

Sen. Bill Cunningham

Filed: 4/25/2017

AMENDMENT TO SENATE BILL 222 AMENDMENT NO Amend Senate Bill 222 by replacing everything after the enacting clause with the following: "Section 5. The State Finance Act is amended by adding Section 5.878 as follows: (30 ILCS 105/5.878 new) Sec. 5.878. The Illinois Excellence Fund. Section 10. The Illinois Procurement Code is amended by reenacting and changing Section 1-13, by changing Sections 1-10, 1-15.20, 1-15.93, 1-15.107, 5-30, 20-20, 20-43, 20-80, 20-160, 30-30, 35-30, and 40-25, and by adding Sections 1-13.1 and 1-15.46 as follows: (30 ILCS 500/1-10) Sec. 1-10. Application.		10000SB0222sam002	LRB100 04154 NHT 25473 a
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13 (30 ILCS 500/1-10)	11	20-160, 30-30, 35-30, and 40-	25, and by adding Sections 1-13.1
	12	and 1-15.46 as follows:	
	13	(30 ILCS 500/1-10)	
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- (a) This Code applies only to procurements for which bidders, offerors, potential contractors, or contractors were first solicited on or after July 1, 1998. This Code shall not be construed to affect or impair any contract, or any provision of a contract, entered into based on a solicitation prior to the implementation date of this Code as described in Article 99, including but not limited to any covenant entered into with respect to any revenue bonds or similar instruments. All procurements for which contracts are solicited between the effective date of Articles 50 and 99 and July 1, 1998 shall be substantially in accordance with this Code and its intent.
 - (b) This Code shall apply regardless of the source of the funds with which the contracts are paid, including federal assistance moneys. This Code shall not apply to:
 - (1) Contracts between the State and its political subdivisions or other governments, or between State governmental bodies except as specifically provided in this Code.
 - (2) Grants, except for the filing requirements of Section 20-80.
 - (3) Purchase of care.
 - (4) Hiring of an individual as employee and not as an independent contractor, whether pursuant to an employment code or policy or by contract directly with that individual.
 - (5) Collective bargaining contracts.

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- (6) (Blank). Purchase of real estate, except that notice of this type of contract with a value of more than \$25,000 must be published in the Procurement Bulletin within 10 calendar days after the deed is recorded in the county of jurisdiction. The notice shall identify the real estate purchased, the names of all parties to the contract, the value of the contract, and the effective date of the contract.
- (7) Contracts necessary to prepare for anticipated litigation, enforcement actions, or investigations, provided that the chief legal counsel to the Governor shall give his or her prior approval when the procuring agency is one subject to the jurisdiction of the Governor, and provided that the chief legal counsel of any other procuring entity subject to this Code shall give his or her prior approval when the procuring entity is not one subject to the jurisdiction of the Governor.
- (8) Contracts for services to Northern Illinois University by a person, acting as an independent contractor, who is qualified by education, experience, and technical ability and is selected by negotiation for the purpose of providing non-credit educational service activities or products by means of specialized programs offered by the university.
- (9) Procurement expenditures by the Illinois Conservation Foundation when only private funds are used.

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- (10) Procurement expenditures by the Illinois Health Information Exchange Authority involving private funds from the Health Information Exchange Fund. "Private funds" means gifts, donations, and private grants.
- Public-private agreements entered into in accordance with the laws of this State according to the procurement requirements of Section 20 of Public Private Partnerships for Transportation Act design-build agreements entered into according to the procurement requirements of Section 25 of the Public-Private Partnerships for Transportation Act.
- Contracts for legal, financial, and professional and artistic services entered into on or before December 31, 2018 by the Illinois Finance Authority in which the State of Illinois is not obligated. Such contracts shall be awarded through a competitive process authorized by the Board of the Illinois Finance Authority and are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code, as well as the final approval by the Board of the Illinois Finance Authority of the terms of the contract.
- (13) The provisions of this paragraph (13), other than this sentence, are inoperative on and after January 1, 2019 or 2 years after the effective date of this amendatory Act of the 99th General Assembly, whichever is later. Contracts for services, commodities, and equipment to support the

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timely forensic science delivery of services consultation with and subject to the approval of the Chief Procurement Officer as provided in subsection (d) of Section 5-4-3a of the Unified Code of Corrections, except for the requirements of Sections 20-60, 20-65, 20-70, and 20-160 and Article 50 of this Code; however, the Chief Procurement Officer may, in writing with justification, waive any certification required under Article 50 of this Code. For any contracts for services which are currently provided by members of a collective bargaining agreement, applicable terms of the collective bargaining the agreement concerning subcontracting shall be followed.

Notwithstanding any other provision of law, contracts entered into under item (12) of this subsection (b) shall be published in the Procurement Bulletin within 14 calendar days after contract execution. The chief procurement officer shall prescribe the form and content of the notice. The Illinois Finance Authority shall provide the chief procurement officer, on a monthly basis, in the form and content prescribed by the chief procurement officer, a report of contracts that are related to the procurement of goods and services identified in item (12) of this subsection (b). At a minimum, this report shall include the name of the contractor, a description of the supply or service provided, the total amount of the contract, the term of the contract, and the exception to the Code utilized. A copy of each of these contracts shall be made

- 1 available to the chief procurement officer immediately upon
- 2 request. The chief procurement officer shall submit a report to
- 3 the Governor and General Assembly no later than November 1 of
- 4 each year that shall include, at a minimum, an annual summary
- of the monthly information reported to the chief procurement
- 6 officer.
- 7 (c) This Code does not apply to the electric power
- 8 procurement process provided for under Section 1-75 of the
- 9 Illinois Power Agency Act and Section 16-111.5 of the Public
- 10 Utilities Act.
- 11 (d) Except for Section 20-160 and Article 50 of this Code,
- 12 and as expressly required by Section 9.1 of the Illinois
- 13 Lottery Law, the provisions of this Code do not apply to the
- 14 procurement process provided for under Section 9.1 of the
- 15 Illinois Lottery Law.
- 16 (e) This Code does not apply to the process used by the
- 17 Capital Development Board to retain a person or entity to
- assist the Capital Development Board with its duties related to
- 19 the determination of costs of a clean coal SNG brownfield
- 20 facility, as defined by Section 1-10 of the Illinois Power
- 21 Agency Act, as required in subsection (h-3) of Section 9-220 of
- 22 the Public Utilities Act, including calculating the range of
- capital costs, the range of operating and maintenance costs, or
- the sequestration costs or monitoring the construction of clean
- 25 coal SNG brownfield facility for the full duration of
- 26 construction.

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- (f) This Code does not apply to the process used by the Illinois Power Agency to retain a mediator to mediate sourcing agreement disputes between gas utilities and the clean coal SNG brownfield facility, as defined in Section 1-10 of the Illinois Power Agency Act, as required under subsection (h-1) of Section 9-220 of the Public Utilities Act.
- (g) This Code does not apply to the processes used by the Illinois Power Agency to retain a mediator to mediate contract disputes between gas utilities and the clean coal SNG facility and to retain an expert to assist in the review of contracts under subsection (h) of Section 9-220 of the Public Utilities Act. This Code does not apply to the process used by the Illinois Commerce Commission to retain an expert to assist in determining the actual incurred costs of the clean coal SNG facility and the reasonableness of those costs as required under subsection (h) of Section 9-220 of the Public Utilities Act.
 - (h) This Code does not apply to the process to procure or contracts entered into in accordance with Sections 11-5.2 and 11-5.3 of the Illinois Public Aid Code.
 - (i) Each chief procurement officer may access records necessary to review whether a contract, purchase, or other expenditure is or is not subject to the provisions of this Code, unless such records would be subject to attorney-client privilege.
 - (j) This Code does not apply to the process used by the

