number of employees and the maximum dollar volume that a small business may have under the rules promulgated by the chief procurement officer may vary from industry to industry to the extent necessary to

reflect differing characteristics of those industries, subject to the following limitations:

(1) No wholesale business is a small business if its annual sales for its most recently completed fiscal year exceed \$13,000,000 ~~\$10,000,000~~.

(2) No retail business or business selling services is a small business if its annual sales and receipts exceed \$8,000,000 ~~\$6,000,000~~.

(3) No manufacturing business is a small business if it employs more than 250 persons.

(4) No construction business is a small business if its annual sales and receipts exceed \$14,000,000 ~~\$10,000,000~~.

(c) Fair proportion. For the purpose of subsection (a), for State agencies of the executive branch, a fair proportion of construction contracts shall be no less than 25% nor more than 40% of the annual total contracts for construction.

(d) Withdrawal of designation. A small business set-aside designation may be withdrawn by the purchasing agency when deemed in the best interests of the State. Upon withdrawal, all bids or offers shall be rejected, and the bidders or offerors shall be notified of the reason for rejection. The contract shall then be awarded in accordance with this Code without the designation of small business set-aside.

(e) Small business specialist. The chief procurement officer shall designate a State purchasing officer who will be responsible for engaging an experienced contract negotiator to

serve as its small business specialist, whose duties shall include:

(1) Compiling and maintaining a comprehensive ~~bidders~~ list of potential small contractors ~~businesses~~. In this duty, he or she shall cooperate with the Federal Small Business Administration in locating potential sources for various products and services.

(2) Assisting small businesses in complying with the procedures for bidding on State contracts.

(3) Examining requests from State agencies for the purchase of property or services to help determine which invitations to bid are to be designated small business set-asides.

(4) Making recommendations to the chief procurement officer for the simplification of specifications and terms in order to increase the opportunities for small business participation.

(5) Assisting in investigations by purchasing agencies to determine the responsibility of bidders or offerors on small business set-asides.

(f) Small business annual report. The State purchasing officer designated under subsection (e) shall annually before December 1 report in writing to the General Assembly concerning the awarding of contracts to small businesses. The report shall include the total value of awards made in the preceding fiscal year under the designation of small business set-aside. The

report shall also include the total value of awards made to businesses owned by minorities, females, and persons with disabilities, as defined in the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, in the preceding fiscal year under the designation of small business set-aside.

The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report as required by Section 3.1 of the General Assembly Organization Act.

(Source: P.A. 92-60, eff. 7-12-01; 93-769, eff. 1-1-05.)

(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 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.

"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 chief procurement officers appointed pursuant to Section 10-20 ~~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 chief procurement officers appointed pursuant to Section 10-20 ~~Department of Central Management Services~~. The chief procurement officers appointed pursuant to Section 10-20 ~~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 chief procurement officers appointed pursuant to Section 10-20 ~~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 chief procurement officers appointed pursuant to Section 10-20 ~~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. 97-260, eff. 8-5-11; 97-1150, eff. 1-25-13; 98-307, eff. 8-12-13.)

(30 ILCS 500/45-67)

Sec. 45-67. Encouragement to hire qualified veterans. A chief procurement officer may, as part of any solicitation, encourage potential contractors ~~prospective vendors~~ to consider hiring qualified veterans and to notify them of any available financial incentives or other advantages associated with hiring such persons. In establishing internal guidelines in furtherance of this Section, the Department of Central Management Services may work with an interagency advisory committee consisting of representatives from the Department of Veterans Affairs, the Department of Employment Security, the Department of Commerce and Economic Opportunity, and the Department of Revenue and consisting of 8 members of the General Assembly, 2 of whom are appointed by the Speaker of the House of Representatives, 2 of whom are appointed by the President of the Senate, 2 of whom are appointed by the Minority Leader of the House of Representatives, and 2 of whom are appointed by the Minority Leader of the Senate.

For the purposes of this Section, "qualified veteran" means an Illinois resident who: (i) was a member of the Armed Forces of the United States, a member of the Illinois National Guard, or a member of any reserve component of the Armed Forces of the United States; (ii) served on active duty in connection with

Operation Desert Storm, Operation Enduring Freedom, or Operation Iraqi Freedom; and (iii) was honorably discharged.

The Department of Central Management Services must report to the Governor and to the General Assembly by December 31 of each year on the activities undertaken by chief procurement officers and the Department of Central Management Services to encourage potential contractors ~~prospective vendors~~ to consider hiring qualified veterans. The report must include the number of vendors who have hired qualified veterans.

(Source: P.A. 94-1067, eff. 8-1-06.)

(30 ILCS 500/45-70)

Sec. 45-70. Encouragement to hire ex-offenders. A chief procurement officer may, as part of any solicitation, encourage potential contractors ~~prospective vendors~~ to consider hiring Illinois residents discharged from any Illinois adult correctional center, in appropriate circumstances, and to notify them of any available financial incentives or other advantages associated with hiring such persons. In establishing internal guidelines in furtherance of this Section, the Department of Central Management Services may work with an interagency advisory committee consisting of representatives from the Department of Corrections, the Department of Employment Security, the Department of Juvenile Justice, the Department of Commerce and Economic Opportunity, and the Department of Revenue and consisting of 8 members of

the General Assembly, 2 of whom are appointed by the Speaker of the House of Representatives, 2 of whom are appointed by the President of the Senate, 2 of whom are appointed by the Minority Leader of the House of Representatives, and 2 of whom are appointed by the Minority Leader of the Senate.

The Department of Central Management Services must report to the Governor and to the General Assembly by December 31 of each year on the activities undertaken by chief procurement officers and the Department of Central Management Services to encourage potential contractors ~~prospective vendors~~ to consider hiring Illinois residents who have been discharged from an Illinois adult correctional center. The report must include the number of vendors who have hired Illinois residents who have been discharged from any Illinois adult correctional center.

(Source: P.A. 94-1067, eff. 8-1-06.)

(30 ILCS 500/50-5)

Sec. 50-5. Bribery.

(a) Prohibition. No person or business shall be awarded a contract or subcontract under this Code who:

(1) has been convicted under the laws of Illinois or any other state of bribery or attempting to bribe an officer or employee of the State of Illinois or any other state in that officer's or employee's official capacity; or

(2) has made an admission of guilt of that conduct that

is a matter of record but has not been prosecuted for that conduct.

