101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3285

by Rep. William Davis

SYNOPSIS AS INTRODUCED:

30 ILCS 500/1-10 30 ILCS 500/1-12 30 ILCS 500/1-13

Amends the Illinois Procurement Code. Provides that for contracts with an annual value of more than \$100,000 (currently, all contracts) entered into under an exemption, each State agency shall post to the appropriate procurement bulletin 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. Provides that notice of each contract with an annual value of more than \$100,000 (currently, all contracts) entered into by a State agency that is related to the procurement of artistic or musical goods and services shall be published in the Illinois Procurement Bulletin within 14 calendar days after contract execution. Provides that notice of each contract with an annual value of more than \$100,000 (currently, all contracts) entered into by a public institution of higher education that is related to the procurement of specified goods and services shall be published in the Procurement Bulletin within 14 calendar days after contract execution.

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AN ACT concerning finance.

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

Section 5. The Illinois Procurement Code is amended by 4 5 changing Sections 1-10, 1-12, and 1-13 as follows:

- (30 ILCS 500/1-10) 6
- 7 Sec. 1-10. Application.

This Code applies only to procurements for which 8 (a) 9 bidders, offerors, potential contractors, or contractors were first solicited on or after July 1, 1998. This Code shall not 10 be construed to affect or impair any contract, or any provision 11 of a contract, entered into based on a solicitation prior to 12 the implementation date of this Code as described in Article 13 14 99, including but not limited to any covenant entered into with respect to any revenue bonds or similar instruments. All 15 16 procurements for which contracts are solicited between the effective date of Articles 50 and 99 and July 1, 1998 shall be 17 substantially in accordance with this Code and its intent. 18

19 (b) This Code shall apply regardless of the source of the 20 funds with which the contracts are paid, including federal 21 assistance moneys. This Code shall not apply to:

22 (1) Contracts between the State and its political subdivisions or other governments, or between State 23

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governmental bodies, except as specifically provided in
 this Code.

3 (2) Grants, except for the filing requirements of
4 Section 20-80.

(3) Purchase of care, except as provided in Section5-30.6 of the Illinois Public Aid Code and this Section.

7 (4) Hiring of an individual as employee and not as an
8 independent contractor, whether pursuant to an employment
9 code or policy or by contract directly with that
10 individual.

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(5) Collective bargaining contracts.

12 (6) Purchase of real estate, except that notice of this 13 type of contract with a value of more than \$25,000 must be published in the Procurement Bulletin within 10 calendar 14 15 days after the deed is recorded in the county of 16 jurisdiction. The notice shall identify the real estate 17 purchased, the names of all parties to the contract, the value of the contract, and the effective date of the 18 19 contract.

20 (7) Contracts necessary to prepare for anticipated 21 litigation, enforcement actions, or investigations, 22 provided that the chief legal counsel to the Governor shall 23 give his or her prior approval when the procuring agency is 24 one subject to the jurisdiction of the Governor, and 25 provided that the chief legal counsel of any other 26 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.
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(8) (Blank).

(9) Procurement expenditures by the Illinois Conservation Foundation when only private funds are used.

(10) (Blank).

7 (11) Public-private agreements entered into according the procurement requirements of Section 20 of the 8 to 9 Public-Private Partnerships for Transportation Act and 10 design-build agreements entered into according to the 11 procurement requirements of Section 25 of the 12 Public-Private Partnerships for Transportation Act.

13 (12)Contracts for legal, financial, and other 14 professional and artistic services entered into on or 15 before December 31, 2018 by the Illinois Finance Authority 16 in which the State of Illinois is not obligated. Such 17 contracts shall be awarded through a competitive process authorized by the Board of the Illinois Finance Authority 18 and are subject to Sections 5-30, 20-160, 50-13, 50-20, 19 20 50-35, and 50-37 of this Code, as well as the final 21 approval by the Board of the Illinois Finance Authority of 22 the terms of the contract.

