



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB1274

Introduced 2/9/2017, by Sen. Michael Connelly

SYNOPSIS AS INTRODUCED:

30 ILCS 500/45-35

Amends the Illinois Procurement Code. Makes changes to provisions concerning the use of not-for-profit agencies for persons with significant disabilities (previously, facilities for persons with severe disabilities). Provides that a not-for-profit agency shall be a qualified agency if it is, among other requirements, accredited by a nationally-recognized accrediting organization or certified as a development training provider by the Department of Human Services (rather than requiring the agency to meet the applicable Department just standards). Requires the Department to develop guidelines of appropriate national accrediting organizations within 6 months after the effective date of the amendatory Act. Requires the State Use Committee to, not less than every 3 years, develop a strategic plan for increasing the number of products or services purchased from qualified agencies (rather than developing one 5-year strategic plan). Makes provisions concerning subcontracts. Makes other changes. Effective immediately.

LRB100 05589 MLM 15603 b

1 AN ACT concerning finance.

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

4 Section 5. The Illinois Procurement Code is amended by
5 changing Section 45-35 as follows:

6 (30 ILCS 500/45-35)

7 Sec. 45-35. Not-for-profit agencies ~~Facilities~~ for persons
8 with significant ~~severe~~ disabilities.

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

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

15 (2) is certified as a work center ~~sheltered workshop~~ by
16 the Wage and Hour Division of the United States Department
17 of Labor or is an accredited vocational program that
18 provides transition services to youth between the ages of
19 14 1/2 and 22 in accordance with individualized education
20 plans under Section 14-8.03 of the School Code and that
21 provides residential services at a child care institution,
22 as defined under Section 2.06 of the Child Care Act of
23 1969, or at a group home, as defined under Section 2.16 of

1 the Child Care Act of 1969; and

2 (3) is accredited by a nationally-recognized
3 accrediting organization or certified as a developmental
4 training provider by the ~~meets the applicable Illinois~~
5 Department of Human Services ~~just standards~~.

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

11 (c) Committee. There is created within the Department of
12 Central Management Services a committee to facilitate the
13 purchase of products and services of persons with a significant
14 ~~so severely disabled by a~~ physical, developmental, or mental
15 disability or a combination of any of those disabilities who
16 ~~that they~~ cannot engage in normal competitive employment due to
17 the significant disability or combination of those
18 disabilities. This committee is called the State Use Committee.
19 The State Use Committee ~~committee~~ shall consist of the Director
20 of the Department of Central Management Services or his or her
21 designee, the Director of the Department of Human Services or
22 his or her designee, one public member representing private
23 business who is knowledgeable of the employment needs and
24 concerns of persons with developmental disabilities, one
25 public member representing private business who is
26 knowledgeable of the needs and concerns of rehabilitation

1 facilities, one public member who is knowledgeable of the
2 employment needs and concerns of persons with developmental
3 disabilities, one public member who is knowledgeable of the
4 needs and concerns of rehabilitation facilities, and 2 public
5 members from a statewide association that represents
6 community-based rehabilitation facilities, all appointed by
7 the Governor. The public members shall serve 2 year terms,
8 commencing upon appointment and every 2 years thereafter. A
9 public member may be reappointed, and vacancies shall be filled
10 by appointment for the completion of the term. In the event
11 there is a vacancy on the State Use Committee, the Governor
12 must make an appointment to fill that vacancy within 30
13 calendar days after the notice of vacancy. The members shall
14 serve without compensation but shall be reimbursed for expenses
15 at a rate equal to that of State employees on a per diem basis
16 by the Department of Central Management Services. All members
17 shall be entitled to vote on issues before the State Use
18 Committee ~~committee~~.

19 The State Use Committee ~~committee~~ shall have the following
20 powers and duties:

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

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

26 (3) To request a quarterly report from each

1 participating qualified not-for-profit agency for persons
2 with significant ~~severe~~ disabilities describing the volume
3 of sales for each product or service sold under this
4 Section.

