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AN ACT concerning local government.

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

Section 5. The Counties Code is amended by changing Section
5-1022 as follows:

6 (55 ILCS 5/5-1022) (from Ch. 34, par. 5-1022)

7 Sec. 5-1022. Competitive bids.

8 (a) Any purchase by a county with fewer than 2,000,000 9 inhabitants of services, materials, equipment or supplies in 10 excess of \$30,000, other than professional services, shall be 11 contracted for in one of the following ways:

(1) by a contract let to the lowest responsible bidder after advertising for bids in a newspaper published within the county or, if no newspaper is published within the county, then a newspaper having general circulation within the county; or

17 (2) by a contract let without advertising for bids in18 the case of an emergency if authorized by the county board.

(b) In determining the lowest responsible bidder, the county board shall take into consideration the qualities of the articles supplied; their conformity with the specifications; their suitability to the requirements of the county, availability of support services; uniqueness of the service, HB4774 Engrossed - 2 - LRB100 18254 AWJ 33457 b

materials, equipment, or supplies as it applies to networked, 1 2 computer systems; compatibility to integrated existing equipment; and the delivery terms. The county board also may 3 4 take into consideration whether a bidder is a private 5 enterprise or а State-controlled enterprise and, 6 notwithstanding any other provision of this Section or a lower 7 bid by a State-controlled enterprise, may let a contract to the lowest responsible bidder that is a private enterprise. 8

9 <u>(b-5) This subsection does not apply to contracts for</u> 10 <u>construction.</u>

11 In determining the lowest responsible bidder, a local 12 company that bids no more than 10% higher than the lowest bid, 13 if that lowest bid is made by a non-local company, is the 14 lowest responsible bidder. If more than one local company's bid is no more than 10% higher than the lowest bid made by a 15 16 non-local company, the county board shall follow subsection (b) 17 in determining the lowest responsible bidder among the local 18 company bids.

19 <u>As used in this subsection:</u>

20 <u>"Local company" means a company or business entity located</u>
21 within the contracting county or any contiguous county in the
22 State that has the majority of its regular, full-time workforce
23 located within the contracting county or contiguous county.
24 "Construction" includes, but is not limited to, all work on

25 public works involving laborers, workers, or mechanics, 26 including maintenance, repair, assembly, or disassembly work HB4774 Engrossed - 3 - LRB100 18254 AWJ 33457 b

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performed on equipment whether owned, leased, or rented.

2 (c) This Section does not apply to contracts by a county 3 with the federal government or to purchases of used equipment, 4 purchases at auction or similar transactions which by their 5 very nature are not suitable to competitive bids, pursuant to 6 an ordinance adopted by the county board.

(d) Notwithstanding the provisions of this Section, a 7 county may let without advertising for bids in the case of 8 9 purchases and contracts, when individual orders do not exceed 10 \$35,000, for the use, purchase, delivery, movement, or 11 installation of data processing equipment, software, or 12 services and telecommunications and inter-connect equipment, software, and services. 13

(e) A county may require, as a condition of any contract 14 15 for goods and services, that persons awarded a contract with 16 the county and all affiliates of the person collect and remit 17 Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of 18 19 the Illinois Use Tax Act regardless of whether the person or 20 affiliate is a "retailer maintaining a place of business within this State" as defined in Section 2 of the Use Tax Act. For 21 22 purposes of this subsection (e), the term "affiliate" means any 23 entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or 24 25 constructively controlled by another entity, or (3) is subject 26 to the control of a common entity. For purposes of this

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subsection (e), an entity controls another entity if it owns, 1 2 directly or individually, more than 10% of the voting securities of that entity. As used in this subsection (e), the 3 term "voting security" means a security that (1) confers upon 4 5 the holder the right to vote for the election of members of the board of directors or similar governing body of the business or 6 (2) is convertible into, or entitles the holder to receive upon 7 8 its exercise, a security that confers such a right to vote. A 9 general partnership interest is a voting security.

10 (f) Bids submitted to, and contracts executed by, the 11 county may require a certification by the bidder or contractor 12 that the bidder or contractor is not barred from bidding for or 13 entering into a contract under this Section and that the bidder 14 or contractor acknowledges that the county may declare the 15 contract void if the certification completed pursuant to this 16 subsection (f) is false.

17 (Source: P.A. 95-331, eff. 8-21-07; 96-170, eff. 1-1-10.)

