

Sen. Emil Jones, III

Filed: 5/23/2019

10100SB0534sam003 LRB101 04295 RJF 61052 a 1 AMENDMENT TO SENATE BILL 534 2 AMENDMENT NO. . Amend Senate Bill 534 by replacing everything after the enacting clause with the following: 3 "Section 5. The Department of Labor Law of the Civil 4 5 Administrative Code of Illinois is amended by adding Section 6 1505-215 as follows: 7 (20 ILCS 1505/1505-215 new) 8 Sec. 1505-215. Bureau on Apprenticeship Programs; Advisory Board. 10 (a) There is created within the Department of Labor a Bureau on Apprenticeship Programs. This Bureau shall work to 11 12 increase minority participation in active apprentice programs 13 in Illinois that are approved by the United States Department of Labor. The Bureau shall identify barriers to minorities 14 15 gaining access to construction careers and make recommendations to the Governor and the General Assembly for 16

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policies to remove those barriers. The Department may hire 1 staff to perform outreach in promoting diversity in active 2 apprenticeship programs approved by the United States 3 4 Department of Labor. The Bureau shall annually compile racial 5 and gender workforce diversity information from contractors receiving State or other public funds and by labor unions with 6 7 members working on projects receiving State or other public 8 funds.

(b) There is created the Advisory Board for Diversity in Active Apprenticeship Programs Approved by the United States Department of Labor. This Advisory Board shall be composed of 12 legislators; 3 members appointed by the President of the Senate, 3 members appointed by the Speaker of the House of Representatives, 3 members appointed by the Minority Leader of the Senate, and 3 members appointed by the Minority Leader of the House of Representatives. The President of the Senate and the Speaker of the House of Representatives shall each appoint a co-chairperson. Members of the Advisory Board shall receive no compensation for serving as members of the Advisory Board. The Advisory Board shall meet quarterly. The Advisory Board may request necessary additional information from the Department for the purposes of performing its duties under this Section. The Advisory Board may advise the Department of programs to increase diversity in active apprenticeship programs. The Department shall provide administrative support and staffing for the Advisory Board.

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- Section 10. The Business Enterprise for Minorities, Women, 1 and Persons with Disabilities Act is amended by changing
- 3 Sections 4, 4f, and 7 as follows:
- (30 ILCS 575/4) (from Ch. 127, par. 132.604) 4
- (Section scheduled to be repealed on June 30, 2020) 5
- 6 Sec. 4. Award of State contracts.
  - (a) Except as provided in subsections (b) and (c), not less than 20% of the total dollar amount of State contracts, as defined by the Secretary of the Council and approved by the Council, shall be established as an aspirational goal to be awarded to businesses owned by minorities, women, and persons with disabilities; provided, however, that of the total amount of all State contracts awarded to businesses owned by minorities, women, and persons with disabilities pursuant to this Section, contracts representing at least 11% shall be awarded to businesses owned by minorities, contracts representing at least 7% shall be awarded to women-owned businesses, and contracts representing at least 2% shall be awarded to businesses owned by persons with disabilities.
- 20 The above percentage relates to the total dollar amount of 21 State contracts during each State fiscal year, calculated by examining independently each type of contract for each agency 22 23 or public institutions of higher education which lets such 24 contracts. Only that percentage of arrangements which

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1 represents the participation of businesses owned 2 minorities, women, and persons with disabilities on such contracts shall be included. 3

- (b) In the case of State construction contracts, the provisions of subsection (a) requiring a portion of State contracts to be awarded to businesses owned and controlled by persons with disabilities do not apply. The following aspirational goals are established for State construction contracts: not less than 20% of the total dollar amount of State construction contracts is established as a goal to be awarded to businesses owned by minorities, women, and persons with disabilities. Contracts representing at least 11% of the total dollar amount of State construction contracts shall be awarded to businesses owned by minorities. Contracts representing at least 7% of the total dollar amount of State construction contracts shall be awarded to women-owned businesses. Contracts representing at least 2% of the total dollar amount of State construction contracts shall be awarded to businesses owned by persons with disabilities minority-owned and women-owned businesses.
- (c) (Blank). In the case of all work undertaken by the University of Illinois related to the planning, organization, and staging of the games, the University of Illinois shall establish a goal of awarding not less than 25% of the annual dollar value of all contracts, purchase orders, and other agreements (collectively referred to as "the contracts") to

