1 AN ACT concerning finance.

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

- Section 5. The Procurement of Domestic Products Act is amended by changing Sections 5, 10, and 25 and by adding Sections 3 and 35 as follows:
- 7 (30 ILCS 517/3 new)
- 8 Sec. 3. Policy. It is the policy of Illinois that the State
 9 government should, consistent with applicable law, use terms
 10 and conditions of State financial assistance awards and State
 11 procurements to maximize the use of goods, products, and
 12 materials produced in, and services offered in, Illinois.
- 13 (30 ILCS 517/5)
- 14 Sec. 5. Definitions. As used in this Act:
- "Manufactured in Illinois" means, in the case of assembled
 articles, materials, or supplies, that design, final assembly,
 processing, packaging, testing, or other process that adds
 value, quality, or reliability occurs in Illinois.
- "Manufactured in the United States" means, in the case of assembled articles, materials, or supplies, that design, final assembly, processing, packaging, testing, or other process that adds value, quality, or reliability occurs in the United

- 1 States.
- 2 "Procured products" means assembled articles, materials,
- 3 or supplies purchased by a State agency.
- 4 "Purchasing agency" has the same meaning as provided under
- 5 <u>Section 1-15.70 of the Illinois Procurement Code</u> means a State
- 6 agency.
- 7 "State agency" has the same meaning as provided under
- 8 Section 1-15.100 of the Illinois Procurement Code means each
- 9 agency, department, authority, board, or commission of the
- 10 executive branch of State government, including each
- 11 university, whether created by statute or by executive order
- 12 of the Governor.
- "United States" means the United States and any place
- 14 subject to the jurisdiction of the United States.
- 15 (Source: P.A. 98-463, eff. 8-16-13.)
- 16 (30 ILCS 517/10)
- 17 Sec. 10. Domestic United States products.
- 18 <u>(a)</u> Each purchasing agency making purchases of procured
- 19 products shall promote the purchase of and give preference to
- 20 manufactured articles, materials, and supplies that have been
- 21 manufactured in the United States. Procured products
- 22 manufactured in the United States shall be specified and
- 23 purchased unless the purchasing agency determines that any of
- 24 the following applies:
- 25 (1) The procured products are not manufactured in the

1 United States in reasonably available quantities.

- (2) The price of the procured products manufactured in the United States exceeds by an unreasonable amount the price of available and comparable procured products manufactured outside of the United States by 12% or more.
- (3) The quality of the procured products manufactured in the United States is substantially less than the quality of the comparably priced, available, and comparable procured products manufactured outside of the United States.
- (4) The purchase of the procured products manufactured outside <u>of</u> the United States better serves the public interest by helping to protect or save life, property, or the environment.
- (5) The purchase of the procured products is made in conjunction with contracts or offerings of telecommunications, fire suppression, security systems, communications services, Internet services, or information services.
- (6) The purchase is of pharmaceutical products, drugs, biologics, vaccines, medical devices used to provide medical and health care or treat disease or used in medical or research diagnostic tests, and medical nutritionals regulated by the Food and Drug Administration under the federal Food, Drug and Cosmetic Act.
 - (7) The purchase is an emergency purchase authorized

- 1 <u>under Section 20-30 of the Illinois Procurement Code.</u>
- 2 (8) The purchase is a sole source or sole economically
- 3 feasible source purchase authorized under Section 20-25 of
- 4 the Illinois Procurement Code.
- 5 (b) If there is a tie between 2 bidders or offerors who
- 6 have certified that they will provide products manufactured in
- 7 the United States, the bidder or offeror that certifies it
- 8 will provide products manufactured in Illinois shall be given
- 9 preference.
- 10 (c) In determining the price of procured products for
- 11 purposes of this Section, consideration shall be given to the
- 12 life-cycle cost, including maintenance and repair of those
- procured products.
- 14 (Source: P.A. 93-954, eff. 1-1-05; 94-540, eff. 1-1-06.)
- 15 (30 ILCS 517/25)
- 16 Sec. 25. Penalties. If a contractor is awarded a contract
- through the use of a preference under this Act and knowingly
- 18 supplies procured products under that contract that are not
- 19 manufactured in Ill<u>inois or</u> the United States, <u>as applicable</u>,
- 20 then (i) the contractor is barred from obtaining any State
- 21 contract for a period of 5 years after the violation is
- 22 discovered by the purchasing agency, (ii) the purchasing
- agency may void the contract, and (iii) the purchasing agency
- 24 may recover damages in a civil action in an amount 3 times the
- value of the preference.

(Source: P.A. 93-954, eff. 1-1-05; 94-540, eff. 1-1-06.) 1

(30 ILCS 517/35 new) 2

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Sec. 35. Compliance reports. Beginning within 180 days after the effective date of this amendatory Act of the 102nd General Assembly, and annually thereafter, each purchasing agency shall submit to the chief procurement officer a report on: (i) the purchasing agency's compliance with the Act, including details on any incidents of noncompliance; (ii) the purchasing agency's analysis of goods, products, materials, and services not subject to the Act, including details of any procured products purchased under an exception listed in subsection (a) of Section 10; and (iii) any recommendations for how to further effectuate the policy set forth in this Act.

14 Section 99. Effective date. This Act takes effect upon 15 becoming law.