(b) Businesses. No business shall be barred from contracting with any unit of State or local government, or subcontracting under such a contract, as a result of a conviction under this Section of any employee or agent of the business if the employee or agent is no longer employed by the business and:

(1) the business has been finally adjudicated not guilty; or

(2) the business demonstrates to the governmental entity with which it seeks to contract or which is a signatory to the contract to which the subcontract relates, and that entity finds that the commission of the offense was not authorized, requested, commanded, or performed by a director, officer, or high managerial agent on behalf of the business as provided in paragraph (2) of subsection (a) of Section 5-4 of the Criminal Code of 2012.

(c) Conduct on behalf of business. For purposes of this Section, when an official, agent, or employee of a business committed the bribery or attempted bribery on behalf of the business and in accordance with the direction or authorization of a responsible official of the business, the business shall be chargeable with the conduct.

(d) Certification. Every bid or offer submitted to every ~~to~~ ~~and~~ contract executed by the State, ~~and~~ every subcontract

subject to Section 20-120 of this Code, and every vendor's submission to a vendor portal shall contain a certification by the bidder, offeror, potential contractor, contractor, or the subcontractor, respectively, that the bidder, offeror, potential contractor, contractor or subcontractor is not barred from being awarded a contract or subcontract under this Section and acknowledges that the chief procurement officer may declare the related contract void if any certifications required by this Section are false. If the false certification is made by a subcontractor, then the contractor's submitted bid or offer and the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's certification was false. A bidder, offeror, potential contractor, contractor, or subcontractor who makes a false statement, material to the certification, commits a Class 3 felony.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 97-895, eff. 8-3-12; 97-1150, eff. 1-25-13.)

(30 ILCS 500/50-10)

Sec. 50-10. Felons.

(a) Unless otherwise provided, no person or business convicted of a felony shall do business with the State of Illinois or any State agency, or enter into a subcontract, from

the date of conviction until 5 years after the date of completion of the sentence for that felony, unless no person held responsible by a prosecutorial office for the facts upon which the conviction was based continues to have any involvement with the business.

(b) Every bid or offer submitted to the State, every ~~and~~ contract executed by the State, ~~and~~ every subcontract subject to Section 20-120 of this Code, and every vendor's submission to a vendor portal shall contain a certification by the bidder, ~~offeror,~~ potential contractor, ~~or~~ contractor, ~~or~~ subcontractor, respectively, that the bidder, offeror, potential contractor, contractor, or subcontractor is not barred from being awarded a contract or subcontract under this Section and acknowledges that the chief procurement officer may declare the related contract void if any of the certifications required by this Section are false. If the false certification is made by a subcontractor, then the contractor's submitted bid or offer and the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's certification was false.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 97-895, eff. 8-3-12.)

Sec. 50-10.5. Prohibited bidders, offerors, potential contractors, and contractors.

(a) Unless otherwise provided, no business shall bid, offer, ~~or~~ enter into a contract or subcontract under this Code, or make a submission to a vendor portal if the business or any officer, director, partner, or other managerial agent of the business has been convicted of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 for a period of 5 years from the date of conviction.

(b) Every bid and offer submitted to the State, every ~~and~~ contract executed by the State, every vendor's submission to a vendor portal, and every subcontract subject to Section 20-120 of this Code shall contain a certification by the bidder, offeror, potential contractor, contractor, or subcontractor, respectively, that the bidder, offeror, potential contractor, contractor, or subcontractor is not barred from being awarded a contract or subcontract under this Section and acknowledges that the chief procurement officer shall declare the related contract void if any of the certifications completed pursuant to this subsection (b) are false. If the false certification is made by a subcontractor, then the contractor's submitted bid or offer and the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's certification was false.

(c) If a business is not a natural person, the prohibition in subsection (a) applies only if:

(1) the business itself is convicted of a felony referenced in subsection (a); or

(2) the business is ordered to pay punitive damages based on the conduct of any officer, director, partner, or other managerial agent who has been convicted of a felony referenced in subsection (a).

(d) A natural person who is convicted of a felony referenced in subsection (a) remains subject to Section 50-10.

(e) No person or business shall bid, offer, make a submission to a vendor portal, or enter into a contract under this Code if the person or business assisted an employee of the State of Illinois, who, by the nature of his or her duties, has the authority to participate personally and substantially in the decision to award a State contract, by reviewing, drafting, directing, or preparing any invitation for bids, a request for proposal, or request for information or provided similar assistance except as part of a publicly issued opportunity to review drafts of all or part of these documents.

This subsection does not prohibit a person or business from submitting a bid or offer ~~or proposal~~ or entering into a contract if the person or business: (i) initiates a communication with an employee to provide general information about products, services, or industry best practices and, if applicable, that communication is documented in accordance

with Section 50-39 or (ii) responds to a communication initiated by an employee of the State for the purposes of providing information to evaluate new products, trends, services, or technologies.

Nothing in this Section prohibits a vendor developing technology, goods, or services from bidding or offering to supply that technology or those goods or services if the subject demonstrated to the State represents industry trends and innovation and is not specifically designed to meet the State's needs.

For purposes of this subsection (e), "business" includes all individuals with whom a business is affiliated, including, but not limited to, any officer, agent, employee, consultant, independent contractor, director, partner, or manager, ~~or shareholder~~ of a business.

No person or business shall submit specifications to a State agency unless requested to do so by an employee of the State. No person or business who contracts with a State agency to write specifications for a particular procurement need shall submit a bid or proposal or receive a contract for that procurement need.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 96-920, eff. 7-1-10; 97-895, eff. 8-3-12.)

Sec. 50-11. Debt delinquency.

(a) No person shall submit a bid or offer for, ~~or~~ enter into a contract or subcontract under this Code, or make a submission to a vendor portal if that person knows or should know that he or she or any affiliate is delinquent in the payment of any debt to the State, unless the person or affiliate has entered into a deferred payment plan to pay off the debt. For purposes of this Section, the phrase "delinquent in the payment of any debt" shall be determined by the Debt Collection Bureau. For purposes of this Section, the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this subsection (a), a person controls an entity if the person owns, directly or individually, more than 10% of the voting securities of that entity. As used in this subsection (a), the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(b) Every bid and offer submitted to the State, every vendor's submission to a vendor portal, every ~~and~~ contract

executed by the State and every subcontract subject to Section 20-120 of this Code shall contain a certification by the bidder, offeror, potential contractor, contractor, or subcontractor, respectively, that the bidder, offeror, respondent, potential contractor, contractor or the subcontractor and its affiliate is not barred from being awarded a contract or subcontract under this Section and acknowledges that the chief procurement officer may declare the related contract void if any of the certifications completed pursuant to this subsection (b) are false. If the false certification is made by a subcontractor, then the contractor's submitted bid or offer and the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's certification was false.