Section 10. The Township Code is amended by changing Sections 85-30 as follows:

20 (60 ILCS 1/85-30)

21 Sec. 85-30. Purchases; bids.

<u>(a)</u> Any purchase by a township for services, materials,
 equipment, or supplies in excess of \$20,000 (other than
 professional services) shall be contracted for in one of the

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1 following ways:

(1) By a contract let to the lowest responsible bidder
after advertising for bids at least once (i) in a newspaper
published within the township, or (ii) if no newspaper is
published within the township, then in one published within
the county, or (iii) if no newspaper is published within
the county, then in a newspaper having general circulation
within the township.

9 (2) By a contract let without advertising for bids in 10 the case of an emergency if authorized by the township 11 board.

12 (b) This subsection does not apply to contracts for 13 construction.

14 If a contract is let under item (1) of subsection (a), in determining the lowest responsible bidder, a local company that 15 bids no more than 10% higher than the lowest bid, if that 16 17 lowest bid is made by a non-local company, is the lowest responsible bidder. If more than one local company's bid is no 18 19 more than 10% higher than the lowest bid made by a non-local 20 company, the township board shall award the contract to the 21 lowest responsible bidder among the local company bids.

As used in this subsection:
"Local company" means a company or business entity located
within the contracting township or the county or counties in
which the township is located in the State that has the
majority of its regular, full-time workforce located within the

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1 <u>contracting township or the county or counties in which the</u>
2 township is located.

3 <u>"Construction" includes, but is not limited to, all work on</u>
4 <u>public works involving laborers, workers, or mechanics,</u>
5 <u>including maintenance, repair, assembly, or disassembly work</u>
6 performed on equipment whether owned, leased, or rented.

7 <u>(c)</u> This Section does not apply to contracts by a township 8 with the federal government.

9 (Source: P.A. 94-435, eff. 8-2-05.)

Section 15. The Illinois Municipal Code is amended by changing Section 8-9-1 as follows:

12 (65 ILCS 5/8-9-1) (from Ch. 24, par. 8-9-1)

13 Sec. 8-9-1. (a) In municipalities of less than 500,000 14 except as otherwise provided in Articles 4 and 5 any work or 15 other public improvement which is not to be paid for in whole or in part by special assessment or special taxation, when the 16 expense thereof will exceed \$25,000, shall be constructed 17 18 either (1) by a contract let to the lowest responsible bidder after advertising for bids, in the manner prescribed by 19 20 ordinance, except that any such contract may be entered into by 21 the proper officers without advertising for bids, if authorized by a vote of two-thirds of all the aldermen or trustees then 22 23 holding office; or (2) in the following manner, if authorized by a vote of two-thirds of all the aldermen or trustees then 24

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holding office, to-wit: the commissioner of public works or 1 2 other proper officers to be designated by ordinance, shall superintend and cause to be carried out the construction of the 3 work or other public improvement and shall employ exclusively 4 5 for the performance of all manual labor thereon, laborers and 6 artisans whom the municipality shall pay by the day or hour; and all material of the value of \$25,000 and upward used in the 7 8 construction of the work or other public improvement, shall be 9 purchased by contract let to the lowest responsible bidder in 10 the manner to be prescribed by ordinance. However, nothing 11 contained in this section shall apply to any contract by a 12 city, village or incorporated town with the federal government 13 or any agency thereof.

14 (b) This subsection does not apply to contracts for 15 construction.

16 When entering into a contract let to the lowest responsible 17 bidder after advertising for bids under this Section, in determining the lowest responsible bidder, a local company that 18 19 bids no more than 10% higher than the lowest bid, if that 20 lowest bid is made by a non-local company, is the lowest responsible bidder. If more than one local company's bid is no 21 22 more than 10% higher than the lowest bid made by a non-local 23 company, the corporate authorities of the municipality shall 24 award the contract to the lowest responsible bidder among the 25 local company bids.

26 <u>As used in this subsection:</u>

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1	"Local company" means a company or business entity located
2	within the contracting municipality or the county or counties
3	in which the municipality is located in the State that has the
4	majority of its regular, full-time workforce located within the
5	contracting municipality or the county or counties in which the
6	municipality is located.

7 <u>"Construction" includes, but is not limited to, all work on</u>
8 public works involving laborers, workers or mechanics,
9 including maintenance, repair, assembly, or disassembly work
10 performed on equipment whether owned, leased, or rented.

11 (c) In every city which has adopted Division 1 of Article 12 10, every such laborer or artisan shall be certified by the 13 civil service commission to the commissioner of public works or 14 other proper officers, in accordance with the requirement of 15 that division.

16 <u>(d)</u> In municipalities of 500,000 or more population the 17 letting of contracts for work or other public improvements of 18 the character described in this section shall be governed by 19 the provisions of Division 10 of this Article 8.

20 (Source: P.A. 100-338, eff. 8-25-17.)