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- 1 minority-owned businesses or businesses owned by a person with a disability and 5% of the annual dollar value the contracts to 2 3 women-owned businesses. For purposes of this subsection, the 4 term "games" has the meaning set forth in the Olympic Cames and 5 Paralympic Games (2016) Law.
  - (d) Within one year after April 28, 2009 (the effective date of Public Act 96-8), the Department of Central Management Services shall conduct a social scientific study that measures the impact of discrimination on minority and women business development in Illinois. Within 18 months after April 28, 2009 (the effective date of Public Act 96-8), the Department shall issue a report of its findings and any recommendations on whether to adjust the goals for minority participation established in this Act. Copies of this report and the social scientific study shall be filed with the Governor and the General Assembly.
  - (e) Except as permitted under this Act or as otherwise mandated by federal law or regulation, those who submit bids or proposals for State contracts subject to the provisions of this Act, whose bids or proposals are successful and include a utilization plan but that fail to meet the goals set forth in subsection (b) of this Section, shall be notified of that deficiency and shall be afforded a period not to exceed 10 calendar days from the date of notification to cure that deficiency in the bid or proposal. The deficiency in the bid or proposal may only be cured by contracting with additional

- 1 subcontractors who are owned by minorities or women, but in no
- case shall an identified subcontractor with a certification 2
- 3 made pursuant to this Act be terminated from the contract
- without the written consent of the State agency or public
- 5 institution of higher education entering into the contract.
- (f) Non-construction solicitations that include Business 6
- Enterprise Program participation goals shall require bidders 7
- 8 and offerors to include utilization plans. Utilization plans
- 9 are due at the time of bid or offer submission. Failure to
- 10 complete and include a utilization plan, including
- 11 documentation demonstrating good faith effort when requesting
- a waiver, shall render the bid or offer non-responsive. 12
- (Source: P.A. 99-462, eff. 8-25-15; 99-514, eff. 6-30-16; 13
- 100-391, eff. 8-25-17.) 14
- 15 (30 ILCS 575/4f)
- (Section scheduled to be repealed on June 30, 2020) 16
- Sec. 4f. Award of State contracts. 17
- 18 (1) It is hereby declared to be the public policy of the
- 19 State of Illinois to promote and encourage each State agency
- 20 and public institution of higher education to use businesses
- 21 owned by minorities, women, and persons with disabilities in
- 22 the area of goods and services, including, but not limited to,
- 23 insurance services, investment management services.
- 24 information technology services, accounting services,
- 25 architectural and engineering services, and legal services.

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Furthermore, each State agency and public institution of higher education shall utilize such firms to the greatest extent feasible within the bounds of financial and fiduciary prudence, and take affirmative steps to remove any barriers to the full participation of such firms in the procurement and contracting opportunities afforded.

- (a) When a State agency or public institution of higher education, other than a community college, awards a contract for insurance services, for each State agency or public institution of higher education, it shall be the aspirational goal to use insurance brokers owned by minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total annual premiums or fees. Contracts representing at least 11% of the total annual premiums or fees shall be awarded to businesses owned by minorities. Contracts representing at least 7% of the total annual premiums or fees shall be awarded to women-owned businesses. Contracts representing at least 2% of the total annual premiums or fees shall be awarded to businesses owned by persons with disabilities.
- (b) When a State agency or public institution of higher education, other than a community college, awards a contract for investment services, for each State agency or public institution of higher education, it shall be the aspirational goal to use emerging investment managers owned by minorities, women, and persons with disabilities

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as defined by this Act, for not less than 20% of the total funds under management. Contracts representing at least 11% of the total funds under management shall be awarded to businesses owned by minorities. Contracts representing at least 7% of the total funds under management shall be awarded to women-owned businesses. Contracts representing at least 2% of the total funds under management shall be awarded to businesses owned by persons with disabilities. Furthermore, it is the aspirational goal that not less than 20% of the direct asset managers of the State funds be minorities, women, and persons with disabilities.

(c) When a State agency or public institution of higher other than a community college, contracts for information technology services, accounting services, architectural and engineering services, and legal services, for each State agency and public institution of higher education, it shall aspirational goal to use such firms owned by minorities, women, and persons with disabilities as defined by this Act and lawyers who are minorities, women, and persons with disabilities as defined by this Act, for not less than 20% of the total dollar amount of State contracts. Contracts representing at least 11% of the total dollar amount of State contracts shall be awarded to businesses owned by minorities or minority lawyers. Contracts representing at least 7% of the total dollar amount of State contracts

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shall be awarded to women-owned businesses or women who are lawyers. Contracts representing at least 2% of the total dollar amount of State contracts shall be awarded to businesses owned by persons with disabilities or persons with disabilities who are lawyers.

