

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 adding Section 45-57 as follows:

(30 ILCS 500/45-57 new)

Sec. 45-57. Disabled veterans.

(a) It is the goal of the State to promote and encourage the continued economic development of businesses owned and controlled by qualified service disabled veterans and that qualified service disabled veteran-owned businesses (referred to as SDVOB) participate in the State's procurement process as both prime and subcontractors. A Task Force shall be established, appointed by the Directors or Secretaries of, and made up of representatives of, the Illinois Department of Veterans' Affairs, the Illinois Department of Transportation, the Department of Central Management Services, the Business Enterprise Program, and the Business Enterprise Council. The Department of Central Management Services shall provide administrative support to the Task Force. The purpose of this Task Force shall be to determine the appropriate percentage goal for award each fiscal year of the State's total expenditures for contracts awarded under this Code to SDVOB.

That portion of a contract under which the contractor subcontracts with a SDVOB may be counted toward the goal of this subsection. In making that determination the Task Force shall consult with statewide veterans' service organizations and the business community, including businesses owned by qualified disabled veterans. The Task Force shall submit its report to the General Assembly concerning its recommendations regarding the appropriate percentage goal for award each fiscal year of the State's total expenditures for contracts awarded under this Code to qualified service disabled veterans no later than 90 days after the effective date of this amendatory Act of the 96th General Assembly.

(b) Once the appropriate goal is established, then 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 October 1 the Department of Central Management Services shall compile and report that information to the General Assembly:

(1) The number of SDVOB who submitted a bid for a contract under this Code.

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

(c) 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 disabled 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 disabled veterans and on the continued need to encourage and promote businesses owned by qualified disabled veterans.

(d) 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 disabled veterans.

(e) As used in this Section:

"Business" means a business that has average annual gross sales over the 3 most recent calendar years of less than \$31,000,000 as evidenced by the federal income tax returns of the business.

"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.

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

"Qualified disabled veteran-owned business" means a business entity that is at least 51% owned by one or more qualified disabled veterans, or in the case of a corporation, at least 51% of the stock of which is owned by one or more qualified disabled veterans; and the management and daily business operations of which are controlled by one or more of the qualified disabled veterans who own it.

"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).

"Veteran" means a person who served in the active military, naval, or air service and who was discharged or released from his or her service under conditions other than dishonorable.

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