(13) Contracts for services, commodities, and
 equipment to support the delivery of timely forensic
 science services in 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 1 2 Corrections, except for the requirements of Sections 20-60, 20-65, 20-70, and 20-160 and Article 50 of this 3 Code; however, the Chief Procurement Officer may, in 4 5 writing with justification, waive any certification required under Article 50 of this Code. For any contracts 6 7 for services which are currently provided by members of a 8 collective bargaining agreement, the applicable terms of 9 collective bargaining agreement the concerning 10 subcontracting shall be followed.

11 On and after January 1, 2019, this paragraph (13), 12 except for this sentence, is inoperative.

13 (14) Contracts for participation expenditures required
14 by a domestic or international trade show or exhibition of
15 an exhibitor, member, or sponsor.

16 (15) Contracts with a railroad or utility that requires 17 the State to reimburse the railroad or utilities for the relocation of utilities for construction or other public 18 19 purpose. Contracts included within this paragraph (15) 20 shall include, but not be limited to, those associated 21 with: relocations, crossings, installations, and 22 maintenance. For the purposes of this paragraph (15), 23 "railroad" means any form of non-highway ground 24 transportation that runs on rails or electromagnetic 25 guideways and "utility" means: (1) public utilities as defined in Section 3-105 of the Public Utilities Act, (2) 26

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telecommunications carriers as defined in Section 13-202 1 2 of the Public Utilities Act, (3) electric cooperatives as defined in Section 3.4 of the Electric Supplier Act, (4) 3 telephone or telecommunications cooperatives as defined in 4 5 Section 13-212 of the Public Utilities Act, (5) rural water or waste water systems with 10,000 connections or less, (6) 6 7 a holder as defined in Section 21-201 of the Public 8 Utilities Act, and (7) municipalities owning or operating 9 utility systems consisting of public utilities as that term 10 is defined in Section 11-117-2 of the Illinois Municipal 11 Code.

12 (16) Procurement expenditures necessary for the 13 Department of Public Health to provide the delivery of 14 timely newborn screening services in accordance with the 15 Newborn Metabolic Screening Act.

16 (17) (16) Procurement expenditures necessary for the 17 Department of Agriculture, the Department of Financial and Professional Regulation, the Department of Human Services, 18 19 and the Department of Public Health to implement the 20 Compassionate Use of Medical Cannabis Pilot Program and 21 Opioid Alternative Pilot Program requirements and ensure 22 access to medical cannabis for patients with debilitating 23 medical conditions in accordance with the Compassionate 24 Use of Medical Cannabis Pilot Program Act.

Notwithstanding any other provision of law, for contracts
 with an annual value of more than \$100,000 entered into on or

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after October 1, 2017 under an exemption provided in any 1 2 paragraph of this subsection (b), except paragraph (1), (2), or 3 each State agency shall post to the appropriate (5), procurement bulletin the name of the contractor, a description 4 5 of the supply or service provided, the total amount of the contract, the term of the contract, and the exception to the 6 7 Code utilized. The chief procurement officer shall submit a 8 report to the Governor and General Assembly no later than 9 November 1 of each year that shall include, at a minimum, an 10 annual summary of the monthly information reported to the chief 11 procurement officer.

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12 (c) This Code does not apply to the electric power 13 procurement process provided for under Section 1-75 of the 14 Illinois Power Agency Act and Section 16-111.5 of the Public 15 Utilities Act.

(d) Except for Section 20-160 and Article 50 of this Code,
and as expressly required by Section 9.1 of the Illinois
Lottery Law, the provisions of this Code do not apply to the
procurement process provided for under Section 9.1 of the
Illinois Lottery Law.

(e) This Code does not apply to the process used by the Capital Development Board to retain a person or entity to assist the Capital Development Board with its duties related to the determination of costs of a clean coal SNG brownfield facility, as defined by Section 1-10 of the Illinois Power Agency Act, as required in subsection (h-3) of Section 9-220 of 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 coal SNG brownfield facility for the full duration of construction.