(Source: P.A. 96-493, eff. 1-1-10; 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for effective date of changes made by P.A. 96-795); 96-1000, eff. 7-2-10; 97-895, eff. 8-3-12.)

(30 ILCS 500/50-12)

Sec. 50-12. Collection and remittance of Illinois Use Tax.

(a) No person shall enter into a contract with a State agency or enter into a subcontract under this Code unless the person and all affiliates of the person collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of

the Illinois Use Tax Act regardless of whether the person or affiliate is a "retailer maintaining a place of business within this State" as defined in Section 2 of the Use Tax Act. For purposes of this Section, the term "affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. For purposes of this subsection (a), an entity controls another entity if it owns, directly or individually, more than 10% of the voting securities of that entity. As used in this subsection (a), the term "voting security" means a security that (1) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (2) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(b) Every bid and offer submitted to the State, every submission to a vendor portal, every ~~and~~ contract executed by the State and every subcontract subject to Section 20-120 of this Code shall contain a certification by the bidder, offeror, potential contractor, contractor, or subcontractor, respectively, that the bidder, offeror, respondent, potential contractor, contractor, or subcontractor is not barred from bidding for or entering into a contract under subsection (a) of this Section and acknowledges that the chief procurement

officer may declare the related contract void if any of the certifications completed pursuant to this subsection (b) are false. If the false certification is made by a subcontractor, then the contractor's submitted bid or offer and the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's certification was false. (Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 97-895, eff. 8-3-12.)

(30 ILCS 500/50-13)

Sec. 50-13. Conflicts of interest.

(a) Prohibition. It is unlawful for any person holding an elective office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois, or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person to have or acquire any contract, or any direct pecuniary interest in any contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois

or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.

(b) Interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) is entitled to receive (i) more than 7 1/2% of the total distributable income or (ii) an amount in excess of the salary of the Governor, to have or acquire any such contract or direct pecuniary interest therein.

(c) Combined interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) together with his or her spouse or minor children is entitled to receive (i) more than 15%, in the aggregate, of the total distributable income or (ii) an amount in excess of 2 times the salary of the Governor, to have or acquire any such contract or direct pecuniary interest therein.

(c-5) Appointees and firms. In addition to any provisions of this Code, the interests of certain appointees and their firms are subject to Section 3A-35 of the Illinois Governmental Ethics Act.

(d) Securities. Nothing in this Section invalidates the provisions of any bond or other security previously offered or to be offered for sale or sold by or for the State of Illinois.

(e) Prior interests. This Section does not affect the validity of any contract made between the State and an officer or employee of the State or member of the General Assembly, his or her spouse, minor child, or other immediate family member

living in his or her residence or any combination of those persons if that contract was in existence before his or her election or employment as an officer, member, or employee. The contract is voidable, however, if it cannot be completed within 365 calendar days after the officer, member, or employee takes office or is employed.

(f) Exceptions.

(1) Public aid payments. This Section does not apply to payments made for a public aid recipient.

(2) Teaching. This Section does not apply to a contract for personal services as a teacher or school administrator between a member of the General Assembly or his or her spouse, or a State officer or employee or his or her spouse, and any school district, public community college district, the University of Illinois, Southern Illinois University, Illinois State University, Eastern Illinois University, Northern Illinois University, Western Illinois University, Chicago State University, Governor State University, or Northeastern Illinois University.

(3) Ministerial duties. This Section does not apply to a contract for personal services of a wholly ministerial character, including but not limited to services as a laborer, clerk, typist, stenographer, page, bookkeeper, receptionist, or telephone switchboard operator, made by a spouse or minor child of an elective or appointive State officer or employee or of a member of the General Assembly.

(4) Child and family services. This Section does not apply to payments made to a member of the General Assembly, a State officer or employee, his or her spouse or minor child acting as a foster parent, homemaker, advocate, or volunteer for or in behalf of a child or family served by the Department of Children and Family Services.

(5) Licensed professionals. Contracts with licensed professionals, provided they are competitively bid or part of a reimbursement program for specific, customary goods and services through the Department of Children and Family Services, the Department of Human Services, the Department of Healthcare and Family Services, the Department of Public Health, or the Department on Aging.

(g) Penalty. A person convicted of a violation of this Section is guilty of a business offense and shall be fined not less than \$1,000 nor more than \$5,000.

(Source: P.A. 95-331, eff. 8-21-07.)

(30 ILCS 500/50-14)

Sec. 50-14. Environmental Protection Act violations.

(a) Unless otherwise provided, no person or business found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act shall do business with the State of Illinois or any State agency or enter into a subcontract that is subject to this Code from the date of the order containing the finding of violation

until 5 years after that date, unless the person or business can show that no person involved in the violation continues to have any involvement with the business.

(b) A person or business otherwise barred from doing business with the State of Illinois or any State agency or subcontracting under this Code by subsection (a) may be allowed to do business with the State of Illinois or any State agency if it is shown that there is no practicable alternative to the State to contracting with that person or business.

(c) Every bid or offer submitted to the State, every and contract executed by the State, every submission to a vendor portal, and every subcontract subject to Section 20-120 of this Code shall contain a certification by the bidder, offeror, potential contractor, contractor, or subcontractor, respectively, that the bidder, offeror, potential contractor, contractor, or subcontractor is not barred from being awarded a contract or subcontract under this Section and acknowledges that the contracting State agency may declare the related contract void if any of the certifications completed pursuant to this subsection (c) are false. If the false certification is made by a subcontractor, then the contractor's submitted bid or offer and the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's certification was false.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793

for the effective date of changes made by P.A. 96-795); 97-895, eff. 8-3-12.)

(30 ILCS 500/50-20)

Sec. 50-20. Exemptions. The appropriate chief procurement officer may file a request with the Executive Ethics Commission to exempt named individuals from the prohibitions of Section 50-13 when, in his or her judgment, the public interest in having the individual in the service of the State outweighs the public policy evidenced in that Section. The Executive Ethics Commission may grant an exemption after a public hearing at which any person may present testimony. The chief procurement officer shall publish notice of the date, time, and location of the hearing in the online electronic Bulletin at least 14 calendar days prior to the hearing and provide notice to the individual subject to the waiver and the Procurement Policy Board. The Executive Ethics Commission shall also provide public notice of the date, time, and location of the hearing on its website. If the Commission grants an exemption, the exemption is effective only if it is filed with the Secretary of State and the Comptroller prior to the execution of any contract and includes a statement setting forth the name of the individual and all the pertinent facts that would make that Section applicable, setting forth the reason for the exemption, and declaring the individual exempted from that Section. Notice of each exemption shall be published in the Illinois

Procurement Bulletin. A contract for which a waiver has been issued but has not been filed in accordance with this Section is voidable by the State. The changes to this Section made by this amendatory Act of the 96th General Assembly shall apply to exemptions granted on or after its effective date.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795).)