- 1 Capital Development Board to retain an artist or work or works
- 2 of art as required in Section 14 of the Capital Development
- Board Act. 3
- 4 (k) This Code does not apply to the process to procure
- 5 contracts, or contracts entered into, by the State Board of
- Elections or the State Electoral Board for hearing officers 6
- appointed pursuant to the Election Code. 7
- (Source: P.A. 98-90, eff. 7-15-13; 98-463, eff. 8-16-13; 8
- 9 98-572, eff. 1-1-14; 98-756, eff. 7-16-14; 98-1076, eff.
- 10 1-1-15; 99-801, eff. 1-1-17.)
- (30 ILCS 500/1-13) 11
- 12 (Section scheduled to be repealed on December 31, 2016)
- 13 Sec. 1-13. Applicability to public institutions of higher
- 14 education.
- 15 (a) This Code shall apply to public institutions of higher
- education, regardless of the source of the funds with which 16
- 17 contracts are paid, except as provided in this Section.
- 18 (b) Except as provided in this Section, this Code shall not
- 19 apply to procurements made by or on behalf of public
- 20 institutions of higher education for any of the following:
- (1) Memberships in professional, academic, research, 21
- 22 or athletic organizations on behalf of a public institution
- 23 of higher education, an employee of a public institution of
- 24 higher education, or a student at a public institution of
- 25 higher education.

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- (2) Procurement expenditures for events or activities paid for exclusively by revenues generated by the event or activity, gifts or donations for the event or activity, private grants, or any combination thereof.
- (3) Procurement expenditures for events or activities for which the use of specific potential contractors is mandated or identified by the sponsor of the event or activity, provided that the sponsor is providing a majority of the funding for the event or activity.
- (4) Procurement expenditures necessary to provide athletic, artistic, or musical services, performances, events, or productions held at a venue operated by or for a public institution of higher education.
- Procurement expenditures for periodicals, and books, subscriptions, database licenses, and other publications procured for use by a university library or academic department, except for expenditures related to procuring textbooks for student use or materials for resale or rental.
- (6) Procurement expenditures for placement of students in externships, practicums, and field experiences, and formedical residencies and rotations.
- (7) Contracts for programming and broadcast license for university-operated radio and television rights stations.
 - (8) Procurement expenditures necessary to perform

Τ	sponsored research and other sponsored activities under
2	grants and contracts funded by the sponsor or by sources
3	other than State appropriations.
4	(9) Contracts with a foreign entity for research or
5	educational activities, provided that the foreign entity
6	either does not maintain an office in the United States or
7	is the sole source of the service or product.
8	(10) Procurement of food items for commercial resale on
9	the campus of or at a facility controlled by an institution
10	of higher education.
11	(11) Procurement expenditures for new and used
12	textbooks offered for resale.
13	(12) Procurement expenditures for goods and services
14	provided by national and regional higher education
15	consortium groups pursuant to competitive solicitation
16	where fair pricing is determined.
17	(13) Procurement expenditures for used equipment.
18	(14) Procurement expenditures for investments,
19	banking, custody services, insurance, insurance services,
20	tax services, and debt underwriting.
21	Notice of each contract entered into by a public institution of
22	higher education that is related to the procurement of goods
23	and services identified in items (1) through $\underline{(14)}$ $\overline{(7)}$ of this
24	subsection shall be published in the Procurement Bulletin
25	within 14 calendar days after contract execution. The Chief
26	Procurement Officer shall prescribe the form and content of the

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notice. Each public institution of higher education shall provide the Chief Procurement Officer, on a monthly basis, in the form and content prescribed by the Chief Procurement Officer, a report of contracts that are related to the goods and services identified in this procurement of subsection. At a minimum, this report shall include the name of the contractor, a description of the supply or service provided, the total amount of the contract, the term of the contract, and the exception to the Code utilized. A copy of any or all of these contracts shall be made available to the Chief Procurement Officer immediately upon request. The Chief Procurement Officer shall submit a report to the Governor and General Assembly no later than November 1 of each year that shall include, at a minimum, an annual summary of the monthly information reported to the Chief Procurement Officer.

(b-5) Except as provided in this subsection, the provisions of this Code shall not apply to contracts for medical FDA regulated supplies, and to contracts for medical services necessary for the delivery of care and treatment at medical, dental, or veterinary teaching facilities utilized by Southern Illinois University or the University of Illinois and at any university-operated health care center or dispensary that provides care, treatment, and medications for students, faculty and staff. Other supplies and services needed for these teaching facilities shall be subject to the jurisdiction of the Chief Procurement Officer for Public Institutions of Higher

- 1 Education who may establish expedited procurement procedures and may waive or modify certification, contract, hearing, 2 3 process and registration requirements required by the Code. All 4 procurements made under this subsection shall be documented and
- 5 may require publication in the Illinois Procurement Bulletin.
- 6 Procurements made by or on behalf of public institutions of higher education for any of the following shall 7
- 8 be made in accordance with the requirements of this Code to the
- 9 extent practical as provided in this subsection:
 - (1) (Blank). Contracts with a foreign entity necessary for research or educational activities, provided that the foreign entity either does not maintain an office in the United States or is the sole source of the service or product.
 - (2) (Blank).
- 16 (3) (Blank).

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(4) Procurements required for fulfillment of a grant. 17

Upon the written request of a public institution of higher education, the Chief Procurement Officer mav waive registration, certification, and hearing requirements of this Code if, based on the item to be procured or the terms of a grant, compliance is impractical. The public institution of higher education shall provide the Chief Procurement Officer with specific reasons for the waiver, including the necessity of contracting with a particular potential contractor, and shall certify that an effort was made in good faith to comply

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with the provisions of this Code. The Chief Procurement Officer shall provide written justification for any waivers. By November 1 of each year, the Chief Procurement Officer shall file a report with the General Assembly identifying each contract approved with waivers and providing the justification given for any waivers for each of those contracts. Notice of each waiver made under this subsection shall be published in the Procurement Bulletin within 14 calendar days after contract execution. The Chief Procurement Officer shall prescribe the form and content of the notice.

- Notwithstanding this Section, a waiver of (d) registration requirements of Section 20-160 does not permit a business entity and any affiliated entities or affiliated persons to make campaign contributions if otherwise prohibited by Section 50-37. The total amount of contracts awarded in accordance with this Section shall be included in determining the aggregate amount of contracts or pending bids of a business entity and any affiliated entities or affiliated persons.
- (e) Notwithstanding subsection (e) of Section 50-10.5 of this Code, the Chief Procurement Officer, with the approval of Executive Ethics Commission, may permit a institution of higher education to accept a bid or enter into a contract with a business that assisted the public institution of higher education in determining whether there is a need for a contract or assisted in reviewing, drafting, or preparing documents related to a bid or contract, provided that the bid

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or contract is essential to research administered by the public institution of higher education and it is in the best interest of the public institution of higher education to accept the bid or contract. For purposes of this subsection, "business" includes all individuals with whom a business is affiliated, including, but not limited to, any officer, agent, employee, consultant, independent contractor, director, partner, manager, or shareholder of a business. The Executive Ethics Commission may promulgate rules and regulations for the implementation and administration of the provisions of this subsection (e).

(f) As used in this Section:

"Grant" means non-appropriated funding provided by a federal or private entity to support a project or program administered by a public institution of higher education and any non-appropriated funding provided to a sub-recipient of the grant.

"Public institution of higher education" means Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Southern Illinois University, University of Illinois, Western Illinois University, and, for purposes of this Code only, the Illinois Mathematics and Science Academy.

(g) (Blank). This Section is repealed on December 31, 2016. (Source: P.A. 97-643, eff. 12-20-11; 97-895, eff. 8-3-12;

98-1076, eff. 1-1-15.) 1

2 (30 ILCS 500/1-13.1 new)

- 3 Sec. 1-13.1. Continuation of Section 1-13 of this Code;
- 4 validation.

