103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5141

Introduced 2/9/2024, by Rep. Daniel Didech

SYNOPSIS AS INTRODUCED:

30 ILCS 500/1-10

Amends the Illinois Procurement Code. Provides that the Code shall not apply to procurement expenditures by the State Board of Education related to media marketing campaigns, one-year sole sources, and emergency purchases.

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1 AN ACT concerning finance.

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

Section 5. The Illinois Procurement Code is amended by
changing Section 1-10 as follows:

6 (30 ILCS 500/1-10)

7 Sec. 1-10. Application.

(a) This Code applies only to procurements for which 8 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 11 12 provision of a contract, entered into based on a solicitation prior to the implementation date of this Code as described in 13 14 Article 99, including, but not limited to, any covenant entered into with respect to any revenue bonds or similar 15 16 instruments. All procurements for which contracts are solicited between the effective date of Articles 50 and 99 and 17 July 1, 1998 shall be substantially in accordance with this 18 19 Code and its intent.

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

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(1) Contracts between the State and its political

subdivisions or other governments, or between State
 governmental bodies, except as specifically provided in
 this Code.

4 (2) Grants, except for the filing requirements of 5 Section 20-80.

6 (3) Purchase of care, except as provided in Section
7 5-30.6 of the Illinois Public Aid Code and this Section.

8 (4) Hiring of an individual as an employee and not as 9 an independent contractor, whether pursuant to an 10 employment code or policy or by contract directly with 11 that individual.

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(5) Collective bargaining contracts.

13 (6) Purchase of real estate, except that notice of 14 this type of contract with a value of more than \$25,000 15 must be published in the Procurement Bulletin within 10 16 calendar days after the deed is recorded in the county of 17 jurisdiction. The notice shall identify the real estate purchased, the names of all parties to the contract, the 18 value of the contract, and the effective date of the 19 20 contract.

(7) Contracts necessary to prepare for anticipated litigation, enforcement actions, or investigations, provided that the chief legal counsel to the Governor shall give his or her prior approval when the procuring agency is one subject to the jurisdiction of the Governor, and provided that the chief legal counsel of any other

- 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.

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(10) (Blank).

(11) Public-private agreements entered into according 8 9 to the procurement requirements of Section 20 of the 10 Public-Private Partnerships for Transportation Act and 11 design-build agreements entered into according to the 12 of Section 25 of procurement requirements the Public-Private Partnerships for Transportation Act. 13

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

(B) Contracts for legal and financial services entered
into by the Illinois Housing Development Authority in
connection with the issuance of bonds in which the State
of Illinois is not obligated. Such contracts shall be

awarded through a competitive process authorized by the members of the Illinois Housing Development Authority and are subject to Sections 5-30, 20-160, 50-13, 50-20, 50-35, and 50-37 of this Code, as well as the final approval by the members of the Illinois Housing Development Authority of the terms of the contract.

7 Contracts for services, commodities, (13)and equipment to support the delivery of timely forensic 8 9 science services in consultation with and subject to the 10 approval of the Chief Procurement Officer as provided in 11 subsection (d) of Section 5-4-3a of the Unified Code of 12 Corrections, except for the requirements of Sections 20-60, 20-65, 20-70, and 20-160 and Article 50 of this 13 14 Code; however, the Chief Procurement Officer may, in 15 writing with justification, waive any certification 16 required under Article 50 of this Code. For any contracts 17 for services which are currently provided by members of a collective bargaining agreement, the applicable terms of 18 concerning 19 the collective bargaining agreement 20 subcontracting shall be followed.

21 On and after January 1, 2019, this paragraph (13), 22 except for this sentence, is inoperative.

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

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(15) Contracts with a railroad or utility that

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requires the State to reimburse the railroad or utilities 1 2 for the relocation of utilities for construction or other 3 public purpose. Contracts included within this paragraph shall include, but not be limited to, those 4 (15)5 associated with: relocations, crossings, installations, 6 and maintenance. For the purposes of this paragraph (15), 7 "railroad" means any form of non-highway ground 8 transportation that runs on rails or electromagnetic 9 quideways and "utility" means: (1) public utilities as 10 defined in Section 3-105 of the Public Utilities Act, (2) 11 telecommunications carriers as defined in Section 13-202 12 of the Public Utilities Act, (3) electric cooperatives as 13 defined in Section 3.4 of the Electric Supplier Act, (4) 14 telephone or telecommunications cooperatives as defined in 15 Section 13-212 of the Public Utilities Act, (5) rural 16 water or waste water systems with 10,000 connections or 17 less, (6) a holder as defined in Section 21-201 of the Public Utilities Act, and (7) municipalities owning or 18 operating utility systems consisting of public utilities 19 as that term is defined in Section 11-117-2 of the 20 21 Illinois Municipal Code.

