

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 adding Section 45-105 as follows:

6 (30 ILCS 500/45-105 new)

7 Sec. 45-105. Bid preference for Illinois businesses.

8 (a) For the purposes of this Section:

9 "Illinois business" means a contractor that: (i) is  
10 headquartered in Illinois and providing, at the time that an  
11 invitation for a bid or notice of contract opportunity is  
12 first advertised, construction or construction-related  
13 professional services for Illinois-based projects; (ii)  
14 conducts meaningful day-to-day business operations at a  
15 facility in Illinois that is the place of employment for the  
16 majority of its regular, full-time workforce; (iii) holds all  
17 appropriate State licenses; and (iv) is subject to applicable  
18 State taxes. "Illinois business" does not include any  
19 subcontractors.

20 "Illinois-based project" means an individual project of  
21 construction and other construction-related services for a  
22 construction agency that will result in the conduct of  
23 business within the State or the employment of individuals

1 within the State.

2 (b) It is hereby declared to be the public policy of the  
3 State of Illinois to promote the economy of Illinois through  
4 the use of Illinois businesses for all State construction  
5 contracts.

6 (c) Construction agencies procuring construction and  
7 construction-related professional services shall make  
8 reasonable efforts to contract with Illinois businesses.

9 (d) Beginning in 2022, each construction agency shall  
10 submit a report to the Governor and the General Assembly by  
11 September 1 of each year that identifies the Illinois  
12 businesses procured by the construction agency, the primary  
13 location of the construction project, the percentage of the  
14 construction agency's utilization of Illinois businesses on  
15 the project as a whole, and the actions that the construction  
16 agency has undertaken to increase the use of Illinois  
17 businesses.

18 (e) In procuring construction and construction-related  
19 professional services for projects with a total construction  
20 cost of more than \$100,000, construction agencies shall  
21 provide a bid preference to a responsible bidder that is an  
22 Illinois business as defined in this Section. The construction  
23 agency shall allocate to any responsible bidder that is an  
24 Illinois business a bid preference of 4% of the contract base  
25 bid.

26 (f) This Section does not apply to any contract for any

1 project for which federal funds are available for expenditure  
2 when its provisions may be in conflict with federal law or  
3 federal regulation.

4 Section 10. The Procurement of Domestic Products Act is  
5 amended by changing Sections 5, 10, and 25 and by adding  
6 Sections 3 and 35 as follows:

7 (30 ILCS 517/3 new)

8 Sec. 3. Policy. It is hereby declared to be the public  
9 policy of the State of Illinois for each purchasing agency to  
10 use the terms and conditions of State financial assistance  
11 awards and State procurements to maximize the use of goods,  
12 products, and materials produced in Illinois.

13 (30 ILCS 517/5)

14 Sec. 5. Definitions. As used in this Act:

15 "Manufactured in Illinois" means, in the case of assembled  
16 articles, materials, or supplies, having been designed,  
17 finally assembled, processed, packaged, tested, or otherwise  
18 processed in Illinois in a manner that adds value, quality, or  
19 reliability.

20 "Manufactured in the United States" means, in the case of  
21 assembled articles, materials, or supplies, that design, final  
22 assembly, processing, packaging, testing, or other process  
23 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 meaning ascribed to that term  
5 in Section 1-15.70 of the Illinois Procurement Code ~~means a~~  
6 ~~State agency.~~

7 "State agency" has the meaning ascribed to that term in  
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.~~

13 "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 (a) 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 (2) The price of the procured products manufactured in  
3 the United States exceeds ~~by an unreasonable amount~~ the  
4 price of available and comparable procured products  
5 manufactured outside of the United States by 12% or more.

6 (3) The quality of the procured products manufactured  
7 in the United States is substantially less than the  
8 quality of the comparably priced, available, and  
9 comparable procured products manufactured outside of the  
10 United States.

11 (4) The purchase of the procured products manufactured  
12 outside of the United States better serves the public  
13 interest by helping to protect or save life, property, or  
14 the environment.

15 (5) The purchase of the procured products is made in  
16 conjunction with contracts or offerings of  
17 telecommunications, fire suppression, security systems,  
18 communications services, Internet services, or information  
19 services.

20 (6) The purchase is of pharmaceutical products, drugs,  
21 biologics, vaccines, medical devices used to provide  
22 medical and health care or treat disease or used in  
23 medical or research diagnostic tests, and medical  
24 nutritionals regulated by the Food and Drug Administration  
25 under the federal Food, Drug and Cosmetic Act.

26 (7) The purchase is an emergency purchase authorized

1 under Section 20-30 of the Illinois Procurement Code.

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  
13 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  
17 through the use of a preference under this Act and knowingly  
18 supplies procured products under that contract that are not  
19 manufactured in Illinois or the United States, as applicable,  
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  
23 agency may void the contract, and (iii) the purchasing agency  
24 may recover damages in a civil action in an amount 3 times the  
25 value of the preference.

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

2 (30 ILCS 517/35 new)

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

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