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- (a) The General Assembly finds and declares that: 5
- 6 (1) Public Act 98-1076, which took effect on January 1, 7 2015, changed the repeal date set for Section 1-13 of this 8 Code from December 31, 2014 to December 31, 2016.
 - (2) The Statute on Statutes sets forth general rules on the repeal of statutes and the construction of multiple amendments, but Section 1 of that Act also states that these rules will not be observed when the result would be "inconsistent with the manifest intent of the General Assembly or repugnant to the context of the statute".
 - (3) This amendatory Act of the 100th General Assembly manifests the intention of the General Assembly to remove the repeal of Section 1-13 of this Code.
 - (4) Section 1-13 of this Code was originally enacted to protect, promote, and preserve the general welfare. Any construction of Section 1-13 of this Code that results in the repeal of that Section on December 31, 2014 would be inconsistent with the manifest intent of the General Assembly and repugnant to the context of this Code.
 - (b) It is hereby declared to have been the intent of the General Assembly that Section 1-13 of this Code not be subject

- to repeal on December 31, 2014. 1
- 2 (c) Section 1-13 of this Code shall be deemed to have been
- in continuous effect since December 20, 2011 (the effective 3
- 4 date of Public Act 97-643), and it shall continue to be in
- 5 effect henceforward until it is otherwise lawfully repealed.
- All previously enacted amendments to Section 1-13 of this Code 6
- taking effect on or after December 31, 2014, are hereby 7
- 8 validated.
- 9 (d) All actions taken in reliance on or pursuant to Section
- 10 1-13 of this Code by any public institution of higher
- education, person, or entity are hereby validated. 11
- 12 (e) In order to ensure the continuing effectiveness of
- Section 1-13 of this Code, it is set forth in full and 13
- 14 re-enacted by this amendatory Act of the 100th General
- 15 Assembly. This re-enactment is intended as a continuation of
- 16 that Section. It is not intended to supersede any amendment to
- 17 that Section that is enacted by the 100th General Assembly.
- (f) In this amendatory Act of the 100th General Assembly, 18
- 19 the base text of the reenacted Section is set forth as amended
- 20 by Public Act 98-1076. Striking and underscoring is used only
- 2.1 to show changes being made to the base text.
- 22 (g) Section 1-13 of this Code applies to all procurements
- 23 made on or before the effective date of this amendatory Act of
- 24 the 100th General Assembly.

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1 Sec. 1-15.20. Construction; and construction-related services; and construction support services. "Construction" 2 means building, altering, repairing, improving, or demolishing 3 4 any public structure or building, or making improvements of any 5 kind to public real property. Construction does not include the 6 routine operation, routine repair, or routine maintenance of existing structures, buildings, or real property. 7

"Construction-related services" means those services including construction design, layout, inspection, support, feasibility or location study, research, development, planning, or other investigative study undertaken by a construction agency concerning construction or potential construction.

"Construction support" means all equipment, supplies, and services that are necessary to the operation of a construction agency's construction program. "Construction support" does not include construction-related services.

(Source: P.A. 90-572, eff. 2-6-98.) 18

19 (30 ILCS 500/1-15.46 new)

> Sec. 1-15.46. Master contract. "Master contract" means a definite quantity, indefinite quantity, or requirements contract awarded in accordance with this Code, against which subsequent orders may be placed to meet the needs of a State purchasing entity. A master contract may be for use by a single State purchasing entity or for multiple State purchasing

- 1 entities and other entities as authorized under the
- 2 <u>Governmental Joint Purchasing Act.</u>
- 3 (30 ILCS 500/1-15.93)
- 4 (Section scheduled to be repealed on January 1, 2020)
- 5 Sec. 1-15.93. Single prime. "Single prime" means the
- 6 design-bid-build procurement delivery method for a building
- 7 construction project in which the Capital Development Board or
- 8 a public institution of higher education is the construction
- 9 agency procuring 2 or more subdivisions of work enumerated in
- 10 paragraphs (1) through (5) of subsection (a) of Section 30-30
- of this Code under a single contract. This Section is repealed
- 12 on January 1, 2020.
- 13 (Source: P.A. 99-257, eff. 8-4-15.)
- 14 (30 ILCS 500/1-15.107)
- 15 Sec. 1-15.107. Subcontract. "Subcontract" means a contract
- 16 between a person and a person who has a contract subject to
- 17 this Code, pursuant to which the subcontractor provides to the
- contractor, or, if the contract price exceeds \$100,000 \$50,000,
- 19 another subcontractor, some or all of the goods, services, real
- 20 property, remuneration, or other monetary forms of
- 21 consideration that are the subject of the primary contract and
- 22 includes, among other things, subleases from a lessee of a
- 23 State agency. For purposes of this Code, a "subcontract" does
- 24 not include purchases of goods or supplies that are incidental

- 1 to the performance of a contract by a person who has a contract
- subject to this Code. 2
- (Source: P.A. 97-895, eff. 8-3-12; 98-1076, eff. 1-1-15.) 3
- 4 (30 ILCS 500/5-30)

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- Sec. 5-30. Proposed contracts; Procurement Policy Board. 5
- (a) Except as provided in subsection (c), within $14 \frac{30}{10}$ 6 7 calendar days after notice of the awarding or letting of a 8 contract has appeared in the Procurement Bulletin in accordance 9 with subsection (b) of Section 15-25, the Board may request in 10 writing from the contracting agency and the contracting agency shall promptly, but in no event later than 7 calendar days 11 after receipt of the request, provide to the Board, by 12 13 electronic or other means satisfactory to the 14 documentation in the possession of the contracting agency 15 concerning the proposed contract. Nothing in this subsection is intended to waive or abrogate any privilege or right of 16 17 confidentiality authorized by law.
 - (b) No contract subject to this Section may be entered into until the 14-day 30-day period described in subsection (a) has expired, unless the contracting agency requests in writing that the Board waive the period and the Board grants the waiver in writing.
- 23 (c) This Section does not apply to (i) contracts entered 24 into under this Code for small and emergency procurements as 25 those procurements are defined in Article 20 and (ii) contracts

- 1 for professional and artistic services that are nonrenewable,
- one year or less in duration, and have a value of less than 2
- \$20,000. If requested in writing by the Board, however, the 3
- 4 contracting agency must promptly, but in no event later than 10
- 5 calendar days after receipt of the request, transmit to the
- 6 Board a copy of the contract for an emergency procurement and
- documentation in the possession of the contracting agency 7
- 8 concerning the contract.
- 9 (Source: P.A. 98-1076, eff. 1-1-15.)
- 10 (30 ILCS 500/20-20)
- Sec. 20-20. Small purchases. 11
- 12 (a) Amount. Any individual procurement of supplies or
- 13 services other than professional or artistic services, not
- 14 exceeding \$100,000 $\frac{$10,000}{}$ and any procurement of construction
- not exceeding \$100,000, or any individual procurement of 15
- professional or artistic services not exceeding \$100,000 16
- \$30,000 may be made without competitive sealed bidding. 17
- 18 Procurements shall not be artificially divided so as to
- 19 constitute a small purchase under this Section. Any procurement
- of construction not exceeding \$100,000 may be made by an 20
- 21 alternative competitive source selection. The construction
- agency shall establish rules for an alternative competitive 22
- 23 source selection process. This Section does not apply to
- 24 construction-related professional services contracts awarded
- in accordance with the provisions of the Architectural, 25

- 1 Engineering, and Land Surveying Qualifications Based Selection
- 2 Act.
- (b) Adjustment. Each July 1, the small purchase maximum 3
- 4 established in subsection (a) shall be adjusted for inflation
- 5 as determined by the Consumer Price Index for All Urban
- 6 Consumers as determined by the United States Department of
- Labor and rounded to the nearest \$100. 7
- 8 (c) Based upon rules proposed by the Board and rules
- 9 promulgated by the chief procurement officers, the small
- 10 purchase maximum established in subsection (a) may be modified.
- 11 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)
- 12 (30 ILCS 500/20-43)
- Sec. 20-43. Bidder or offeror authorized to transact 13
- 14 business or conduct affairs do business in Illinois. In
- 15 addition to meeting any other requirement of law or rule, a
- 16 person (other than an individual acting as a sole proprietor)
- 17 may qualify as a bidder or offeror under this Code only if the
- 18 person is a legal entity prior to submitting the bid, offer, or
- 19 proposal. The legal entity must be authorized to transact
- 20 business or conduct affairs in Illinois prior to execution of
- 21 the contract submitting the bid, offer, or proposal.
- 22 (Source: P.A. 98-1076, eff. 1-1-15.)
- 2.3 (30 ILCS 500/20-80)
- 24 Sec. 20-80. Contract files.