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

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(17) Procurement expenditures necessary for the

Department of Agriculture, the Department of Financial and 1 Professional Regulation, the Department of Human Services, 2 3 and the Department of Public Health to implement the Compassionate Use of Medical Cannabis Program and Opioid 4 5 Alternative Pilot Program requirements and ensure access 6 to medical cannabis for patients with debilitating medical 7 conditions in accordance with the Compassionate Use of 8 Medical Cannabis Program Act.

9 (18) This Code does not apply to any procurements 10 necessarv for the Department of Agriculture, the 11 Department of Financial and Professional Regulation, the 12 Department of Human Services, the Department of Commerce 13 and Economic Opportunity, and the Department of Public 14 Health to implement the Cannabis Regulation and Tax Act if 15 the applicable agency has made a good faith determination 16 that it is necessary and appropriate for the expenditure 17 fall within this exemption and if the process is to conducted in a manner substantially in accordance with the 18 requirements of Sections 20-160, 25-60, 30-22, 50-5, 19 20 50-10, 50-10.5, 50-12, 50-13, 50-15, 50-20, 50-21, 50-35, 50-36, 50-37, 50-38, and 50-50 of this Code; however, for 21 22 Section 50-35, compliance applies only to contracts or 23 subcontracts over \$100,000. Notice of each contract 24 entered into under this paragraph (18) that is related to 25 the procurement of goods and services identified in 26 paragraph (1) through (9) of this subsection shall be - 7 - LRB103 36520 MXP 66626 b

published in the Procurement Bulletin within 14 calendar 1 days after contract execution. The Chief Procurement 2 3 Officer shall prescribe the form and content of the notice. Each agency shall provide the Chief Procurement 4 5 Officer, on a monthly basis, in the form and content 6 prescribed by the Chief Procurement Officer, a report of 7 contracts that are related to the procurement of goods and 8 services identified in this subsection. At a minimum, this 9 report shall include the name of the contractor, a 10 description of the supply or service provided, the total 11 amount of the contract, the term of the contract, and the 12 exception to this Code utilized. A copy of any or all of 13 these contracts shall be made available to the Chief 14 Procurement Officer immediately upon request. The Chief 15 Procurement Officer shall submit a report to the Governor 16 and General Assembly no later than November 1 of each year 17 that includes, at a minimum, an annual summary of the monthly information reported to the Chief Procurement 18 19 Officer. This exemption becomes inoperative 5 years after 20 June 25, 2019 (the effective date of Public Act 101-27).

(19) Acquisition of modifications or adjustments, limited to assistive technology devices and assistive technology services, adaptive equipment, repairs, and replacement parts to provide reasonable accommodations (i) that enable a qualified applicant with a disability to complete the job application process and be considered for

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the position such qualified applicant desires, (ii) that 1 2 modify or adjust the work environment to enable a 3 qualified current employee with a disability to perform the essential functions of the position held by that 4 5 employee, (iii) to enable a qualified current employee 6 with a disability to enjoy equal benefits and privileges 7 of employment as are enjoyed by other similarly situated 8 employees without disabilities, and (iv) that allow a 9 customer, client, claimant, or member of the public 10 seeking State services full use and enjoyment of and 11 access to its programs, services, or benefits.

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For purposes of this paragraph (19):

13 "Assistive technology devices" means any item, piece 14 of equipment, or product system, whether acquired 15 commercially off the shelf, modified, or customized, that 16 is used to increase, maintain, or improve functional 17 capabilities of individuals with disabilities.

18 "Assistive technology services" means any service that 19 directly assists an individual with a disability in 20 selection, acquisition, or use of an assistive technology 21 device.

"Qualified" has the same meaning and use as provided under the federal Americans with Disabilities Act when describing an individual with a disability.

(20) Procurement expenditures necessary for the
 Illinois Commerce Commission to hire third-party

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facilitators pursuant to Sections 16-105.17 and 16-108.18 1 of the Public Utilities Act or an ombudsman pursuant to 2 16-107.5 of the 3 Section Public Utilities Act, а facilitator pursuant to Section 16-105.17 of the Public 4 5 Utilities Act, or a grid auditor pursuant to Section 16-105.10 of the Public Utilities Act. 6

7 Procurement expenditures for the purchase, (21)renewal, and expansion of software, software licenses, or 8 9 software maintenance agreements that support the efforts 10 of the Illinois State Police to enforce, regulate, and 11 administer the Firearm Owners Identification Card Act, the 12 Firearm Concealed Carry Act, the Firearms Restraining Order Act, the Firearm Dealer License Certification Act, 13 14 the Law Enforcement Agencies Data System (LEADS), the 15 Uniform Crime Reporting Act, the Criminal Identification 16 Act, the Illinois Uniform Conviction Information Act, and 17 the Gun Trafficking Information Act, or establish or 18 maintain record management systems necessary to conduct 19 human trafficking investigations or gun trafficking or 20 other stolen firearm investigations. This paragraph (21) applies to contracts entered into on or after January 10, 21 22 2023 (the effective date of Public Act 102-1116) and the 23 renewal of contracts that are in effect on January 10, 2023 (the effective date of Public Act 102-1116). 24