(30 ILCS 500/50-25)

Sec. 50-25. Inducement. Any person who offers or pays any money or other valuable thing to any person to induce him or her not to provide a submission to a vendor portal, bid, or submit an offer for a State contract or as recompense for not having bid on or submitted an offer for a State contract or provided a submission to a vendor portal is guilty of a Class 4 felony. Any person who accepts any money or other valuable thing for not bidding or submitting an offer for a State contract, not making a submission to a vendor portal, or who withholds a bid, offer, or submission to vendor portal in consideration of the promise for the payment of money or other valuable thing is guilty of a Class 4 felony.

(Source: P.A. 90-572, eff. 2-6-98.)

(30 ILCS 500/50-35)

Sec. 50-35. Financial disclosure and potential conflicts of interest.

(a) All bids and offers from responsive bidders, or offerors, vendors, or contractors with an annual value of more than \$50,000, and all submissions to a vendor portal, \$25,000 shall be accompanied by disclosure of the financial interests of the ~~contractor~~, bidder, offeror, potential contractor, or contractor ~~or proposer~~ and each subcontractor to be used. In addition, all subcontracts identified as provided by Section 20-120 of this Code with an annual value of more than \$50,000 shall be accompanied by disclosure of the financial interests of each subcontractor. The financial disclosure of each successful bidder, offeror, potential contractor, or contractor ~~bidder or offeror~~ and its subcontractors shall be incorporated as a material term of the contract and shall become part of the publicly available contract or procurement file maintained by the appropriate chief procurement officer. Each disclosure under this Section shall be signed and made under penalty of perjury by an authorized officer or employee on behalf of the bidder, offeror, potential contractor, contractor, or subcontractor ~~bidder or offeror~~, and must be filed with the Procurement Policy Board.

(b) Disclosure shall include any ownership or distributive income share that is in excess of 5%, or an amount greater than 60% of the annual salary of the Governor, of the disclosing entity or its parent entity, whichever is less, unless the ~~contractor~~, bidder, offeror, potential contractor, contractor, or subcontractor (i) is a publicly traded entity subject to

Federal 10K reporting, in which case it may submit its 10K disclosure in place of the prescribed disclosure, or (ii) is a privately held entity that is exempt from Federal 10k reporting but has more than 100 ~~200~~ shareholders, in which case it may submit the information that Federal 10k reporting companies are required to report under 17 CFR 229.401 and list the names of any person or entity holding any ownership share that is in excess of 5% in place of the prescribed disclosure. The form of disclosure shall be prescribed by the applicable chief procurement officer and must include at least the names, addresses, and dollar or proportionate share of ownership of each person identified in this Section, their instrument of ownership or beneficial relationship, and notice of any potential conflict of interest resulting from the current ownership or beneficial relationship of each individual ~~person~~ identified in this Section having in addition any of the following relationships:

(1) State employment, currently or in the previous 3 years, including contractual employment of services.

(2) State employment of spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years.

(3) Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of

Illinois currently or in the previous 3 years.

(4) Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter.

(5) Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years.

(6) Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter.

(7) Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government.

(8) Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter.

(9) Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections.

(10) Relationship to anyone; spouse, father, mother, son, or daughter; who is or was a compensated employee in the last 2 years of any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections.

(b-1) The disclosure required under this Section must also include the name and address of each lobbyist required to register under the Lobbyist Registration Act and other agent of the bidder, ~~or~~ offeror, potential contractor, contractor, or subcontractor who is not identified under subsections (a) and (b) and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid or offer. The disclosure under this subsection is a continuing obligation and must be promptly supplemented for accuracy throughout the process and throughout the term of the contract if the bid or offer is successful.

(b-2) The disclosure required under this Section must also include, for each of the persons identified in subsection (b) or (b-1), each of the following that occurred within the previous 10 years: suspension or debarment from contracting with any governmental entity; professional licensure discipline; bankruptcies; adverse civil judgments and administrative findings; and criminal felony convictions. The disclosure under this subsection is a continuing obligation and

must be promptly supplemented for accuracy throughout the process and throughout the term of the contract if the bid or offer is successful.

(c) The disclosure in subsection (b) is not intended to prohibit or prevent any contract. The disclosure is meant to fully and publicly disclose any potential conflict to the chief procurement officers, State purchasing officers, their designees, and executive officers so they may adequately discharge their duty to protect the State.

(d) When a potential for a conflict of interest is identified, discovered, or reasonably suspected, the chief procurement officer or State procurement officer shall send the contract to the Procurement Policy Board. In accordance with the objectives of subsection (c), if the Procurement Policy Board finds evidence of a potential conflict of interest not originally disclosed by the bidder, offeror, potential contractor, contractor, or subcontractor, the Board shall provide written notice to the bidder, offeror, potential contractor, contractor, or subcontractor that is identified, discovered, or reasonably suspected of having a potential conflict of interest. The bidder, offeror, potential contractor, contractor, or subcontractor shall have 15 calendar days to respond in writing to the Board, and a hearing before the Board will be granted upon request by the bidder, offeror, potential contractor, contractor, ~~contractor's~~ or subcontractor ~~subcontractor's request,~~ at a date and time to be

determined by the Board, but which in no event shall occur later than 15 calendar days after the date of the request. Upon consideration, the Board shall recommend, in writing, whether to allow or void the contract, bid, offer, or subcontract weighing the best interest of the State of Illinois. All recommendations shall be submitted to the Executive Ethics Commission. The Executive Ethics Commission must hold a public hearing within 30 calendar days after receiving the Board's recommendation if the Procurement Policy Board makes a recommendation to (i) void a contract or (ii) void a bid or offer and the chief procurement officer selected or intends to award the contract to the bidder, ~~or~~ offeror, or potential contractor. A chief procurement officer is prohibited from awarding a contract before a hearing if the Board recommendation does not support a bid or offer. The recommendation and proceedings of any hearing, if applicable, shall be available to the public.