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- (a) Written determinations. All written determinations required under this Article shall be placed in the contract file maintained by the chief procurement officer.
- 4 (b) Filing with Comptroller. Whenever a grant, defined 5 pursuant to accounting standards established by 6 Comptroller, or a contract liability, except for: (1) contracts paid from personal services, or (2) contracts between the State 7 8 and its employees to defer compensation in accordance with 9 Article 24 of the Illinois Pension Code, or (3) contracts paid 10 from non-State appropriations, exceeding \$20,000 is incurred 11 by any State agency, a copy of the contract, purchase order, grant, or lease shall be filed with the Comptroller within 30 12 13 calendar days thereafter. Beginning January 1, 2013, the 14 Comptroller may require that contracts and grants required to 15 be filed with the Comptroller under this Section shall be filed 16 electronically, unless the agency is incapable of filing the contract or grant electronically because it does not possess 17 the necessary technology or equipment. Any agency that is 18 incapable of electronically filing its contracts or grants 19 20 shall submit a written statement to the Governor and to the 2.1 Comptroller attesting to the reasons for its inability to comply. This statement shall include a discussion of what the 22 23 agency needs in order to effectively comply with this Section. 24 Prior to requiring electronic filing, the Comptroller shall 25 consult with the Governor as to the feasibility of establishing mutually agreeable technical standards for the electronic 26

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document imaging, storage, and transfer of contracts and grants, taking into consideration the technology available to agency, best practices, and the technological capabilities of State agencies. Nothing in this amendatory Act of the 97th General Assembly shall be construed to impede the implementation of an Enterprise Resource Planning (ERP) system. For each State contract for goods, supplies, or services awarded on or after July 1, 2010, the contracting agency shall provide the applicable rate and unit measurement of the goods, supplies, or services on the contract obligation document as required by the Comptroller. If the contract obligation document that is submitted to Comptroller contains the rate and unit of measurement of the goods, supplies, or services, the Comptroller shall provide that information on his or her official website. cancellation or modification to any such contract liability shall be filed with the Comptroller within 30 calendar days of its execution.

(c) Late filing affidavit. When a contract, purchase order, grant, or lease required to be filed by this Section has not been filed within 30 calendar days of execution, Comptroller shall refuse to issue a warrant for payment thereunder until the agency files with the Comptroller the contract, purchase order, grant, or lease and an affidavit, signed by the chief executive officer of the agency or his or her designee, setting forth an explanation of why the contract

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1 liability was not filed within 30 calendar days of execution. A copy of this affidavit shall be filed with the Auditor General. 2

- (d) Timely execution of contracts. No voucher shall be submitted to the Comptroller for a warrant to be drawn for the payment of money from the State treasury or from other funds held by the State Treasurer on account of any contract unless the contract is reduced to writing before the services are performed and filed with the Comptroller. Vendors shall not be paid for any goods that were received or services that were rendered before the contract was reduced to writing and signed by all necessary parties. A chief procurement officer may request an exception to this subsection by submitting a written statement to the Comptroller and Treasurer setting forth the circumstances and reasons why the contract could not be reduced to writing before the supplies were received or services were performed. A waiver of this subsection must be approved by the Comptroller and Treasurer. This Section shall not apply to emergency purchases if notice of the emergency purchase is filed with the Procurement Policy Board and published in the Bulletin as required by this Code.
- (e) Method of source selection. When a contract is filed with the Comptroller under this Section, the Comptroller's file shall identify the method of source selection used in obtaining the contract.
- 25 (Source: P.A. 97-932, eff. 8-10-12; 98-1076, eff. 1-1-15.)

- 1 (30 ILCS 500/20-160)
- 20-160. entities; certification; 2 Sec. Business
- 3 registration with the State Board of Elections.
- 4 (a) For purposes of this Section, the terms "business
- 5 entity", "contract", "State contract", "contract with a State
- agency", "State agency", "affiliated entity", and "affiliated 6
- person" have the meanings ascribed to those terms in Section 7
- 8 50 - 37.
- 9 (b) Every bid and offer submitted to and every contract
- 10 executed by the State on or after January 1, 2009 (the
- 11 effective date of Public Act 95-971) and every submission to a
- vendor portal shall contain (1) a certification by the bidder, 12
- 13 offeror, vendor, or contractor that either (i) the bidder,
- 14 offeror, vendor, or contractor is not required to register as a
- 15 business entity with the State Board of Elections pursuant to
- 16 this Section or (ii) the bidder, offeror, vendor, or contractor
- has registered as a business entity with the State Board of 17
- Elections and acknowledges a continuing duty to update the 18
- registration and (2) a statement that the contract is voidable 19
- 20 under Section 50-60 for the bidder's, offeror's, vendor's, or
- 21 contractor's failure to comply with this Section.
- 22 (c) Each business entity (i) whose aggregate bids and
- 23 proposals on State contracts annually total more than \$50,000,
- 24 (ii) whose aggregate bids and proposals on State contracts
- 25 combined with the business entity's aggregate annual total
- value of State contracts exceed \$50,000, or (iii) whose 26

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contracts with State agencies, in the aggregate, annually total more than \$50,000 shall register with the State Board of Elections in accordance with Section 9-35 of the Election Code. A business entity required to register under this subsection due to item (i) or (ii) has a continuing duty to ensure that the registration is accurate during the period beginning on the date of registration and ending on the day after the date the contract is awarded; any change in information must be reported to the State Board of Elections 5 business days following such change or no later than a day before the contract is awarded, whichever date is earlier. A business entity required to register under this subsection due to item (iii) has a continuing duty to ensure that the registration is accurate in accordance with subsection (e).

(d) Any business entity, not required under subsection (c) to register, whose aggregate bids and proposals on State contracts annually total more than \$50,000, or whose aggregate bids and proposals on State contracts combined with the business entity's aggregate annual total value of State contracts exceed \$50,000, shall register with the State Board of Elections in accordance with Section 9-35 of the Election Code prior to submitting to a State agency the bid or proposal whose value causes the business entity to fall within the monetary description of this subsection. A business entity required to register under this subsection has a continuing duty to ensure that the registration is accurate during the

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1 period beginning on the date of registration and ending on the day after the date the contract is awarded. Any change in information must be reported to the State Board of Elections within 5 business days following such change or no later than a day before the contract is awarded, whichever date is earlier.

(e) A business entity whose contracts with State agencies, in the aggregate, annually total more than \$50,000 must maintain its registration under this Section and has a continuing duty to ensure that the registration is accurate for the duration of the term of office of the incumbent officeholder awarding the contracts or for a period of 2 years following the expiration or termination of the contracts, whichever is longer. A business entity, required to register under this subsection, has a continuing duty to report any changes on a quarterly basis to the State Board of Elections within 14 calendar days following the last day of January, April, July, and October of each year. Any update pursuant to this paragraph that is received beyond that date is presumed late and the civil penalty authorized by subsection (e) of Section 9-35 of the Election Code (10 ILCS 5/9-35) may be assessed.