(22) Contracts for project management services and
 system integration services required for the completion of

the State's enterprise resource planning project. This 1 2 exemption becomes inoperative 5 years after June 7, 2023 3 (the effective date of the changes made to this Section by Public Act 103-8). This paragraph (22) 4 applies to 5 contracts entered into on or after June 7, 2023 (the 6 effective date of the changes made to this Section by 7 Public Act 103-8) and the renewal of contracts that are in 8 effect on June 7, 2023 (the effective date of the changes 9 made to this Section by Public Act 103-8).

10 (23) Procurements necessary for the Department of 11 Insurance to implement the Illinois Health Benefits 12 Exchange Law if the Department of Insurance has made a good faith determination that 13 it is necessary and 14 appropriate for the expenditure to fall within this 15 exemption. The procurement process shall be conducted in a 16 manner substantially in accordance with the requirements 17 of Sections 20-160 and 25-60 and Article 50 of this Code. A copy of these contracts shall be made available to the 18 19 Chief Procurement Officer immediately upon request. This 20 paragraph is inoperative 5 years after June 27, 2023 (the effective date of Public Act 103-103). 21

22 <u>(24)</u> (22) Contracts for public education programming, 23 noncommercial sustaining announcements, public service 24 announcements, and public awareness and education 25 messaging with the nonprofit trade associations of the 26 providers of those services that inform the public on

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immediate and ongoing health and safety risks and hazards.

2 (25) Procurement expenditures by the State Board of 3 Education related to media marketing campaigns, one-year 4 sole sources, and emergency purchases.

5 Notwithstanding any other provision of law, for contracts with an annual value of more than \$100,000 entered into on or 6 7 after October 1, 2017 under an exemption provided in any 8 paragraph of this subsection (b), except paragraph (1), (2), 9 or (5), each State agency shall post to the appropriate 10 procurement bulletin the name of the contractor, a description of the supply or service provided, the total amount of the 11 12 contract, the term of the contract, and the exception to the Code utilized. The chief procurement officer shall submit a 13 14 report to the Governor and General Assembly no later than 15 November 1 of each year that shall include, at a minimum, an 16 annual summary of the monthly information reported to the 17 chief procurement officer.

(c) This Code does not apply to the electric power procurement process provided for under Section 1-75 of the Illinois Power Agency Act and Section 16-111.5 of the Public Utilities Act. This Code does not apply to the procurement of technical and policy experts pursuant to Section 1-129 of the Illinois Power Agency 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

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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 3 Capital Development Board to retain a person or entity to 4 5 assist the Capital Development Board with its duties related to the determination of costs of a clean coal SNG brownfield 6 7 facility, as defined by Section 1-10 of the Illinois Power 8 Agency Act, as required in subsection (h-3) of Section 9-220 9 of the Public Utilities Act, including calculating the range 10 of capital costs, the range of operating and maintenance 11 costs, or the sequestration costs or monitoring the 12 construction of clean coal SNG brownfield facility for the full duration of construction. 13

14 (f) (Blank).

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15 (g) (Blank).

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

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

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1 Board Act.

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

6 (1) This Code does not apply to the processes used by the 7 Illinois Student Assistance Commission to procure supplies and 8 services paid for from the private funds of the Illinois 9 Prepaid Tuition Fund. As used in this subsection (1), "private 10 funds" means funds derived from deposits paid into the 11 Illinois Prepaid Tuition Trust Fund and the earnings thereon.

12 (m) This Code shall apply regardless of the source of 13 funds with which contracts are paid, including federal assistance moneys. Except as specifically provided in this 14 15 Code, this Code shall not apply to procurement expenditures 16 necessary for the Department of Public Health to conduct the 17 Healthy Illinois Survey in accordance with Section 2310-431 of the Department of Public Health Powers and Duties Law of the 18 Civil Administrative Code of Illinois. 19

20 (Source: P.A. 102-175, eff. 7-29-21; 102-483, eff 1-1-22;
21 102-558, eff. 8-20-21; 102-600, eff. 8-27-21; 102-662, eff.
22 9-15-21; 102-721, eff. 1-1-23; 102-813, eff. 5-13-22;
23 102-1116, eff. 1-10-23; 103-8, eff. 6-7-23; 103-103, eff.
24 6-27-23; 103-570, eff. 1-1-24; 103-580, eff. 12-8-23; revised
25 1-2-24.)