



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB2799

by Rep. Brandon W. Phelps

SYNOPSIS AS INTRODUCED:

30 ILCS 500/20-27 new

Amends the Illinois Procurement Code. Provides that a State purchasing officer or chief procurement officer may award a sole source contract to a qualified HUBZone small business concern, subject to certain restrictions. Provides that, if a contract is awarded pursuant to a competitive bidding process, the price offered by a qualified HUBZone small business concern shall be deemed to be lower than the price offered by another responsible bidder if the price offered by the qualified HUBZone small business concern is not more than 10% higher than the price offered by the other responsible bidder. Provides that the term "qualified HUBZone small business concern" means a business located in the State that qualifies as a HUBZone small business concern under the Historically Underutilized Business Zones (HUBZone) program administered by the United States Small Business Administration.

LRB100 08994 MLM 19140 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 adding Section 20-27 as follows:

6 (30 ILCS 500/20-27 new)

7 Sec. 20-27. HUBZone businesses.

8 (a) Notwithstanding any other provision of law, a State
9 purchasing officer or chief procurement officer may award a
10 sole source contract to a qualified HUBZone small business
11 concern if:

12 (1) the qualified HUBZone small business concern is
13 determined to be a responsible bidder, potential
14 contractor, or offeror with respect to the performance of
15 that contract;

16 (2) the State purchasing officer or chief procurement
17 officer has a reasonable expectation that only one
18 qualified HUBZone small business concern will submit an
19 offer for the contract;

20 (3) the anticipated award price of the contract
21 (including options) does not exceed (i) \$5,000,000 in the
22 case of a contract opportunity assigned a standard
23 industrial classification code for manufacturing or (ii)

1 \$3,000,000 in the case of all other contracts; and

2 (4) in the estimation of the State purchasing officer
3 or chief procurement officer, the contract will be awarded
4 to the qualified HUBZone small business concern at a fair
5 and reasonable price.

6 (b) A contract may be awarded under this Section on the
7 basis of competition restricted to qualified HUBZone small
8 business concerns if the State purchasing officer or chief
9 procurement officer has a reasonable expectation that 2 or more
10 qualified HUBZone small business concerns will submit offers
11 and that the award can be made at a fair market price.

12 (c) If a contract is to be awarded pursuant to a
13 competitive bidding process, other than the process described
14 in subsection (b) of this Section, the price offered by a
15 qualified HUBZone small business concern shall be deemed to be
16 lower than the price offered by another responsible bidder,
17 potential contractor, or offeror if the price offered by the
18 qualified HUBZone small business concern is not more than 10%
19 higher than the price offered by the other responsible bidder,
20 potential contractor, or offeror.

21 (d) Each chief procurement officer shall establish rules
22 related to the eligibility of qualified HUBZone small business
23 concerns to receive sole source contracts and preferences under
24 this Section and shall verify the accuracy of any information
25 submitted by a qualified HUBZone small business concern with
26 respect to a contract awarded under this Section.

1 (e) For the purposes of this Section:

2 "Qualified HUBZone small business concern" means a
3 business located in the State that qualifies as a HUBZone
4 small business concern under the Historically
5 Underutilized Business Zones (HUBZone) program
6 administered by the United States Small Business
7 Administration.

8 "Responsible bidder, potential contractor, or offeror"
9 has the meaning given to that term in Section 1-15.80 of
10 this Code.