Also, if a business entity required to register under this subsection has a pending bid or offer, any change in information shall be reported to the State Board of Elections within 7 calendar days following such change or no later than a day before the contract is awarded, whichever date is earlier.

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- (f) A business entity's continuing duty under this Section to ensure the accuracy of its registration includes the requirement that the business entity notify the State Board of Elections of any change in information, including but not limited to changes of affiliated entities or affiliated persons.
- (q) For any bid or offer for a contract with a State agency by a business entity required to register under this Section, the chief procurement officer may shall verify that the business entity is required to register under this Section and is in compliance with the registration requirements on the date the bid or offer is due. A chief procurement officer shall not accept a bid or offer if the business entity is not in compliance with the registration requirements as of the date bids or offers are due. Upon discovery of noncompliance with this Section, if the bidder or offeror made a good faith effort to comply with registration efforts prior to the date the bid or offer was due, a chief procurement officer may provide the bidder or offeror 5 business days to achieve compliance. The chief procurement officer may extend the time to prove compliance by as long as necessary in the event that there is a failure within the State Board of Elections's registration system.
- (h) A registration, and any changes to a registration, must include the business entity's verification of accuracy and subjects the business entity to the penalties of the laws of

- this State for perjury. 1
- In addition to any penalty under Section 9-35 of the 2
- Election Code, intentional, willful, or material failure to 3
- 4 disclose information required for registration shall render
- 5 the contract, bid, offer, or other procurement relationship
- voidable by the chief procurement officer if he or she deems it 6
- to be in the best interest of the State of Illinois. 7
- 8 (i) This Section applies regardless of the method of source
- 9 selection used in awarding the contract.
- 10 (Source: P.A. 97-333, eff. 8-12-11; 97-895, eff. 8-3-12;
- 98-1076, eff. 1-1-15.) 11
- 12 (30 ILCS 500/30-30)
- 13 Sec. 30-30. Design-bid-build construction.
- 14 (a) The provisions of this subsection are operative through
- 15 December 31, 2019.
- For building construction contracts in excess of \$250,000, 16
- 17 separate specifications may be prepared for all equipment,
- labor, and materials in connection with the following 5 18
- 19 subdivisions of the work to be performed:
- 2.0 (1) plumbing;
- 21 (2) heating, piping, refrigeration, and automatic
- temperature control systems, including the testing and 22
- balancing of those systems; 23
- 24 ventilating and distribution systems for
- 25 conditioned air, including the testing and balancing of

1 those systems;

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- (4) electric wiring; and
- 3 (5) general contract work.

The specifications may be so drawn as to permit separate and independent bidding upon each of the 5 subdivisions of work. All contracts awarded for any part thereof may award the 5 subdivisions of work separately to responsible and reliable persons, firms, or corporations engaged in these classes of work. The contracts, at the discretion of the construction agency, may be assigned to the successful bidder on the general contract work or to the successful bidder on the subdivision of work designated by the construction agency before the bidding as the prime subdivision of work, provided that all payments will be made directly to the contractors for the 5 subdivisions of work upon compliance with the conditions of the contract.

Beginning on the effective date of this amendatory Act of the 99th General Assembly and through December 31, 2019, for single prime projects: (i) the bid of the successful low bidder shall identify the name of the subcontractor, if any, and the bid proposal costs for each of the 5 subdivisions of work set forth in this Section; (ii) the contract entered into with the successful bidder shall provide that no identified subcontractor may be terminated without the written consent of the Capital Development Board; (iii) the contract shall comply with the disadvantaged business practices of the Business Enterprise for Minorities, Females, and Persons with

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Disabilities Act and the equal employment practices of Section 2-105 of the Illinois Human Rights Act; (iv) the Capital Development Board and public institutions of higher education shall submit a quarterly report to the Procurement Policy Board with information on the general scope, project budget, and established Business Enterprise Program goals for any single prime procurement bid in the previous 3 months with a total construction cost valued at \$10,000,000 or less; and (v) the Capital Development Board and public institutions of higher education shall submit an annual report to the General Assembly and Governor on the bidding, award, and performance of all single prime projects.

building construction projects with total construction cost valued at \$5,000,000 or less, the Capital Development Board and public institutions of higher education shall not use the single prime procurement delivery method for more than 50% of the total number of projects bid for each fiscal year. Any project with a total construction cost valued greater than \$5,000,000 may be bid using single prime at the discretion of the Executive Director of the Capital Development Board or the president of a public institution of higher education, as applicable.

Beginning on the effective date of this amendatory Act of the 99th General Assembly and through December 31, 2017, the Capital Development Board and public institutions of higher education shall, on a weekly basis: review the projects that

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have been designed, and approved to bid; and, for every fifth determination to use the single prime procurement delivery method for a project under \$10,000,000, submit to the Procurement Policy Board a written notice of its intent to use the single prime method on the project. The notice shall include the reasons for using the single prime method and an explanation of why the use of that method is in the best interest of the State. The Capital Development Board or a public institution of higher education, as applicable, shall post the notice on its online procurement webpage and on the online Procurement Bulletin at least 3 business days following submission. The Procurement Policy Board shall review and provide its decision on the use of the single prime method for every fifth use of the single prime procurement delivery method for a project under \$10,000,000 within 7 business days of receipt of the notice from the Capital Development Board or the public institution of higher education, as applicable. Approval by the Procurement Policy Board shall not be unreasonably withheld and shall be provided unless Procurement Policy Board finds that the use of the single prime method is not in the best interest of the State. Any decision by the Procurement Policy Board to disapprove the use of the single prime method shall be made in writing to the Capital Development Board or the public institution of higher education, as applicable, posted on the online Procurement Bulletin, and shall state the reasons why the single prime

- method was disapproved and why it is not in the best interest 1
- of the State. For the requirements under this Section, the 2
- 3 Capital Development Board shall have responsibility for only
- 4 those projects that are managed pursuant to the Capital
- 5 Development Board Act.
- (b) The provisions of this subsection are operative on and 6
- after January 1, 2020. For building construction contracts in 7
- excess of \$250,000, separate specifications shall be prepared 8
- 9 for all equipment, labor, and materials in connection with the
- 10 following 5 subdivisions of the work to be performed:
- 11 (1) plumbing;
- (2) heating, piping, refrigeration, and automatic 12
- 13 temperature control systems, including the testing and
- 14 balancing of those systems;
- 15 ventilating and distribution systems for
- 16 conditioned air, including the testing and balancing of
- 17 those systems;

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- 18 (4) electric wiring; and
- 19 (5) general contract work.