(d) When a community college awards a contract for insurance services, investment services, information technology services, accounting services, architectural and engineering services, and legal services, it shall be the aspirational goal of each community college to use businesses owned by minorities, women, and persons with disabilities as defined in this Act for not less than 20% of the total amount spent on contracts for these services collectively. Contracts representing at least 11% of the total amount spent on contracts for these services shall be awarded to businesses owned by minorities. Contracts representing at least 7% of the total amount spent on contracts for these services shall be awarded to women-owned businesses. Contracts representing at least 2% of the total amount spent on contracts for these services shall be awarded to businesses owned by persons with disabilities. When a community college awards contracts for investment services, contracts awarded to investment managers who are not emerging investment managers as defined in this Act shall not be considered businesses owned by minorities, women, or persons with disabilities

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for the purposes of this Section.

## (2) As used in this Section:

"Accounting services" means the measurement, processing and communication of financial information about economic entities including, but is not limited to, financial accounting, management accounting, auditing, cost containment and auditing services, taxation and accounting information systems.

"Architectural and engineering services" means professional services of an architectural or engineering nature, or incidental services, that members of the architectural and engineering professions, and individuals in their employ, may logically or justifiably perform, including studies, investigations, surveying and mapping, tests, evaluations, consultations, comprehensive planning, management, conceptual designs, plans program specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operating and maintenance manuals, and other related services.

"Emerging investment manager" means an investment manager or claims consultant having assets management below \$10 billion or otherwise adjudicating claims.

"Information technology services" means, but is not limited to, specialized technology-oriented solutions by

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1 combining the processes and functions of software, hardware, networks, telecommunications, web designers, 2 cloud developing resellers, and electronics. 3

> "Insurance broker" means an insurance brokerage firm, claims administrator, or both, that procures, places all lines of insurance, or administers claims with annual premiums or fees of at least \$5,000,000 but not more than \$10,000,000.

> "Legal services" means work performed by a lawyer including, but not limited to, contracts in anticipation of litigation, enforcement actions, or investigations.

- (3) Each State agency and public institution of higher education shall adopt policies that identify its plan and implementation procedures for increasing the use of service firms owned by minorities, women, and persons with disabilities.
- (4) Except as provided in subsection (5), the Council shall file no later than March 1 of each year an annual report to the Governor and the General Assembly. The report filed with the General Assembly shall be filed as required in Section 3.1 of the General Assembly Organization Act. This report shall: (i) identify the service firms used by each State agency and public institution of higher education, (ii) identify the actions it has undertaken to increase the use of service firms owned by minorities, women, and persons with disabilities, including encouraging non-minority-owned firms to use other service

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firms owned by minorities, women, and persons with disabilities as subcontractors when the opportunities arise, (iii) state any recommendations made by the Council to each State agency and public institution of higher education to participation by the use of service firms owned by minorities, women, and persons with disabilities, and (iv) include the following:

- (A) For insurance services: the names of the insurance brokers or claims consultants used, the total of risk managed by each State agency and public institution of education by insurance brokers, the higher commissions, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed; and the percentage of the risk managed by insurance brokers, the percentage of total commission, fees paid, or both, the lines or insurance policies placed, and the amount of premiums placed with each by the insurance brokers owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.
- (B) For investment management services: the names of the investment managers used, the total funds under management of investment managers; the total commissions, fees paid, or both; the total and percentage of funds under management of emerging investment managers owned by minorities, women, and persons with disabilities, including the total and percentage of total commissions,

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1 fees paid, or both by each State agency and public institution of higher education. 2

- (C) The names of service firms, the percentage and total dollar amount paid for professional services by category by each State agency and public institution of higher education.
- (D) The names of service firms, the percentage and total dollar amount paid for services by category to firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.
- (E) The total number of contracts awarded for services by category and the total number of contracts awarded to firms owned by minorities, women, and persons with disabilities by each State agency and public institution of higher education.
- community college districts, the Business For Enterprise Council shall only report the following information for each community college district: (i) the name of the community colleges in the district, (ii) the name and contact information of a person at each community college appointed to be the single point of contact for vendors owned by minorities, women, or persons with disabilities, (iii) the policy of the community college district concerning certified vendors, (iv) the certifications recognized by the community college district for determining whether a business is owned or

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controlled by a minority, woman, or person with a disability, (v) outreach efforts conducted by the community college district to increase the use of certified vendors, (vi) the total expenditures by the community college district in the prior fiscal year in the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the amount paid to certified vendors in those divisions of work, and (vii) the total number of contracts entered into for the divisions of work specified in paragraphs (a), (b), and (c) of subsection (1) of this Section and the total number of contracts awarded to certified vendors providing these services to the community college district. The Business Enterprise Council shall not make any utilization reports under this Act for community college districts for Fiscal Year 2015 and Fiscal Year 2016, but shall make the report required by this subsection for Fiscal Year 2017 and for each fiscal year thereafter. The Business Enterprise Council shall report the information in items (i), (ii), (iii), and (iv) of this subsection beginning in September of 2016. The Business Enterprise Council may collect the data needed to make its report from the Illinois Community College Board.