(e) These thresholds and disclosure do not relieve the chief procurement officer, the State purchasing officer, or their designees from reasonable care and diligence for any contract, bid, offer, or submission to a vendor portal ~~or proposal~~. The chief procurement officer, the State purchasing officer, or their designees shall be responsible for using any reasonably known and publicly available information to discover any undisclosed potential conflict of interest and act to protect the best interest of the State of Illinois.

(f) Inadvertent or accidental failure to fully disclose shall render the contract, bid, offer, proposal, subcontract, or relationship voidable by the chief procurement officer if he or she deems it in the best interest of the State of Illinois and, at his or her discretion, may be cause for barring from future contracts, bids, offers, proposals, subcontracts, or relationships with the State for a period of up to 2 years.

(g) Intentional, willful, or material failure to disclose shall render the contract, bid, offer, proposal, subcontract, or relationship voidable by the chief procurement officer if he or she deems it in the best interest of the State of Illinois and shall result in debarment from future contracts, bids, offers, proposals, subcontracts, or relationships for a period of not less than 2 years and not more than 10 years. Reinstatement after 2 years and before 10 years must be reviewed and commented on in writing by the Governor of the State of Illinois, or by an executive ethics board or commission he or she might designate. The comment shall be returned to the responsible chief procurement officer who must rule in writing whether and when to reinstate.

(h) In addition, all disclosures shall note any other current or pending contracts, bids, offers, proposals, subcontracts, leases, or other ongoing procurement relationships the bidder bidding, offeror, potential contractor, contractor ~~proposing, offering,~~ or subcontractor subcontracting entity has with any other unit of State

government and shall clearly identify the unit and the contract, offer, proposal, lease, or other relationship.

(i) The ~~contractor or~~ bidder, offeror, potential contractor, or contractor has a continuing obligation to supplement the disclosure required by this Section throughout the bidding process ~~or~~ during the term of any contract, and during the vendor portal registration process.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 96-920, eff. 7-1-10; 97-490, eff. 8-22-11; 97-895, eff. 8-3-12.)

(30 ILCS 500/50-36)

Sec. 50-36. Disclosure of business in Iran.

(a) As used in this Section:

"Business operations" means engaging in commerce in any form in Iran, including, but not limited to, acquiring, developing, maintaining, owning, selling, possessing, leasing, or operating equipment, facilities, personnel, products, services, personal property, real property, or any other apparatus of business or commerce.

"Company" means any sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association, including all wholly owned subsidiaries, majority-owned subsidiaries, parent companies, or affiliates of those entities or business

associations, that exists for the purpose of making profit.

"Mineral-extraction activities" include exploring, extracting, processing, transporting, or wholesale selling or trading of elemental minerals or associated metal alloys or oxides (ore), including gold, copper, chromium, chromite, diamonds, iron, iron ore, silver, tungsten, uranium, and zinc.

"Oil-related activities" include, but are not limited to, owning rights to oil blocks; exporting, extracting, producing, refining, processing, exploring for, transporting, selling, or trading of oil; and constructing, maintaining, or operating a pipeline, refinery, or other oil-field infrastructure. The mere retail sale of gasoline and related consumer products is not considered an oil-related activity.

"Petroleum resources" means petroleum, petroleum byproducts, or natural gas.

"Substantial action" means adopting, publicizing, and implementing a formal plan to cease scrutinized business operations within one year and to refrain from any such new business operations.

(b) Each bid or ~~offer, or proposal~~ submitted for a State contract, other than a small purchase defined in Section 20-20, shall include a disclosure of whether or not the bidder, offeror, ~~or proposing entity,~~ or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid or ~~offer, or proposal~~ had business operations that involved contracts with or provision of supplies or services to

the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran, or companies involved in consortiums or projects commissioned by the Government of Iran and:

(1) more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral-extraction products or services to the Government of Iran or a project or consortium created exclusively by that government; and the company has failed to take substantial action; or

(2) the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12-month period, that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

(c) A bid or ~~offer, or proposal~~ that does not include the disclosure required by subsection (b) may be given a period after the bid or offer is submitted to cure non-disclosure ~~shall not be considered responsive~~. A chief procurement officer may consider the disclosure when evaluating the bid or ~~offer~~.

~~or proposal~~ or awarding the contract.

(d) Each chief procurement officer shall provide the State Comptroller with the name of each entity disclosed under subsection (b) as doing business or having done business in Iran. The State Comptroller shall post that information on his or her official website.

(Source: P.A. 95-616, eff. 1-1-08.)

(30 ILCS 500/50-37)

Sec. 50-37. Prohibition of political contributions.

(a) As used in this Section:

The terms "contract", "State contract", and "contract with a State agency" each mean any contract, as defined in this Code, between a business entity and a State agency let or awarded pursuant to this Code. The terms "contract", "State contract", and "contract with a State agency" do not include cost reimbursement contracts; purchase of care agreements as defined in Section 1-15.68 of this Code; contracts for projects eligible for full or partial federal-aid funding reimbursements authorized by the Federal Highway Administration; grants, including but are not limited to grants for job training or transportation; and grants, loans, or tax credit agreements for economic development purposes.

"Contribution" means a contribution as defined in Section 9-1.4 of the Election Code.

"Declared candidate" means a person who has filed a statement of candidacy and petition for nomination or election in the principal office of the State Board of Elections.

"State agency" means and includes all boards, commissions, agencies, institutions, authorities, and bodies politic and corporate of the State, created by or in accordance with the Illinois Constitution or State statute, of the executive branch of State government and does include colleges, universities, public employee retirement systems, and institutions under the jurisdiction of the governing boards of the University of Illinois, Southern Illinois University, Illinois State University, Eastern Illinois University, Northern Illinois University, Western Illinois University, Chicago State University, Governors State University, Northeastern Illinois University, and the Illinois Board of Higher Education.

"Officeholder" means the Governor, Lieutenant Governor, Attorney General, Secretary of State, Comptroller, or Treasurer. The Governor shall be considered the officeholder responsible for awarding all contracts by all officers and employees of, and potential contractors ~~vendors~~ and others doing business with, executive branch State agencies under the jurisdiction of the Executive Ethics Commission and not within the

jurisdiction of the Attorney General, the Secretary of State, the Comptroller, or the Treasurer.

"Sponsoring entity" means a sponsoring entity as defined in Section 9-3 of the Election Code.

"Affiliated person" means (i) any person with any ownership interest or distributive share of the bidding or contracting business entity in excess of 7.5%, (ii) executive employees of the bidding or contracting business entity, and (iii) the spouse of any such persons. "Affiliated person" does not include a person prohibited by federal law from making contributions or expenditures in connection with a federal, state, or local election.