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(f) (Blank).

(g) (Blank).

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8 (h) This Code does not apply to the process to procure or 9 contracts entered into in accordance with Sections 11-5.2 and 10 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.

16 (j) This Code does not apply to the process used by the 17 Capital Development Board to retain an artist or work or works 18 of art as required in Section 14 of the Capital Development 19 Board Act.

(k) This Code does not apply to the process to procure contracts, or contracts entered into, by the State Board of Elections or the State Electoral Board for hearing officers appointed pursuant to the Election Code.

(1) This Code does not apply to the processes used by the
 Illinois Student Assistance Commission to procure supplies and
 services paid for from the private funds of the Illinois

Prepaid Tuition Fund. As used in this subsection (1), "private
 funds" means funds derived from deposits paid into the Illinois
 Prepaid Tuition Trust Fund and the earnings thereon.

4 (Source: P.A. 99-801, eff. 1-1-17; 100-43, eff. 8-9-17;
5 100-580, eff. 3-12-18; 100-757, eff. 8-10-18; 100-1114, eff.
6 8-28-18; revised 10-18-18.)

7 (30 ILCS 500/1-12)

8 Sec. 1-12. Applicability to artistic or musical services.

9 (a) This Code shall not apply to procurement expenditures 10 necessary to provide artistic or musical services, 11 performances, or theatrical productions held at a venue 12 operated or leased by a State agency.

(b) Notice of each contract with an <u>annual value of more</u> 13 14 than \$100,000 entered into by a State agency that is related to 15 the procurement of goods and services identified in this 16 Section shall be published in the Illinois Procurement Bulletin within 14 calendar days after contract execution. The chief 17 18 procurement officer shall prescribe the form and content of the 19 notice. Each State agency shall provide the chief procurement 20 officer, on a monthly basis, in the form and content prescribed 21 by the chief procurement officer, a report of contracts that 22 are related to the procurement of supplies and services identified in this Section. At a minimum, this report shall 23 24 include the name of the contractor, a description of the supply 25 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.

8 (c) (Blank).

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(d) The General Assembly finds and declares that:

10 (1) This amendatory Act of the 100th General Assembly
11 manifests the intention of the General Assembly to remove
12 the repeal of this Section.

13 (2) This Section was originally enacted to protect, 14 promote, and preserve the general welfare. Anv 15 construction of this Section that results in the repeal of 16 this Section on December 31, 2016 would be inconsistent 17 with the manifest intent of the General Assembly and repugnant to the context of this Code. 18

19 It is hereby declared to have been the intent of the 20 General Assembly that this Section not be subject to repeal on 21 December 31, 2016.

This Section shall be deemed to have been in continuous effect since August 3, 2012 (the effective date of Public Act 97-895), and it shall continue to be in effect henceforward until it is otherwise lawfully repealed. All previously enacted amendments to this Section taking effect on or after December

1 31, 2016, are hereby validated.

All actions taken in reliance on or pursuant to this Section in the procurement of artistic or musical services are hereby validated.

5 In order to ensure the continuing effectiveness of this 6 Section, it is set forth in full and re-enacted by this 7 amendatory Act of the 100th General Assembly. This re-enactment 8 is intended as a continuation of this Section. It is not 9 intended to supersede any amendment to this Section that is 10 enacted by the 100th General Assembly.

In this amendatory Act of the 100th General Assembly, the base text of this Section is set forth as amended by Public Act 98-1076. Striking and underscoring is used only to show changes being made to the base text.

This Section applies to all procurements made on or before the effective date of this amendatory Act of the 100th General Assembly.

18 (Source: P.A. 100-43, eff. 8-9-17.)

19 (30 ILCS 500/1-13)

20 Sec. 1-13. Applicability to public institutions of higher 21 education.

(a) This Code shall apply to public institutions of higher
education, regardless of the source of the funds with which
contracts are paid, except as provided in this Section.