(6) The status of the utilization of services shall be each of the regularly scheduled Business discussed at Enterprise Council meetings. Time shall be allotted for the Council to receive, review, and discuss the progress of the use of service firms owned by minorities, women, and persons with

disabilities by each State agency and public institution of 2 higher education; and any evidence regarding past or present 3 racial, ethnic, or gender-based discrimination which directly 4 impacts a State agency or public institution of higher 5 education contracting with such firms. If after reviewing such 6 evidence the Council finds that there is or has been such discrimination against a specific group, race or sex, the 7

- 8 Council shall establish sheltered markets or adjust existing
- 9 sheltered markets tailored to address the Council's specific
- 10 findings for the divisions of work specified in paragraphs (a),
- 11 (b), and (c) of subsection (1) of this Section.
- (Source: P.A. 99-462, eff. 8-25-15; 99-642, eff. 7-28-16; 12
- 13 100-391, eff. 8-25-17.)
- 14 (30 ILCS 575/7) (from Ch. 127, par. 132.607)
- 15 (Section scheduled to be repealed on June 30, 2020)
- Sec. 7. Exemptions; waivers; publication of data. 16
- 17 (1) Individual contract exemptions. The Council, on its own initiative or at the request of the affected agency, public 18 19 institution of higher education, or recipient of a grant or 20 loan of State funds of \$250,000 or more complying with Section 21 45 of the State Finance Act, may permit an individual contract 22 or contract package, (related contracts being bid or awarded 23 simultaneously for the same project or improvements) be made 24 wholly or partially exempt from State contracting goals for businesses owned by minorities, women, and persons with 25

1	disabilities prior to the advertisement for bids or
2	solicitation of proposals whenever there has been a
3	determination, reduced to writing and based on the best
4	information available at the time of the determination, that
5	there is an insufficient number of businesses owned by
6	minorities, women, and persons with disabilities to ensure
7	adequate competition and an expectation of reasonable prices on
8	bids or proposals solicited for the individual contract or
9	contract package in question.
10	(a) Written request for contract exemption. A written
11	request for an individual contract exception must include,
12	but is not limited to, the following:
13	(i) a list of qualified businesses owned by
14	minorities, women, and persons with disabilities that
15	would qualify for the purpose of the contract;
16	(ii) each business's deficiency that would impair
17	adequate competition or qualification; and
18	(iii) the difference in cost between the contract
19	proposals being offered by businesses owned by
20	minorities, women, and persons with disabilities and
21	the agency or the public institution of higher
22	education's expectations of reasonable prices on bids
23	or proposals within that class.
24	(b) Determination. The Council's determination
25	concerning an individual contract exemption must include
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	(i)	the	justification	for	each	business's
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- (ii) the number of waivers of the affected agency, public institution of higher education, or recipient of a grant or loan of State funds of \$250,000 or more complying with Section 45 of the State Finance Act that have been granted by the Council for that fiscal year; and
- (iii) the affected agency or public institution of higher education's most current percentages in contracts awarded to businesses owned by minorities, women, and persons with disabilities for that fiscal year.
- (2) Class exemptions.
- (a) Creation. The Council, on its own initiative or at the request of the affected agency or public institution of higher education, may permit an entire class of contracts be made exempt from State contracting goals for businesses owned by minorities, women, and persons with disabilities whenever there has been a determination, reduced to writing and based on the best information available at the time of the determination, that there is an insufficient number of qualified businesses owned by minorities, women, persons with disabilities to ensure adequate competition and an expectation of reasonable prices on bids or proposals within that class.

