



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB3152

Introduced 2/6/2020, by Sen. Rachelle Crowe

SYNOPSIS AS INTRODUCED:

30 ILCS 500/40-15
30 ILCS 500/40-20
30 ILCS 500/40-25

Amends the Illinois Procurement Code. Provides that a request for information process need not be used in procuring, among other items, property of less than 10,000 square feet with rent of less than \$200,000 (currently, \$100,000) per year. Provides that upon receipt of (1) any proposed lease of real property of 10,000 or more square feet or (2) any proposed lease of real property with annual rent payments of \$200,000 (currently, \$100,000) or more, the Procurement Policy Board shall have 14 (currently, 30) calendar days to review the proposed lease. Provides that if the Board does not object in writing within 14 calendar days, then the proposed lease shall become effective according to its terms as submitted. Provides that leases shall be for a term not to exceed 10 years, exclusive (rather than inclusive) of proposed contract renewal options in favor of the State that shall not exceed an additional 10 years. Provides that a lease for real property owned by the University of Illinois to be used by the University of Illinois for healthcare uses, academic facilities, dormitories, or other support uses may exceed 10 years in length under specified circumstances.

LRB101 17350 RJF 66755 b

1 AN ACT concerning finance.

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

4 Section 5. The Illinois Procurement Code is amended by
5 changing Sections 40-15, 40-20, and 40-25 as follows:

6 (30 ILCS 500/40-15)

7 Sec. 40-15. Method of source selection.

8 (a) Request for information. Except as provided in
9 subsections (b) and (c), all State contracts for leases of real
10 property or capital improvements shall be awarded by a request
11 for information process in accordance with Section 40-20.

12 (b) Other methods. A request for information process need
13 not be used in procuring any of the following leases:

14 (1) Property of less than 10,000 square feet with rent
15 of less than \$200,000 ~~\$100,000~~ per year.

16 (2) (Blank).

17 (3) Duration of less than one year that cannot be
18 renewed.

19 (4) Specialized space available at only one location.

20 (5) Renewal or extension of a lease; provided that: (i)
21 the chief procurement officer determines in writing that
22 the renewal or extension is in the best interest of the
23 State; (ii) the chief procurement officer submits his or

1 her written determination and the renewal or extension to
2 the Board; (iii) the Board does not object in writing to
3 the renewal or extension within 30 calendar days after its
4 submission; and (iv) the chief procurement officer
5 publishes the renewal or extension in the appropriate
6 volume of the Procurement Bulletin.

7 (c) Leases with governmental units. Leases with other
8 governmental units may be negotiated without using the request
9 for information process when deemed by the chief procurement
10 officer to be in the best interest of the State.

11 (Source: P.A. 98-1076, eff. 1-1-15.)

12 (30 ILCS 500/40-20)

13 Sec. 40-20. Request for information.

14 (a) Conditions for use. Leases shall be procured by request
15 for information except as otherwise provided in Section 40-15.

16 (b) Form. A request for information shall be issued and
17 shall include:

18 (1) the type of property to be leased;

19 (2) the proposed uses of the property;

20 (3) the duration of the lease;

21 (4) the preferred location of the property; and

22 (5) a general description of the configuration
23 desired.

24 (c) Public notice. Public notice of the request for
25 information for the availability of real property to lease

1 shall be published in the appropriate volume of the Illinois
2 Procurement Bulletin at least 14 calendar days before the date
3 set forth in the request for receipt of responses and shall
4 also be published in similar manner in a newspaper of general
5 circulation in the community or communities where the using
6 agency is seeking space.

7 (d) Response. The request for information response shall
8 consist of written information sufficient to show that the
9 respondent can meet minimum criteria set forth in the request.
10 State purchasing officers may enter into discussions with
11 respondents for the purpose of clarifying State needs and the
12 information supplied by the respondents. On the basis of the
13 information supplied and discussions, if any, a State
14 purchasing officer shall make a written determination
15 identifying the responses that meet the minimum criteria set
16 forth in the request for information. Negotiations shall be
17 entered into with all qualified respondents for the purpose of
18 securing a lease that is in the best interest of the State. A
19 written report of the negotiations shall be retained in the
20 lease files and shall include the reasons for the final
21 selection. All leases shall be reduced to writing; one copy
22 shall be filed with the Comptroller in accordance with the
23 provisions of Section 20-80, and one copy shall be filed with
24 the Board.

25 When the lowest response by price is not selected, the
26 State purchasing officer shall forward to the chief procurement

1 officer, along with the lease, notice of the identity of the
2 lowest respondent by price and written reasons for the
3 selection of a different response. The chief procurement
4 officer shall publish the written reasons in the next volume of
5 the Illinois Procurement Bulletin.

6 (e) Board review. Upon receipt of (1) any proposed lease of
7 real property of 10,000 or more square feet or (2) any proposed
8 lease of real property with annual rent payments of \$200,000
9 ~~\$100,000~~ or more, the Procurement Policy Board shall have 14 ~~30~~
10 calendar days to review the proposed lease. If the Board does
11 not object in writing within 14 ~~30~~ calendar days, then the
12 proposed lease shall become effective according to its terms as
13 submitted. The leasing agency shall make any and all materials
14 available to the Board to assist in the review process.

15 (Source: P.A. 98-1076, eff. 1-1-15.)

16 (30 ILCS 500/40-25)

17 Sec. 40-25. Length of leases.

18 (a) Maximum term. Except as otherwise provided under
19 subsection (a-5), leases shall be for a term not to exceed 10
20 years exclusive, beginning July 1, 2020, of proposed contract
21 renewal options in favor of the State that shall not exceed an
22 additional 10 years ~~inclusive, beginning January, 1, 2010, of~~
23 ~~proposed contract renewals~~ and shall include a termination
24 option in favor of the State after 5 years. The length of
25 energy conservation program contracts or energy savings

1 contracts or leases shall be in accordance with the provisions
2 of Section 25-45.

3 (a-5) Extended term. A lease for real property owned by the
4 University of Illinois to be used by the University of Illinois
5 for healthcare uses, academic facilities, dormitories, or
6 other support uses ~~at Chicago for an ambulatory surgical~~
7 ~~center, which would include both clinical services and retail~~
8 ~~space~~, may exceed 10 years in length where: (i) the lease
9 requires the lessor to make capital improvements in excess of
10 \$100,000; and (ii) the Board of Trustees of the University of
11 Illinois determines a term of more than 10 years is necessary
12 and is in the best interest of the University. A lease under
13 this subsection (a-5) may not exceed 30 years in length.

14 (b) Renewal. Leases may include a renewal option. An option
15 to renew may be exercised only when a State purchasing officer
16 determines in writing that renewal is in the best interest of
17 the State and notice of the exercise of the option is published
18 in the appropriate volume of the Procurement Bulletin at least
19 30 calendar days prior to the exercise of the option.

20 (c) Subject to appropriation. All leases shall recite that
21 they are subject to termination and cancellation in any year
22 for which the General Assembly fails to make an appropriation
23 to make payments under the terms of the lease.

24 (d) Holdover. Beginning January 1, 2010, no lease may
25 continue on a month-to-month or other holdover basis for a
26 total of more than 6 months. Beginning July 1, 2010, the

1 Comptroller shall withhold payment of leases beyond this
2 holdover period.

3 (Source: P.A. 100-23, eff. 7-6-17; 100-1047, eff. 1-1-19;
4 101-426, eff. 1-1-20.)