20 The specifications must be so drawn as to permit separate

2.1 and independent bidding upon each of the 5 subdivisions of

22 work. All contracts awarded for any part thereof shall award

23 the 5 subdivisions of work separately to responsible and

24 reliable persons, firms, or corporations engaged in these

classes of work. The contracts, at the discretion of the

construction agency, may be assigned to the successful bidder

- on the general contract work or to the successful bidder on the 1
- subdivision of work designated by the construction agency 2
- 3 before the bidding as the prime subdivision of work, provided
- 4 that all payments will be made directly to the contractors for
- 5 the 5 subdivisions of work upon compliance with the conditions
- 6 of the contract.
- (Source: P.A. 98-431, eff. 8-16-13; 98-1076, eff. 1-1-15; 7
- 99-257, eff. 8-4-15.) 8
- 9 (30 ILCS 500/35-30)
- Sec. 35-30. Awards. 10
- (a) All State contracts for professional and artistic 11
- 12 services, except as provided in this Section, shall be awarded
- 13 using the competitive request for proposal process outlined in
- 14 this Section.
- (b) For each contract offered, the chief procurement 15
- 16 officer, State purchasing officer, or his or her designee shall
- 17 use the appropriate standard solicitation forms available from
- 18 the chief procurement officer for matters other than
- 19 construction or the higher education chief procurement
- officer. 2.0
- 21 Prepared forms shall be submitted to the chief
- 22 procurement officer for matters other than construction or the
- 23 higher education chief procurement officer, whichever is
- 24 appropriate, for publication in its Illinois Procurement
- 25 Bulletin and circulation to the chief procurement officer for

- 1 matters other than construction or the higher education chief procurement officer's list of prequalified vendors. Notice of 2
- 3 the offer or request for proposal shall appear at least 14
- 4 calendar days before the response to the offer is due.
- 5 interested respondents shall return All responses to the chief procurement officer for matters other 6 than construction or the higher education chief procurement 7 8 officer, whichever is appropriate, which shall open and record 9 them. The chief procurement officer for matters other than 10 construction or higher education chief procurement officer 11 then shall forward the responses, together with any information

it has available about the qualifications and other State work

13 of the respondents.

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14 After evaluation, ranking, and selection, 15 chief procurement officer, State purchasing responsible 16 officer, or his or her designee shall notify the chief procurement officer for matters other than construction or the 17 higher education chief procurement officer, whichever is 18 appropriate, of the successful respondent and shall forward a 19 20 copy of the signed contract for the chief procurement officer for matters other than construction or higher education chief 2.1 22 procurement officer's file. The chief procurement officer for 23 matters other than construction or higher education chief 24 procurement officer shall publish the names of the responsible 25 procurement decision-maker, the agency letting the contract, 26 the successful respondent, a contract reference, and value of

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1 the let contract in the next appropriate volume of the Illinois Procurement Bulletin. 2

- For all professional and artistic contracts with annualized value that exceeds $$100,000 \frac{$25,000}{}$, evaluation and ranking by price are required. Any chief procurement officer or State purchasing officer, but not their designees, may select a respondent other than the lowest respondent by price. In any case, when the contract exceeds the \$100,000 $\frac{$25,000}{}$ threshold and the lowest respondent is not selected, the procurement officer or the State purchasing officer shall forward together with the contract notice of who the low respondent by price was and a written decision as to why another was selected to the chief procurement officer for matters other than construction or the higher education chief procurement officer, whichever is appropriate. The chief procurement officer for matters other than construction or higher education chief procurement officer shall publish as provided in subsection (e) of Section 35-30, but shall include notice of the chief procurement officer's or State purchasing officer's written decision.
- (q) The chief procurement officer for matters other than construction and higher education chief procurement officer may each refine, but not contradict, this Section by promulgating rules for submission to the Procurement Policy Board and then to the Joint Committee on Administrative Rules. Any refinement shall be based on the principles and procedures

- 1 of the federal Architect-Engineer Selection Law, Public Law
- 92-582 Brooks Act, and the Architectural, Engineering, and Land 2
- Surveying Qualifications Based Selection Act; except that 3
- pricing shall be an integral part of the selection process. 4
- 5 (Source: P.A. 98-1076, eff. 1-1-15.)
- (30 ILCS 500/40-25) 6

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- 7 Sec. 40-25. Length of leases.
- 8 (a) Maximum term. Leases shall be for a term not to exceed 9 10 years inclusive, beginning January, 1, 2010, of proposed 10 contract renewals and shall include a termination option in favor of the State after 5 years. The duration of any lease for 11 12 real property entered into by a public institution of higher 13 education that requires a capital improvement in excess of 14 \$100,000 as a condition of the lease may exceed 10 years, but not more than 30 years, if the governing board of a public 15 institution of higher education, during a public hearing, 16 determines that a lease in excess of 10 years is required or 17 18 necessary for the use or benefit of that public institution of 19 higher education and that the lease is in the best interest of 20 the public institution of higher education. On July 1, 2022 and every 5 years thereafter, the capital improvement minimum 21 established in this subsection (a) shall be adjusted for 22 23 inflation by the chief procurement officer for higher education

as determined by the Consumer Price Index for All Urban

Consumers as determined by the United States Department of

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Labor and rounded to the nearest \$100.

- (b) Renewal. Leases may include a renewal option. An option 2 to renew may be exercised only when a State purchasing officer 3 4 determines in writing that renewal is in the best interest of 5 the State and notice of the exercise of the option is published in the appropriate volume of the Procurement Bulletin at least 6 60 calendar days prior to the exercise of the option. 7
 - (c) Subject to appropriation. All leases shall recite that they are subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation to make payments under the terms of the lease.
- (d) Holdover. Beginning January 1, 2010, no lease may 12 13 continue on a month-to-month or other holdover basis for a 14 total of more than 6 months. Beginning July 1, 2010, the 15 Comptroller shall withhold payment of leases beyond this 16 holdover period.
- (Source: P.A. 98-1076, eff. 1-1-15.) 17
- Section 15. The State Property Control Act is amended by 18 19 changing Sections 1.02, 6.02, 6.04, 7a, and 7.3 as follows:
- 20 (30 ILCS 605/1.02) (from Ch. 127, par. 133b3)
- 21 Sec. 1.02. "Property" means State owned property and 22 includes all real estate, with the exception of rights of way 23 for State water resource and highway improvements, traffic 24 signs and traffic signals, and with the exception of common

- 1 school property; and all tangible personal property with the
- 2 properties specifically exempted exception of bv the
- 3 administrator, provided that any property originally
- classified as real property which has been detached from its 4
- 5 structure shall be classified as personal property.
- 6 "Property" does not include property owned by the Illinois
- Medical District Commission and leased or occupied by others 7
- for purposes permitted under the Illinois Medical District Act. 8
- 9 "Property" also does not include property owned and held by the
- 10 Illinois Medical District Commission for redevelopment.
- 11 "Property" does not include property described under
- Section 5 of Public Act 92-371 with respect to depositing the 12
- 13 net proceeds from the sale or exchange of the property as
- provided in Section 10 of that Act. 14
- 15 "Property" does not include that property described under
- 16 Section 5 of Public Act 94-405.
- "Property" does not include real property owned or operated 17
- by the Illinois Power Agency or any electricity generated on 18
- that real property or by the Agency. For purposes of this 19
- 20 subsection only, "real property" includes any interest in land,
- all buildings and improvements located thereon, and all 2.1
- 22 fixtures and equipment used or designed for the production and
- 23 transmission of electricity located thereon.
- 24 "Property" does not include tangible personal property
- 25 owned by the Board of Trustees of the University of Illinois
- utilized for purposes permitted under the University of 26

1 Illinois Act.

- (Source: P.A. 94-405, eff. 8-2-05; 95-331, eff. 8-21-07; 2
- 3 95-481, eff. 8-28-07.)
- 4 (30 ILCS 605/6.02) (from Ch. 127, par. 133b9.2)
- 5 Sec. 6.02. Each responsible officer shall maintain a permanent record of all items of tangible personal property 6 7 under his jurisdiction and control, provided the administrator 8 may exempt tangible personal property of nominal value or in 9 the nature of consumable supplies, or both; and provided further that "textbooks" as defined in Section 18-17 of The 10 School Code shall be exempted by the administrator after those 11 textbooks have been on loan pursuant to that Section for a 12 period of 5 years or more. The listing shall include all 13 14 property being acquired under agreements which are required by 15 the State Comptroller to be capitalized for inclusion in the statewide financial statements. Each responsible officer shall 16 submit a listing of the permanent record at least annually to 17 the administrator in such format as the administrator shall 18 19 require. The record may be submitted in either hard copy or 20 computer readable form. The administrator may require more 21 frequent submissions when in the opinion of the administrator 22 the agency records are not sufficiently reliable to justify 23 annual submissions.
- 24 (Source: P.A. 85-432; 86-1288.)

