**Section 8.5037 Vendor Registration, Certification and Prohibition on Political Contributions**

a) Introduction

Illinois statutes [10 ILCS 5/9-35 and 30 ILCS 500/20-160 and 50-37] restrict political contributions by vendors that are business entities and their affiliated entities and persons; require registration with the State Board of Elections (SBEL); require the CPO to verify that the business entity is required to register with SBEL and is in compliance with registration requirements as of the date bids or proposals are due; and require solicitation and contract certifications of the vendor relative to the requirements of these statutes. This Section supplements requirements found in those statutes and does not excuse compliance with any of those requirements.

b) General Registration Requirements

1) These requirements apply to contracts, bids and proposals that are subject to the Code:

A) Bids/proposals referenced in this Section are those submitted in response to a competitive solicitation that is posted to the Bulletin on or after January 1, 2009, regardless of the value assigned to the procurement.

B) Bids and proposals include pending bids and proposals.

C) These requirements generally apply to a vendor whose existing State contracts have an aggregate value in excess of $50,000, or whose aggregate value of bids/proposals for State contracts exceeds $50,000, or whose aggregate value of State contracts and bids/proposals exceeds $50,000.

D) This value is calculated on a calendar-year basis.

2) On a calendar-year basis, each vendor or potential vendor must keep track of the value of contracts and bids/proposals. Vendors must register with SBEL when the vendor determines that the value of the contracts and bids/proposals meets the threshold for registration.

3) An "executive employee" means:

A) the President, Chairman of the Board, Chief Executive Officer and any other individuals who fulfill equivalent duties as the President, Chairman of the Board, or Chief Executive Officer; and

B) any employee 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, irrespective of the employee's title or status in the business entity. For the purposes of this subsection (b)(3)(B), compensation determined directly by award or payment of contracts means a payment over and above regular salary that would not be made if it were not for the award of the contract.

c) Bids and Proposals

1) In order to be considered for award, a vendor who meets the requirements for registration must be registered with SBEL as the date of the bid or offer is due and shall provide a copy of the Registration Certificate or be able to produce the Registration Certificate on that date.

2) If a vendor is not registered by the date the bid or offer is due, CDB shall reject the bid or offer as non-responsive.

3) Prior to award or execution of contract, the SPO, or a designee of the SPO, shall verify the vendor who meets the requirements for registration has registered with SBEL and shall obtain a copy of the Registration Certificate.

d) Contracts

A copy of the Registration Certificate must be in the procurement file in relation to any contract for which a vendor is required to register as set forth in this subsection (d), unless the vendor certifies it is not required to register.

1) For contract renewals and extensions, if the value of the renewal or extension by itself, or in combination with the contract being renewed/extended and other contracts and bids/proposals, exceeds $50,000, the vendor must provide the Registration Certificate upon request and make the appropriate contract certification, if it has not already done so. The Registration Certificate may be provided by reference to and incorporation of the vendor's prequalification by the CPO.

2) CDB shall identify in the solicitation whether the contract is estimated to exceed $50,000 annually. Vendors submitting bids or offers for master contracts estimated to exceed $50,000 annually regardless of consumption are required to register with SBEL.

3) For indefinite quantity/estimated value contracts that are not estimated to exceed $50,000 annually, a vendor who is otherwise not required to register shall register with SBEL when the maximum value of orders that may be placed pursuant to an indefinite/estimated value contract, plus all other contracts and bids/proposals, exceeds $50,000 annually. The vendor shall register with SBEL within 10 business days after orders exceed $50,000.

4) For contract amendments, if the value of the amendment, by itself or in combination with the contract being renewed plus other contracts and bids/proposals exceeds $50,000 annually, the vendor must provide the Registration Certificate upon request and make the appropriate contract certification, if it has not already done so.

5) Any contracts mistakenly executed in violation of this Section must be amended to include the contract certifications, and the vendor must supply the Registration Certificate upon request. If any violation by the vendor is not cured within 5 business days after receipt of notification of the violation, the contract is voidable by the State without penalty.

6) Certification of the requirement to register with the State Board of Elections, required by 30 ILCS 20-160(a), shall be included in or added to each contract that must be filed with the State Comptroller pursuant to Section 20-80 of the Code and those written two-party contracts that need not be filed with the Comptroller. Agencies may require written confirmation of the certification at any time.

e) Voidable contracts

Every solicitation issued and contract executed by the State on or after January 2, 2009, shall contain a statement that the contract is voidable under Section 50-60 if the bidder, offeror or contractor fails to comply with Section 20-160 of the Code.