"Affiliated entity" means (i) any corporate parent and each operating subsidiary of the bidding or contracting business entity, (ii) each operating subsidiary of the corporate parent of the bidding or contracting business entity, (iii) any organization recognized by the United States Internal Revenue Service as a tax-exempt organization described in Section 501(c) of the Internal Revenue Code of 1986 (or any successor provision of federal tax law) established by the bidding or contracting business entity, any affiliated entity of that business entity, or any affiliated person of that business entity, or (iv) any political committee for which the bidding or contracting business entity, or any 501(c) organization described in item (iii) related to that business entity, is the

sponsoring entity. "Affiliated entity" does not include an entity prohibited by federal law from making contributions or expenditures in connection with a federal, state, or local election.

"Business entity" means any entity doing business for profit, whether organized as a corporation, partnership, sole proprietorship, limited liability company or partnership, or otherwise.

"Executive employee" means (i) the President, Chairman, or Chief Executive Officer of a business entity and any other individual that fulfills equivalent duties as the President, Chairman of the Board, or Chief Executive Officer of a business entity; and (ii) any employee of a business entity whose compensation is determined directly, in whole or in part, by the award or payment of contracts by a State agency to the entity employing the employee. A regular salary that is paid irrespective of the award or payment of a contract with a State agency shall not constitute "compensation" under item (ii) of this definition. "Executive employee" does not include any person prohibited by federal law from making contributions or expenditures in connection with a federal, state, or local election.

(b) Any business entity whose contracts with State agencies, in the aggregate, annually total more than \$50,000, and any affiliated entities or affiliated persons of such

business entity, are prohibited from making any contributions to any political committees established to promote the candidacy of (i) the officeholder responsible for awarding the contracts or (ii) any other declared candidate for that office. This prohibition shall be effective for the duration of the term of office of the incumbent officeholder awarding the contracts or for a period of 2 years following the expiration or termination of the contracts, whichever is longer.

(c) Any business entity whose aggregate pending bids and offers ~~and proposals~~ on State contracts total more than \$50,000, or whose aggregate pending bids and offers on ~~and proposals on~~ State contracts combined with the business entity's aggregate annual total value of State contracts exceed \$50,000, and any affiliated entities or affiliated persons of such business entity, are prohibited from making any contributions to any political committee established to promote the candidacy of the officeholder responsible for awarding the contract on which the business entity has submitted a bid or offer ~~or proposal~~ during the period beginning on the date the invitation for bids, ~~or~~ request for proposals, or any other procurement opportunity is issued and ending on the day after the date the contract is awarded.

(c-5) For the purposes of the prohibitions under subsections (b) and (c) of this Section, (i) any contribution made to a political committee established to promote the candidacy of the Governor or a declared candidate for the

office of Governor shall also be considered as having been made to a political committee established to promote the candidacy of the Lieutenant Governor, in the case of the Governor, or the declared candidate for Lieutenant Governor having filed a joint petition, or write-in declaration of intent, with the declared candidate for Governor, as applicable, and (ii) any contribution made to a political committee established to promote the candidacy of the Lieutenant Governor or a declared candidate for the office of Lieutenant Governor shall also be considered as having been made to a political committee established to promote the candidacy of the Governor, in the case of the Lieutenant Governor, or the declared candidate for Governor having filed a joint petition, or write-in declaration of intent, with the declared candidate for Lieutenant Governor, as applicable.

(d) All contracts between State agencies and a business entity that violate subsection (b) or (c) shall be voidable under Section 50-60. If a business entity violates subsection (b) 3 or more times within a 36-month period, then all contracts between State agencies and that business entity shall be void, and that business entity shall not bid or respond to any invitation to bid or request for proposals from any State agency or otherwise enter into any contract with any State agency for 3 years from the date of the last violation. A notice of each violation and the penalty imposed shall be published in both the Procurement Bulletin and the Illinois

Register.

(e) Any political committee that has received a contribution in violation of subsection (b) or (c) shall pay an amount equal to the value of the contribution to the State no more than 30 calendar days after notice of the violation concerning the contribution appears in the Illinois Register. Payments received by the State pursuant to this subsection shall be deposited into the general revenue fund.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 96-848, eff. 1-1-10; 97-411, eff. 8-16-11.)

(30 ILCS 500/50-38)

Sec. 50-38. Lobbying restrictions.

(a) A person or business that is let or awarded a contract is not entitled to receive any payment, compensation, or other remuneration from the State to compensate the person or business for any expenses related to travel, lodging, or meals that are paid by the person or business to any officer, agent, employee, consultant, independent contractor, director, partner, manager, or shareholder.

(b) Any bidder, ~~or~~ offeror, potential contractor, or contractor on a State contract that hires a person required to register under the Lobbyist Registration Act to assist in obtaining a contract shall (i) disclose all costs, fees, compensation, reimbursements, and other remunerations paid or

to be paid to the lobbyist related to the contract, (ii) not bill or otherwise cause the State of Illinois to pay for any of the lobbyist's costs, fees, compensation, reimbursements, or other remuneration, and (iii) sign a verification certifying that none of the lobbyist's costs, fees, compensation, reimbursements, or other remuneration were billed to the State. This information, along with all supporting documents, shall be filed with the agency awarding the contract and with the Secretary of State. The chief procurement officer shall post this information, together with the contract award notice, in the online Procurement Bulletin.

(c) Ban on contingency fee. No person or entity shall retain a person or entity required to register under the Lobbyist Registration Act to attempt to influence the outcome of a procurement decision made under this Code for compensation contingent in whole or in part upon the decision or procurement. Any person who violates this subsection is guilty of a business offense and shall be fined not more than \$10,000.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of P.A. 96-795); 96-920, eff. 7-1-10.)

(30 ILCS 500/50-39)

Sec. 50-39. Procurement communications reporting requirement.

(a) Any written or oral communication received by a State employee who, by the nature of his or her duties, has the

authority to participate personally and substantially in the decision to award a State contract and that imparts or requests material information or makes a material argument regarding potential action concerning an active procurement matter, including, but not limited to, an application, a contract, or a project, shall be reported to the Procurement Policy Board, and, with respect to the Illinois Power Agency, by the initiator of the communication, and may be reported also by the recipient.

Any person communicating orally, in writing, electronically, or otherwise with the Director or any person employed by, or associated with, the Illinois Power Agency to impart, solicit, or transfer any information related to the content of any power procurement plan, the manner of conducting any power procurement process, the procurement of any power supply, or the method or structure of contracting with power suppliers must disclose to the Procurement Policy Board the full nature, content, and extent of any such communication in writing by submitting a report with the following information:

- (1) The names of any party to the communication.
- (2) The date on which the communication occurred.
- (3) The time at which the communication occurred.
- (4) The duration of the communication.
- (5) The method (written, oral, etc.) of the communication.
- (6) A summary of the substantive content of the

communication.