1	(a-1) Written request for class exemption. A written
2	request for a class exception must include, but is not
3	<pre>limited to, the following:</pre>
4	(i) a list of qualified businesses owned by
5	minorities, women, and persons with disabilities that
6	pertain to the class of contracts in the requested
7	waiver;
8	(ii) each business's deficiency that would impair
9	adequate competition or qualification; and
10	(iii) the difference in cost between the contract
11	proposals being offered by businesses owned by
12	minorities, women, and persons with disabilities and
13	the agency or the public institution of higher
14	education's expectations of reasonable prices on bids
15	or proposals within that class.
16	(a-2) Determination. The Council's determination
17	concerning class exemptions must include the following:
18	(i) the justification for each business's
19	disqualification;
20	(ii) the number of waivers of the requesting agency
21	or public institution of higher education that have
22	been granted by the Council for that fiscal year; and
23	(iii) the agency or public institution of higher
24	education's most current percentages in contracts
25	awarded to businesses owned by minorities, women, and
26	persons with disabilities for that fiscal year.

1	(b) Limitation. Any such class exemption shall not be
2	permitted for a period of more than one year at a time.
3	(3) Waivers. Where a particular contract requires a
4	contractor to meet a goal established pursuant to this Act, the
5	contractor shall have the right to request a waiver from such
6	requirements. The Council shall grant the waiver where the
7	contractor demonstrates that there has been made a good faith
8	effort to comply with the goals for participation by businesses
9	owned by minorities, women, and persons with disabilities.
10	(a) Request for waiver. A contractor's request for a
11	waiver under this subsection (3) must include, but is not
12	limited to, the following:
13	(i) a list of qualified businesses owned by
14	minorities, women, and persons with disabilities that
15	pertain to the class of contracts in the requested
16	<pre>waiver;</pre>
17	(ii) each business's deficiency that would impair
18	adequate competition or qualification;
19	(iii) the difference in cost between the contract
20	proposals being offered by businesses owned by
21	minorities, women, and persons with disabilities and
22	the agency or the public institution of higher
23	education's expectations of reasonable prices on bids
24	or proposals within that class.
25	(b) Determination. The Council's determination
26	concerning waivers must include following:

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1	(i) the justification for each business's
2	disqualification;
3	(ii) the number of waivers the contractor has been
4	granted by the Council for that fiscal year; and
5	(iii) the affected agency or public institution of
6	higher education's most current percentages in
7	contracts awarded to businesses owned by minorities,
8	women, and persons with disabilities for that fiscal

- (4) Conflict with other laws. In the event that any State contract, which otherwise would be subject to the provisions of this Act, is or becomes subject to federal laws or regulations which conflict with the provisions of this Act or actions of the State taken pursuant hereto, the provisions of the federal laws or regulations shall apply and the contract shall be interpreted and enforced accordingly.
- (5) Each chief procurement officer, as defined in the Illinois Procurement Code, shall maintain on his or her official Internet website a database of the following: (i) waivers granted under this Section with respect to contracts under his or her jurisdiction; (ii) a State agency or public institution of higher education's written request for an exemption of an individual contract or an entire class of contracts; and (iii) The Council's written determination granting or denying a request for an exemption of an individual contract or an entire class of contract or an entire class of contract or an entire class of contracts. The database, which

- shall be updated periodically as necessary, shall be searchable 1
- by contractor name and by contracting State agency. 2
- (6) Each chief procurement officer, as defined by the 3
- 4 Illinois Procurement Code, shall maintain on its website a list
- 5 of all firms that have been prohibited from bidding, offering,
- or entering into a contract with the State of Illinois as a 6
- result of violations of this Act. 7
- 8 Each public notice required by law of the award of a State
- 9 contract shall include for each bid or offer submitted for that
- 10 contract the following: (i) the bidder's or offeror's name,
- 11 (ii) the bid amount, (iii) the name or names of the certified
- firms identified in the bidder's or offeror's submitted 12
- 13 utilization plan, and (iv) the bid's amount and percentage of
- 14 the contract awarded to businesses owned by minorities, women,
- 15 and persons with disabilities identified in the utilization
- 16 plan.
- (Source: P.A. 99-462, eff. 8-25-15; 100-391, eff. 8-25-17.) 17
- 18 Section 15. The Criminal Code of 2012 is amended by
- 19 changing Section 33E-15 as follows:
- 20 (720 ILCS 5/33E-15)
- 21 Sec. 33E-15. False entries.
- 22 (a) An officer, agent, or employee of, or anyone who is
- 23 affiliated in any capacity with any unit of local government or
- school district commits false entries when he or she makes a 2.4

- false entry in any book, report, or statement of any unit of 1
- local government or school district with the intent to defraud 2
- the unit of local government or school district. 3
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- 5 (Source: P.A. 97-1108, eff. 1-1-13.)
- 6 Section 99. Effective date. This Act takes effect upon
- 7 becoming law.".