25 (b) Except as provided in this Section, this Code shall not

1 apply to procurements made by or on behalf of public 2 institutions of higher education for any of the following:

3 (1) Memberships in professional, academic, research, 4 or athletic organizations on behalf of a public institution 5 of higher education, an employee of a public institution of 6 higher education, or a student at a public institution of 7 higher education.

8 (2) Procurement expenditures for events or activities 9 paid for exclusively by revenues generated by the event or 10 activity, gifts or donations for the event or activity, 11 private grants, or any combination thereof.

12 (3) Procurement expenditures for events or activities 13 for which the use of specific potential contractors is 14 mandated or identified by the sponsor of the event or 15 activity, provided that the sponsor is providing a majority 16 of the funding for the event or activity.

17 (4) Procurement expenditures necessary to provide
18 athletic, artistic or musical services, performances,
19 events, or productions by or for a public institution of
20 higher education.

(5) Procurement expenditures for periodicals, 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. HB3285

(6) Procurement expenditures for placement of students 2 in externships, practicums, field experiences, and for medical residencies and rotations. 3

(7) Contracts for programming and broadcast license 4 5 rights for university-operated radio and television 6 stations.

7 (8) Procurement expenditures necessary to perform 8 sponsored research and other sponsored activities under 9 grants and contracts funded by the sponsor or by sources 10 other than State appropriations.

11 (9) Contracts with a foreign entity for research or 12 educational activities, provided that the foreign entity either does not maintain an office in the United States or 13 14 is the sole source of the service or product.

15 Notice of each contract with an annual value of more than 16 \$100,000 entered into by a public institution of higher 17 education that is related to the procurement of goods and services identified in items (1) through (9) of this subsection 18 shall be published in the Procurement Bulletin within 14 19 20 calendar days after contract execution. The Chief Procurement Officer shall prescribe the form and content of the notice. 21 22 Each public institution of higher education shall provide the 23 Chief Procurement Officer, on a monthly basis, in the form and 24 content prescribed by the Chief Procurement Officer, a report 25 of contracts that are related to the procurement of goods and 26 services identified in this subsection. At a minimum, this

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report shall include the name of the contractor, a description 1 2 of the supply or service provided, the total amount of the 3 contract, the term of the contract, and the exception to the Code utilized. A copy of any or all of these contracts shall be 4 5 made available to the Chief Procurement Officer immediately upon request. The Chief Procurement Officer shall submit a 6 7 report to the Governor and General Assembly no later than 8 November 1 of each year that shall include, at a minimum, an 9 annual summary of the monthly information reported to the Chief 10 Procurement Officer.

11 (b-5) Except as provided in this subsection, the provisions 12 of this Code shall not apply to contracts for medical supplies, 13 and to contracts for medical services necessary for the 14 delivery of care and treatment at medical, dental, or 15 veterinary teaching facilities utilized by Southern Illinois 16 University or the University of Illinois and at any 17 university-operated health care center or dispensary that provides care, treatment, and medications for students, 18 19 faculty and staff. Other supplies and services needed for these 20 teaching facilities shall be subject to the jurisdiction of the Chief Procurement Officer for Public Institutions of Higher 21 22 Education who may establish expedited procurement procedures 23 and may waive or modify certification, contract, hearing, 24 process and registration requirements required by the Code. All 25 procurements made under this subsection shall be documented and 26 may require publication in the Illinois Procurement Bulletin.

1 (c) Procurements made by or on behalf of public 2 institutions of higher education for the fulfillment of a grant 3 shall be made in accordance with the requirements of this Code 4 to the extent practical.