These communications do not include the following: (i) statements by a person publicly made in a public forum; (ii) statements regarding matters of procedure and practice, such as format, the number of copies required, the manner of filing, and the status of a matter; (iii) statements made by a State employee of the agency to the agency head or other employees of that agency, to the employees of the Executive Ethics Commission, or to an employee of another State agency who, through the communication, is either (a) exercising his or her experience or expertise in the subject matter of the particular procurement in the normal course of business, for official purposes, and at the initiation of the purchasing agency or the appropriate State purchasing officer, or (b) exercising oversight, supervisory, or management authority over the procurement in the normal course of business and as part of official responsibilities; (iv) unsolicited communications providing general information about products, services, or industry best practices before those products or services become involved in a procurement matter; (v) communications received in response to procurement solicitations, including, but not limited to, vendor responses to a request for information, request for proposal, request for qualifications, invitation for bid, or a small purchase, sole source, or emergency solicitation, or questions and answers posted to the Illinois Procurement Bulletin to supplement the procurement

action, provided that the communications are made in accordance with the instructions contained in the procurement solicitation, procedures, or guidelines; (vi) communications that are privileged, protected, or confidential under law; and (vii) communications that are part of a formal procurement process as set out by statute, rule, or the solicitation, guidelines, or procedures, including, but not limited to, the posting of procurement opportunities, the process for approving a procurement business case or its equivalent, fiscal approval, submission of bids, the finalizing of contract terms and conditions with an awardee or apparent awardee, and similar formal procurement processes. The provisions of this Section shall not apply to communications regarding the administration and implementation of an existing contract, except communications regarding change orders or the renewal or extension of a contract.

(b) The report required by subsection (a) shall be submitted monthly and include at least the following: (i) the date and time of each communication; (ii) the identity of each person from whom the written or oral communication was received, the individual or entity represented by that person, and any action the person requested or recommended; (iii) the identity and job title of the person to whom each communication was made; (iv) if a response is made, the identity and job title of the person making each response; (v) a detailed summary of the points made by each person involved in the

communication; (vi) the duration of the communication; (vii) the location or locations of all persons involved in the communication and, if the communication occurred by telephone, the telephone numbers for the callers and recipients of the communication; and (viii) any other pertinent information. No trade secrets or other proprietary or confidential information shall be included in any communication reported to the Procurement Policy Board.

(c) Additionally, when an oral communication made by a person required to register under the Lobbyist Registration Act is received by a State employee that is covered under this Section, all individuals who initiate or participate in the oral communication shall submit a written report to that State employee that memorializes the communication and includes, but is not limited to, the items listed in subsection (b).

(d) The Procurement Policy Board shall make each report submitted pursuant to this Section available on its website within 7 calendar days after its receipt of the report. The Procurement Policy Board may promulgate rules to ensure compliance with this Section.

(e) The reporting requirements shall also be conveyed through ethics training under the State Officials and Employees Ethics Act. An employee who knowingly and intentionally violates this Section shall be subject to suspension or discharge. The Executive Ethics Commission shall promulgate rules, including emergency rules, to implement this Section.

(f) This Section becomes operative on January 1, 2011.

(g) For purposes of this Section:

"Active procurement matter" means a procurement process beginning with requisition or determination of need by an agency and continuing through the publication of an award notice or other completion of a final procurement action, the resolution of any protests, and the expiration of any protest or Procurement Policy Board review period, if applicable. "Active procurement matter" also includes communications relating to change orders, renewals, or extensions.

"Material information" means information that a reasonable person would deem important in determining his or her course of action and pertains to significant issues, including, but not limited to, price, quantity, and terms of payment or performance.

"Material argument" means a communication that a reasonable person would believe was made for the purpose of influencing a decision relating to a procurement matter. "Material argument" does not include general information about products, services, or industry best practices or a response to a communication initiated by an employee of the State for the purposes of providing information to evaluate new products, trends, services, or technologies.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 96-920, eff. 7-1-10; 97-333, eff. 8-12-11; 97-618, eff. 10-26-11;

97-895, eff. 8-3-12.)

(30 ILCS 500/50-40)

Sec. 50-40. Reporting anticompetitive practices. When, for any reason, any vendor, bidder, offeror, potential contractor, contractor, chief procurement officer, State purchasing officer, designee, elected official, or State employee suspects collusion or other anticompetitive practice among any bidders, offerors, potential contractors, contractors, ~~proposers,~~ or employees of the State, a notice of the relevant facts shall be transmitted to the Attorney General and the chief procurement officer.

(Source: P.A. 90-572, eff. 2-6-98.)

(30 ILCS 500/50-45)

Sec. 50-45. Confidentiality. Any chief procurement officer, State purchasing officer, designee, or executive officer who willfully uses or allows the use of specifications, competitive solicitation ~~bid~~ documents, proprietary competitive information, ~~proposals,~~ contracts, or selection information to compromise the fairness or integrity of the procurement, ~~bidding,~~ or contract process shall be subject to immediate dismissal, regardless of the Personnel Code, any contract, or any collective bargaining agreement, and may in addition be subject to criminal prosecution.

(Source: P.A. 90-572, eff. 2-6-98.)

(30 ILCS 500/50-70)

Sec. 50-70. Additional provisions. This Code is subject to applicable provisions of the following Acts:

- (1) Article 33E of the Criminal Code of 2012;
- (2) the Illinois Human Rights Act;
- (3) the Discriminatory Club Act;
- (4) the Illinois Governmental Ethics Act;
- (5) the State Prompt Payment Act;
- (6) the Public Officer Prohibited Activities Act;
- (7) the Drug Free Workplace Act;
- (8) the Illinois Power Agency Act;
- (9) the Employee Classification Act; ~~and~~
- (10) the State Officials and Employees Ethics Act; and
- (11) the Department of Employment Security Law.

(Source: P.A. 96-795, eff. 7-1-10 (see Section 5 of P.A. 96-793 for the effective date of changes made by P.A. 96-795); 97-1150, eff. 1-25-13.)

(30 ILCS 500/55-10)

Sec. 55-10. Exclusive exercise of powers. On and after 120 calendar days following the effective date of this Act, the powers granted under this Code shall be exercised exclusively as granted under this Code, and no State agency may concurrently exercise any such power, unless specifically authorized otherwise by a later enacted law. This Code is not

intended to impair any contract entered into before the effective date of this Act.