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1 (30 ILCS 605/6.04) (from Ch. 127, par. 133b9.4)

Sec. 6.04. Annually, and upon at least 30 days notice, the administrator may require each responsible officer to make, or cause to be made, an actual physical inventory check of all items of tangible personal property under his jurisdiction and control and said inventory shall be certified to administrator with a full accounting of all errors exceptions reported therein.

9 (Source: Laws 1955, p. 34.)

10 (30 ILCS 605/7a)

Sec. 7a. Surplus furniture. It is declared to be the public policy of this State, and the General Assembly determines, that it is in the best interest of the people of this State to expend the least amount of funds possible on the purchase of furniture.

Agencies that desire to purchase new furniture shall first check with the administrator if any of the surplus furniture under the administrator's control can be used in place of new furniture. If an agency finds that it is unable to use the surplus property, the agency shall file an affidavit with the administrator prior to any purchase, specifying the types of new furniture to be bought, the quantities of each type of new furniture, the cost per type, and the total cost per category. The affidavit shall also clearly state why the furniture must purchased new obtained be as opposed to from the

- 1 administrator's surplus. The affidavits shall be made
- available by the administrator for public inspection and 2
- 3 copying.
- 4 This Section applies only to the purchase of an item of
- 5 furniture with a purchase price of \$500 or more.
- For the purposes of this Section, "agency" does not include 6
- the Board of Trustees of the University of Illinois. 7
- (Source: P.A. 88-515; 88-656, eff. 9-16-94.) 8
- 9 (30 ILCS 605/7.3) (from Ch. 127, par. 133b10.3)
- 10 Sec. 7.3. (a) The Administrator shall have charge of all
- transferable property and shall have authority to take 11
- 12 possession and control of such property in order to transfer or
- 13 assign any such property to any other State agency that has
- 14 need or use for such property or to dispose of said property in
- 15 accordance with Section 7 of this Act.
- 16 The Administrator may not dispose of a transferable
- 17 airplane by sale until he or she determines that (i) the agency
- no longer has a need for the airplane, (ii) the airplane will 18
- 19 not be used as a trade-in on another aircraft, and (iii) no
- 20 public university or college in Illinois that offers courses in
- 21 aviation, flight training, or other subjects involving
- 22 knowledge of the workings of an airplane has listed the need
- 23 for an airplane as provided in this Section.
- 24 Responsible officers shall periodically report
- 25 transferable property at locations under their jurisdictions

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1 to the Administrator. The Administrator shall review such reports and arrange for physical examination of said property 2 if necessary to determine if said items of transferable 3 4 property should be transferred to another State agency, 5 transferred to a central warehouse, or disposed of. The Administrator shall advise responsible officers of the results 6 7 of these reviews as necessary.

The staff under the jurisdiction of the Administrator shall review as necessary State agencies' inventories for potential items of transferable property. If in the opinion of the Administrator's staff, any property appears to be transferable, the Administrator shall notify the responsible officer of his determination. The executive head of the agency holding the property in question may appeal the determination in writing to the Administrator.

Administrator will review the determination accordance with rules and procedures established pursuant to Section 5 of this Act.

The Administrator shall maintain lists of transferable property and of State agency needs for such property and will transfer where appropriate listed transferable property to agencies listing their needs for such property as detailed by their responsible officers. The Administrator must give priority for transfer of an airplane, that is not to be used as a trade-in, to a public university or college in Illinois that offers courses in aviation, flight training, or other subjects

- 1 involving knowledge of the workings of an airplane and that has
- 2 listed the need for an airplane.
- 3 (b) The Board of Trustees of the University of Illinois
- 4 shall transfer or assign to the Administrator, for disposition
- 5 in accordance with subsection (b) of Section 7, any tangible
- personal property in its possession, custody, or control that 6
- would otherwise qualify as transferable property. 7
- (Source: P.A. 91-432, eff. 1-1-00.) 8
- 9 Section 20. The University of Illinois Act is amended by
- adding Sections 100, 105, and 110 as follows: 10
- 11 (110 ILCS 305/100 new)
- 12 Sec. 100. University of Illinois Investment, Performance,
- 13 and Accountability Commitment.
- 14 (a) This Section may be referred to as the University of
- Illinois Investment, Performance, and Accountability 15
- 16 Commitment.
- (b) If the General Assembly appropriates and the State 17
- 18 Comptroller makes available to the University an amount for
- operations that is not less than \$647,186,400 for Fiscal Year 19
- 2018, then subsections (c), (d), and (e) of this Section apply 20
- to the University during Fiscal Year 2018. If, for any 21
- 22 subsequent fiscal year, the General Assembly appropriates
- 23 before the beginning of that fiscal year and the State
- Comptroller makes available to the University within 12 months 24

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1 from the effective date of that appropriation an amount for 2 operations that is not less than \$647,186,400, increased by a percentage equal to the percentage increase, if any, in the 3 4 Consumer Price Index for All Urban Consumers (CPI-U) published 5 by the Bureau of Labor Statistics of the United States 6 Department of Labor for the period beginning on January 1, 2018 and ending on the most recent December 31, then subsections 7 (c), (d), and (e) of this Section apply to the University 8 9 during that fiscal year.

(c) In this subsection (c), "mandatory fees" excludes mandatory fees approved by students by referendum. Beginning with the 2018-2019 academic year, the Board of Trustees may not increase the base rate of in-State, undergraduate tuition and mandatory fees by more than the rate of inflation, if any, as measured by the Consumer Price Index for all Urban Consumers (CPI-U) published by the Bureau of Labor Statistics of the United States Department of Labor for the 12 months ending on the previous December 31 above the base rate of in-State, undergraduate tuition and mandatory fees set by the Board of Trustees for an undergraduate academic program in the previous academic year. This subsection (c) does not apply to health insurance fees, fees approved prior to the effective date of this amendatory Act of the 100th General Assembly, or fees approved by a student referendum.

(d) For Fiscal Year 2018 and every fiscal year thereafter, the University shall implement the Invest in Illinoisans

1	program to provide to residents of this State \$170,000,000 in
2	annual financial aid. A percentage of this financial aid shall
3	be provided annually to Illinois students of historically
4	underrepresented populations. Such students shall include the
5	<pre>following:</pre>
6	(1) students who are Black or African American,
7	Hispanic or Latino, American Indian or Alaska Native, or
8	Native Hawaiian or Other Pacific Islander;
9	(2) students from counties in this State from which the
10	University of Illinois at Urbana-Champaign campus, the
11	University of Illinois at Chicago campus, and the
12	University of Illinois at Springfield campus combined have
13	enrolled on average 2 or fewer students from the county
14	over the last 3 years; and
15	(3) students from families who are classified as in
16	poverty with an expected family contribution equal to zero.
17	(e) For the 2018-2019 academic year and every academic year
18	thereafter, the University shall achieve performance goals
19	defined by all of the following key performance indicators:
20	(1) The Board of Trustees shall admit as new and
21	transfer students no fewer than 14,000 residents of this
22	State in undergraduate programs at the University of
23	Illinois at Urbana-Champaign campus, 11,800 residents of
24	this State in undergraduate programs at the University of
25	Illinois at Chicago campus, and 1,500 residents of this

State in undergraduate programs at the University of

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Illinois at Springfield campus, provided the requisite number of residents of this State seeking admission to undergraduate programs at the <u>University meet the</u> requirements of Section 8 of this Act. Residents of this State must comprise at least 50%, combined, of any growth in on-campus undergraduate enrollment above the level for the 2015-2016 academic year.