5 (4) To prepare a report for the Governor and General
6 Assembly no later than December 31 of each year. The
7 requirement for reporting to the General Assembly shall be
8 satisfied by following the procedures set forth in Section
9 3.1 of the General Assembly Organization Act.

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

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

20 (7) To develop guidelines to be followed by qualifying
21 agencies for participation under the provisions of this
22 Section. Guidelines shall include a list of national
23 accrediting organizations which satisfy the requirements
24 of item (3) of subsection (a) of this Section. The
25 guidelines shall be developed within 6 months after the
26 effective date of this Code and made available on a

1 nondiscriminatory basis to all qualifying agencies. The
2 new guidelines required under this item (7) by this
3 amendatory Act of the 100th General Assembly shall be
4 developed within 6 months after the effective date of this
5 amendatory Act of the 100th General Assembly and made
6 available on a non-discriminatory basis to all qualifying
7 not-for-profit agencies.

8 (8) To review all pricing bids submitted under the
9 provisions of this Section and may approve a proposed
10 agreement for supplies or services where the price
11 submitted is fair and reasonable ~~reject any bid for any~~
12 ~~purchase that is determined to be substantially more than~~
13 ~~the purchase would have cost had it been competitively bid.~~

14 (9) To, not less than every 3 years, adopt a strategic
15 plan ~~develop a 5-year plan~~ for increasing the number of
16 products and services purchased from qualified
17 not-for-profit agencies for persons with significant
18 ~~severe~~ disabilities, including the feasibility of
19 developing mandatory set-aside contracts. ~~This 5-year plan~~
20 ~~must be developed no later than 180 calendar days after the~~
21 ~~effective date of this amendatory Act of the 96th General~~
22 ~~Assembly.~~

23 (c-5) Conditions for Use. Each chief procurement officer
24 shall, in consultation with the State Use Committee, determine
25 which articles, materials, services, food stuffs, and supplies
26 that are produced, manufactured, or provided by persons with

1 significant ~~severe~~ disabilities in qualified not-for-profit
2 agencies shall be given preference by purchasing agencies
3 procuring those items.

4 (d) (Blank). ~~Former committee. The committee created under~~
5 ~~subsection (c) shall replace the committee created under~~
6 ~~Section 7-2 of the Illinois Purchasing Act, which shall~~
7 ~~continue to operate until the appointments under subsection (c)~~
8 ~~are made.~~

9 (e) Subcontracts. Subcontracts shall be permitted for
10 agreements authorized under this Section. For the purposes of
11 this subsection (e), "subcontract" means any acquisition from
12 another source of supplies, not including raw materials, or
13 services required by a qualified not-for-profit agency to
14 provide the supplies or services that are the subject of the
15 contract between the State and the qualified not-for-profit
16 agency.

17 The State Use Committee shall develop guidelines to be
18 followed by qualified not-for-profit agencies when seeking and
19 establishing subcontracts with other persons or not-for-profit
20 agencies in order to fulfill State contract requirements. These
21 guidelines shall include the following:

22 (i) The State Use Committee must approve all
23 subcontracts and substantive amendments to subcontracts
24 prior to execution or amendment of the subcontract.

25 (ii) A qualified not-for-profit agency shall not enter
26 into a subcontract, or any combination of subcontracts, to

1 fulfill an entire requirement, contract, or order without
2 written State Use Committee approval.

3 (iii) A qualified not-for-profit agency shall make
4 reasonable efforts to utilize subcontracts with other
5 not-for-profit agencies for persons with significant
6 disabilities.

7 (iv) For any subcontract not currently performed by a
8 qualified not-for-profit agency, the primary qualified
9 not-for-profit agency must provide to the State Use
10 Committee the following: (A) a written explanation as to
11 why the subcontract is not performed by a qualified
12 not-for-profit agency, and (B) a written plan to transfer
13 the subcontract to a qualified not-for-profit agency, as
14 reasonable.

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

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