5 Upon the written request of a public institution of higher 6 education, the Chief Procurement Officer may waive contract, 7 registration, certification, and hearing requirements of this 8 Code if, based on the item to be procured or the terms of a 9 grant, compliance is impractical. The public institution of 10 higher education shall provide the Chief Procurement Officer 11 with specific reasons for the waiver, including the necessity 12 of contracting with a particular potential contractor, and shall certify that an effort was made in good faith to comply 13 with the provisions of this Code. The Chief Procurement Officer 14 15 shall provide written justification for any waivers. By 16 November 1 of each year, the Chief Procurement Officer shall 17 file a report with the General Assembly identifying each contract approved with waivers and providing the justification 18 given for any waivers for each of those contracts. Notice of 19 20 each waiver made under this subsection shall be published in the Procurement Bulletin within 14 calendar days after contract 21 22 execution. The Chief Procurement Officer shall prescribe the 23 form and content of the notice.

(d) Notwithstanding this Section, a waiver of the
 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 6 7 this Code, the Chief Procurement Officer, with the approval of 8 Executive Ethics Commission, may permit a the public 9 institution of higher education to accept a bid or enter into a 10 contract with a business that assisted the public institution 11 of higher education in determining whether there is a need for 12 a contract or assisted in reviewing, drafting, or preparing 13 documents related to a bid or contract, provided that the bid 14 or contract is essential to research administered by the public 15 institution of higher education and it is in the best interest 16 of the public institution of higher education to accept the bid 17 or contract. For purposes of this subsection, "business" includes all individuals with whom a business is affiliated, 18 19 including, but not limited to, any officer, agent, employee, 20 consultant, independent contractor, director, partner, manager, or shareholder of a business. The Executive Ethics 21 22 Commission may promulgate rules and regulations for the 23 implementation and administration of the provisions of this subsection (e). 24

"Grant" means non-appropriated funding provided by a

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(f) As used in this Section:

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1 federal or private entity to support a project or program 2 administered by a public institution of higher education and 3 any non-appropriated funding provided to a sub-recipient of the 4 grant.

"Public institution of higher education" means Chicago 5 6 State University, Eastern Illinois University, Governors State 7 University, Illinois State University, Northeastern Illinois 8 University, Northern Illinois University, Southern Illinois 9 University, University of Illinois, Western Illinois 10 University, and, for purposes of this Code only, the Illinois 11 Mathematics and Science Academy.

12 (g) (Blank).

13 (h) The General Assembly finds and declares that:

(1) Public Act 98-1076, which took effect on January 1,
2015, changed the repeal date set for this Section from
December 31, 2014 to December 31, 2016.

17 (2) The Statute on Statutes sets forth general rules on 18 the repeal of statutes and the construction of multiple 19 amendments, but Section 1 of that Act also states that 20 these rules will not be observed when the result would be 21 "inconsistent with the manifest intent of the General 22 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 this Section.

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(4) This Section was originally enacted to protect,

1 promote, and preserve the general welfare. Any 2 construction of this Section that results in the repeal of 3 this Section on December 31, 2014 would be inconsistent 4 with the manifest intent of the General Assembly and 5 repugnant to the context of this Code.

6 It is hereby declared to have been the intent of the 7 General Assembly that this Section not be subject to repeal on 8 December 31, 2014.

9 This Section shall be deemed to have been in continuous 10 effect since December 20, 2011 (the effective date of Public 11 Act 97-643), and it shall continue to be in effect henceforward 12 until it is otherwise lawfully repealed. All previously enacted 13 amendments to this Section taking effect on or after December 14 31, 2014, are hereby validated.

All actions taken in reliance on or pursuant to this Section by any public institution of higher education, person, or entity are hereby validated.

In order to ensure the continuing effectiveness of this Section, it is set forth in full and re-enacted by this amendatory Act of the 100th General Assembly. This re-enactment is intended as a continuation of this Section. It is not intended to supersede any amendment to this Section that is enacted by the 100th General Assembly.

In this amendatory Act of the 100th General Assembly, the base text of the reenacted Section is set forth as amended by Public Act 98-1076. Striking and underscoring is used only to HB3285 - 18 - LRB101 10169 RJF 55272 b

1 show changes being made to the base text.

2 This Section applies to all procurements made on or before 3 the effective date of this amendatory Act of the 100th General 4 Assembly.

5 (Source: P.A. 100-43, eff. 8-9-17.)