

Rep. Jay Hoffman

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10200HB3820ham001

LRB102 17063 RJF 23263 a

AMENDMENT TO HOUSE BILL 3820

2 AMENDMENT NO. _____. Amend House Bill 3820 by replacing

3 everything after the enacting clause with the following:

4 "Section 5. The Procurement of Domestic Products Act is

5 amended by changing Sections 5 and 10 and by adding Sections 3,

6 7, 13, and 35 as follows:

7 (30 ILCS 517/3 new)

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8 Sec. 3. Policy. It is the policy of Illinois that the State

9 government should, consistent with applicable law, use terms

10 <u>and conditions of State financial assistance awards and State</u>

11 procurement to maximize the use of goods, products, and

12 materials, produced in, and services offered in, the United

13 States. An Illinois purchasing agency should, whenever

possible, procure goods, products, materials, and services

from sources that will help American businesses compete in

strategic industries and help America's workers thrive.

1 (30 ILCS 517/5)

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| 2 | Sec. 5. Definitions. As used in this Act: |
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| 3 | "Component" and "cost of components" have the meanings |
| 4 | given to those terms in the federal Buy American Act of 1933 |
| 5 | and as provided under Part 25.003 of the Federal Acquisition |
| 6 | Regulation. |
| 7 | "Manufactured in the United States" means: (1) in the case |
| 8 | of products that are not assembled articles, materials, or |
| 9 | supplies, that the product is mined or produced in the United |
| 10 | States; (2) $_{	au}$ in the case of assembled articles, materials, or |
| 11 | supplies, that design, final assembly, processing, packaging, |
| 12 | testing, or other process that adds value, quality, or |
| 13 | reliability occurs in the United States <u>and the cost of</u> |
| 14 | domestic components exceeds 50% of the cost of all of the |
| 15 | components; or (3) that the product is a commercially |
| 16 | available off-the-shelf item. |
| 17 | "Procured products" means assembled articles, materials, |
| 18 | or supplies purchased by a State agency. |
| 19 | "Purchasing agency" has the same meaning as provided under |
| 20 | Section 1-15.70 of the Illinois Procurement Code means a State |
| 21 | agency . |

"State agency" has the same meaning as provided under

Section 1-15.70 of the Illinois Procurement Code means each

agency, department, authority, board, or commission of the

executive branch of State government, including each

- 1 -by statute
- 2 of the Governor.
- "United States" means the United States and any place 3
- 4 subject to the jurisdiction of the United States.
- (Source: P.A. 98-463, eff. 8-16-13.) 5
- 6 (30 ILCS 517/7 new)
- 7 Sec. 7. Made in America Office. The Made in America Office
- 8 is hereby established as a department under the jurisdiction
- 9 of the Executive Ethics Commission. The Office shall be headed
- 10 by a Director who shall be appointed by the Commission from
- among one of the chief procurement officers established under 11
- 12 Section 10-20 of the Illinois Procurement Code. The Director
- 13 and the Office shall perform all duties as provided under this
- 14 Act and as may be prescribed by the Executive Ethics
- Commission. The Commission shall adopt <u>all rules necessary for</u> 15
- the implementation of this Section. 16
- 17 (30 ILCS 517/10)
- 18 Sec. 10. United States products. Each purchasing agency
- making purchases of procured products shall promote the 19
- 20 purchase of and give preference to manufactured articles,
- 21 materials, and supplies that have been manufactured in the
- 22 United States. Procured products manufactured in the United
- 23 States shall be specified and purchased unless the purchasing
- 24 agency determines that any of the following applies:

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- (1) The procured products are not manufactured in the 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 the United States by 12% or more. To be eliqible for an exemption under this paragraph (2), the purchasing agency must first obtain a written waiver from the chief procurement officer.
 - (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 the United States.
 - (4) The purchase of the procured products manufactured outside 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

- 1 medical or research diagnostic tests, and medical
- nutritionals regulated by the Food and Drug Administration 2
- under the federal Food, Drug and Cosmetic Act. 3
- 4 In determining the price of procured products for purposes
- 5 this Section, consideration shall be given to the
- life-cycle cost, including maintenance and repair of those 6
- 7 procured products.
- (Source: P.A. 93-954, eff. 1-1-05; 94-540, eff. 1-1-06.) 8
- 9 (30 ILCS 517/13 new)
- 10 Sec. 13. Waiver.
- (a) Before any purchasing agency may be granted a waiver 11
- 12 from the purchase of products made in the United States under
- 13 this Act, and unless the Executive Ethic Commission provides
- 14 otherwise, the purchasing agency shall provide the Made in
- 15 America Office with a description of its proposed waiver and a
- detailed justification for the use of goods, products, or 16
- materials that have not been mined, produced, or manufactured 17
- 18 in the United States.
- 19 (b) The Made in America Office shall publish all relevant
- information that purchasing agencies shall include when 20
- 21 submitting descriptions of proposed waivers and justifications
- 22 to the Office. The Office shall also establish a deadline, not
- to exceed 15 business days, by which purchasing agencies 23
- 24 seeking a waiver shall either be: (i) notified that review of
- the proposed waiver has been excused; or (ii) notified of the 25

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result of the proposed waiver review.

- (c) The Made in America Office, in consultation with the Executive Ethics Commission, shall review each proposed waiver submitted under subsection (b), except when waiver review has been excused. If it is determined that issuing the proposed waiver would be consistent with applicable law and the policy set forth in this Act, then the purchasing agency shall be notified of that determination in writing. If it is determined that issuing the proposed waiver would not be consistent with applicable law or the policy set forth in this Act, then the purchasing agency shall be notified of that determination, and the proposed waiver shall be returned to the purchasing agency for further consideration along with a written explanation for the determination.
- (d) When a purchasing agency is obligated by law to act more quickly than the review procedures established in this Section allow, the purchasing agency shall notify the Made in America Office as soon as possible and, to the extent practicable, comply with the requirements set forth in this Section. Nothing in this Section shall be construed as displacing purchasing agencies' authorities or responsibilities under law.
- (e) The Made in America Office shall make available to the public on the Internet website of the Executive Ethics Commission all information concerning proposed waivers and whether those waivers have been granted for the purpose of

- enabling manufacturers and other interested parties to easily

 identify proposed waivers, and whether such waivers would be

 granted. To the extent permitted by law, descriptions of

 proposed waivers and justifications submitted by purchasing

 agencies to the Office shall also be made publicly available

 on the website. The website shall also include contact

 information for the Office and the Executive Ethics
- 9 (30 ILCS 517/35 new)

Commission.

- Sec. 35. Compliance reports. Beginning within 180 days 10 after the effective date of this amendatory Act of the 102nd 11 12 General Assembly, and bi-annually thereafter, each purchasing 13 agency shall submit to the Made in America Office a report on: 14 (i) the purchasing agency's compliance with the Act; (ii) the 15 purchasing agency's ongoing use of waivers, if any; (iii) the purchasing agency's analysis of goods, products, materials, 16 and services not subject to the Act or where requirements of 17 the Act have been waived; and (iv) any recommendations for how 18 19 to further effectuate the policy set forth in this Act.
- 20 Section 99. Effective date. This Act takes effect upon 21 becoming law.".