- (2) The University shall maintain a first-to-second year retention rate in undergraduate programs greater than or equal to a combined 87% at the University of Illinois at Urbana-Champaign campus, the University of Illinois at Chicago campus, and the University of Illinois at Springfield campus.
- (3) The University shall maintain a 6-year graduation rate for first-time freshmen in undergraduate programs greater than or equal to a combined 72% at the University of Illinois at Urbana-Champaign campus, the University of Illinois at Chicago campus, and the University of Illinois at Springfield campus.

For any academic year in which the University does not meet or exceed the key performance indicators listed in this subsection (e), the appropriation required by subsection (b) of this Section for the following fiscal year may be adjusted appropriately by the passage of a joint resolution of the General Assembly. However, any adjustment made under this subsection (e) must not be the basis for any future fiscal year

appropriation under subsection (b) of this Section. If an
adjustment is made under this subsection (e), the basis for any
future fiscal year appropriation under subsection (b) of this
Section must be the previous fiscal year in which an adjustment
was not made.
(f) Beginning September 1, 2018 and every September 1
thereafter, the University shall publish on its website and
make publicly available an annual report related to the
previous academic and fiscal year at the University of Illinois
at Urbana-Champaign campus, at the University of Illinois at
Chicago campus, and at the University of Illinois at
Springfield campus. The annual report shall include all of the
<pre>following information:</pre>
(1) The number of first-time freshmen enrolled.
(2) The number of new transfer students enrolled.
(3) The number of undergraduates enrolled who are
(3) The number of undergraduates enrolled who are residents of this State.

residents of this State.
residents of this State. (4) The number of underrepresented minority
residents of this State. (4) The number of underrepresented minority undergraduate students enrolled.
residents of this State. (4) The number of underrepresented minority undergraduate students enrolled. (5) The total undergraduate enrollment.
residents of this State. (4) The number of underrepresented minority undergraduate students enrolled. (5) The total undergraduate enrollment. (6) The number of undergraduate degrees issued.
residents of this State. (4) The number of underrepresented minority undergraduate students enrolled. (5) The total undergraduate enrollment. (6) The number of undergraduate degrees issued. (7) The number of graduate degrees issued.

and mathematics degrees issued.

1	(11) The direct appropriation per undergraduate
2	degree.
3	(12) The direct appropriation per undergraduate degree
4	issued to a resident of this State.
5	(13) The direct appropriation as a percentage of total
6	<pre>expenditures.</pre>
7	(14) The number of undergraduate students enrolled in
8	each college of each campus.
9	(15) The number of undergraduate students who are
10	residents of this State enrolled in each college of each
11	campus.
12	(g) The requirements of subsections (c), (d), and (e) of
13	this Section do not apply to the University during any fiscal
14	year in which the General Assembly does not make an
15	appropriation in accordance with subsection (b) of this Section
16	or during any fiscal year in which the State Comptroller fails
17	to make available the amounts required under subsection (b) of
18	this Section. Nothing in this Section is intended to grant to
19	the University a vested, contractual right to a particular
20	level of funding for any fiscal year.
21	(h) This Section is repealed on June 30, 2022.
22	(110 ILCS 305/105 new)
23	Sec. 105. Certificates of participation for capital
24	<pre>improvements.</pre>
25	(a) For the purposes of this Section, "Commission" means

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the Commission on Government Forecasting and Accountability.

- (b) The power of the Board of Trustees to enter into contracts includes the power to enter into financing agreements in connection with the financing of capital improvements, including technology or other related improvements, by selling certificates of participation in the installment payments made under such financing agreements. These financing agreements may be entered into for any period of time less than or equal to 30 years, but not to exceed the useful life of the capital improvement. Nothing in this Section authorizes the Board to incur State debt, as that term is defined in subsection (a) of Section 9 of Article IX of the Constitution of the State of Illinois.
- (c) Upon determination by the Board to undertake a transaction for the sale of certificates of participation and enter into related financing agreements in connection with the financing of capital improvements, the Board shall adopt a resolution or resolutions describing in a general way the contemplated facilities or a combination thereof designated as the project, the estimated cost thereof, and any additional relevant information.
- (d) Before issuance of any certificate of participation, the Board or its representatives shall appear before the Commission and present the details of the proposal. This presentation shall include such information as the Commission may request in relation to the proposed certificate of

1	participation issuance. This information shall include, but is
2	not limited to, the amount being financed, the nature of the
3	project being financed, the proposed funding stream to pay for
4	the certificate of participation issuance, the current
5	outstanding indebtedness of the University, and the status of
6	all currently issued certificates of participation.
7	Upon receipt of a request by the University for a
8	certificate of participation presentation, the Commission
9	shall hold a public hearing and, upon adoption by a vote of the
10	majority of appointed members, issue a record of findings in
11	regards to the issuance of the certificate of participation
12	within 60 days after the request.
13	As part of the Commission's considerations and findings,
14	the Commission shall consider the effect the issuance of a
15	certificate of participation shall have on the University's
16	annual debt service and overall fiscal condition.
17	Within the Commission's findings must be a statement in
18	which the Commission makes a recommendation to the University
19	as to proceeding with the certificate of participation
20	issuance. The recommendation shall be either (i) "favorably
21	recommended", (ii) "recommended with concerns", or (iii)
22	"non-support of issuance".
23	The Commission shall report the findings within 15 days
24	after the hearing to all of the following:
25	(1) The Speaker of the House of Representatives.

(2) The Minority Leader of the House of

1	Representatives.
2	(3) The President of the Senate.
3	(4) The Minority Leader of the Senate.
4	(5) The Governor's Office of Management and Budget.
5	(6) The President of the University.
6	Upon a finding of "non-support of issuance", the University
7	may not proceed with the issuance of the certificate of
8	participation involved in the finding without the approval of
9	the General Assembly through the adoption of a joint
10	resolution.
11	(e) Upon receipt of the external Auditor General audit
12	report of each year, the University shall file with the
13	Commission a report stating the status of all outstanding
14	certificates of participation the University has issued and a
15	copy of the annual budget as approved by the Board.
16	(f) Each issuance of a certificate of participation shall
17	include within the appropriate documents related to its
18	execution the following statement, which sets forth required
19	limitations in relation to the certificate:
20	"THE BOARD OF TRUSTEES' OBLIGATION TO MAKE INSTALLMENT
21	PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE BOARD OR THE STATE
22	OF ILLINOIS WITHIN THE MEANING OF ANY CONSTITUTIONAL OF
23	STATUTORY LIMITATION. THE INSTALLMENT PAYMENTS REQUIRED UNDER
24	CERTIFICATES OF PARTICIPATION INCURRED BY THE UNIVERSITY ARE
25	NOT SECURED BY THE FULL FAITH AND CREDIT OF THE STATE AND ARE

NOT REQUIRED TO BE REPAID AND MAY NOT BE REPAID, DIRECTLY OR

- 1 INDIRECTLY, FROM TAX REVENUE.".
- 2 (q) The maximum annual debt service for the University's
- total certificate of participation obligation must not exceed 3
- 4 \$100,000,000.
- 5 (110 ILCS 305/110 new)
- Sec. 110. Illinois Excellence Program. Subject to 6
- appropriation, the Board of Trustees shall establish and 7
- 8 administer a program, to be called the Illinois Excellence
- 9 Program, to recruit and retain promising faculty throughout the
- 10 University of Illinois system through capital investment in
- both new and distressed facilities. The Program shall focus on 11
- 12 capital investment in facilities designed to attract and retain
- 13 sought-after faculty to the University of Illinois system.
- 14 The Illinois Excellence Fund is created as a special fund
- in the State treasury. All money in the Fund may be used, 15
- subject to appropriation, by the Board of Trustees for the 16
- administration of the Illinois Excellence Program. 17
- 18 Section 99. Effective date. This Act takes effect upon
- 19 becoming law.".