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

Section 10. The Small Business Contracts Act is amended by changing Section 5 and by adding Sections 12 and 25 as follows:

(30 ILCS 503/5)

Sec. 5. Definitions. For the purposes of this Act, the following terms shall have the following definitions:

"Small business" means a small business as defined in the Illinois Procurement Code.

"State contract" means a State contract, as defined in the Illinois Procurement Code, funded with State or federal funds, whether competitively bid or negotiated.

"State official or agency" means a department, officer, board, commission, institution, or body politic or corporate of the State.

"Subcontract" means a subcontract, as defined in the Illinois Procurement Code, funded with State or federal funds, whether competitively bid or negotiated.

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

(30 ILCS 503/12 new)

Sec. 12. Chief procurement officers; presentation. During each fiscal year, the chief procurement officers appointed

pursuant to Section 10-20 of the Illinois Procurement Code, individually or as a group, may provide presentations at which small businesses may learn about the contracting process and how to apply for contracts.

(30 ILCS 503/25 new)

Sec. 25. Rulemaking. Subject to the rule making provision of the Illinois Administrative Procedure Act, each chief procurement officer may adopt rules to implement and administer this Act.

Section 15. The Governmental Joint Purchasing Act is amended by changing Sections 1, 3, and 4 as follows:

(30 ILCS 525/1) (from Ch. 85, par. 1601)

Sec. 1. For the purposes of this Act, "governmental unit" means State of Illinois, any State agency as defined in Section 1-15.100 of the Illinois Procurement Code, officers of the State of Illinois, any public authority which has the power to tax, or any other public entity created by statute.

(Source: P.A. 86-769.)

(30 ILCS 525/3) (from Ch. 85, par. 1603)

Sec. 3. Conduct of competitive procurement ~~selection~~. Under any agreement of governmental units that desire to make joint purchases pursuant to subsection (a) of Section 2, one of

the governmental units shall conduct the competitive procurement ~~selection~~ process. Where the State of Illinois is a party to the joint purchase agreement, the appropriate chief procurement officer shall conduct or authorize the competitive procurement ~~selection~~ process. Expenses of such competitive procurement ~~selection~~ process may be shared by the participating governmental units in proportion to the amount of personal property, supplies or services each unit purchases.

When the State of Illinois is a party to the joint purchase agreement pursuant to subsection (a) of Section 2, the acceptance of responses to the competitive procurement ~~selection~~ process shall be in accordance with the Illinois Procurement Code and rules promulgated under that Code. When the State of Illinois is not a party to the joint purchase agreement, the acceptance of responses to the competitive procurement ~~selection~~ process shall be governed by the agreement.

When the State of Illinois is a party to a joint purchase agreement pursuant to subsection (a-5) of Section 2, the State may act as the lead state or as a participant state. When the State of Illinois is the lead state, all such joint purchases shall be conducted in accordance with the Illinois Procurement Code. When Illinois is a participant state, all such joint purchases shall be conducted in accordance with the procurement laws of the lead state; provided that all such joint procurements must be by competitive solicitation process. All

resulting awards shall be published in the appropriate volume of the Illinois Procurement Bulletin as may be required by Illinois law governing publication of the solicitation, protest, and award of Illinois State contracts. Contracts resulting from a joint purchase shall contain all provisions required by Illinois law and rule.

The personal property, supplies or services involved shall be distributed or rendered directly to each governmental unit taking part in the purchase. The person selling the personal property, supplies or services may bill each governmental unit separately for its proportionate share of the cost of the personal property, supplies or services purchased.

The credit or liability of each governmental unit shall remain separate and distinct. Disputes between bidders and governmental units shall be resolved between the immediate parties.

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

(30 ILCS 525/4) (from Ch. 85, par. 1604)

Sec. 4. Bids, offers, and small purchases ~~and proposals~~. The purchases of all personal property, supplies and services under this Act, except for small purchases, shall be based on competitive solicitations and shall follow the same procedures used for competitive solicitations made pursuant to the Illinois Procurement Code. For purchases pursuant to subsection (a) of Section 2, bids and offers ~~and proposals~~

shall be solicited by public notice inserted at least once in a newspaper of general circulation in one of the counties where the materials are to be used and at least 5 calendar days before the final date of submitting bids or offers ~~or proposals~~. Where the State of Illinois is a party to the joint purchase agreement, public notice soliciting the bids or offers shall be published in the appropriate volume of the Illinois Procurement Bulletin. Such notice shall include a general description of the personal property, supplies or services to be purchased and shall state where all blanks and specifications may be obtained and the time and place for the opening of bids and offers ~~and proposals~~. The governmental unit conducting the competitive procurement ~~selection~~ process may also solicit sealed bids or offers ~~or proposals~~ by sending requests by mail to potential contractors ~~prospective suppliers~~ and by posting notices on a public bulletin board in its office. Small purchases pursuant to this Section shall follow the same procedure used for small purchases in Section 20-20 of the Illinois Procurement Code.

All purchases, orders or contracts shall be awarded to the lowest responsible bidder or highest-ranked offeror ~~proposer~~, taking into consideration the qualities of the articles or services supplied, their conformity with the specifications, their suitability to the requirements of the participating governmental units and the delivery terms.

Where the State of Illinois is not a party, all bids or

offers ~~or proposals~~ may be rejected and new bids or offers ~~or proposals~~ solicited if one or more of the participating governmental units believes the public interest may be served thereby. Each bid or offer, ~~or proposal,~~ with the name of the bidder or offeror, ~~or proposer,~~ shall be entered on a record, which record with the successful bid or offer, ~~or proposal~~ indicated thereon shall, after the award of the purchase or order or contract, be open to public inspection. A copy of all contracts shall be filed with the purchasing office or clerk or secretary of each participating governmental unit.

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

Section 20. The Discriminatory Club Act is amended by changing Section 2 as follows:

(775 ILCS 25/2) (from Ch. 68, par. 102)

Sec. 2. No private organization which sells goods or services to the State pursuant to the ~~The~~ Illinois Procurement Code ~~Purchasing Act~~, nor any private organization which receives any award or grant from the State, nor any public body may pay any dues or fees on behalf of its employees or agents or may subsidize or otherwise reimburse them for payments of their dues or fees to any discriminating club. The Illinois Department of Human Rights shall enforce this Section.

(Source: P.A. 85-909.)

Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.

Section 99. Effective date. This Act takes effect January 1, 2015.