

95TH GENERAL ASSEMBLY State of Illinois 2007 and 2008 SB1620

Introduced 2/9/2007, by Sen. Jeffrey M. Schoenberg

SYNOPSIS AS INTRODUCED:

30 ILCS 500/20-10

Amends the Illinois Procurement Code. Authorizes State agencies to use a reverse auction method of procuring needed supplies and services other than road projects, construction projects, and human services items. Provides that the use must be in accordance with rules adopted by the chief procurement officers.

LRB095 10190 JAM 30404 b

FISCAL NOTE ACT MAY APPLY

3

1 AN ACT concerning finance.

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

- 4 Section 5. The Illinois Procurement Code is amended by
- 5 changing Section 20-10 as follows:
- (30 ILCS 500/20-10) 6
- 7 Sec. 20-10. Competitive sealed bidding.
- 8 (a) Conditions for use. All contracts shall be awarded by
- 9 competitive sealed bidding except as otherwise provided in
- 10 Section 20-5.
- (b) Invitation for bids. An invitation for bids shall be 11
- 12 issued and shall include a purchase description and the
- 13 material contractual terms and conditions applicable to the
- 14 procurement.
- (c) Public notice. Public notice of the invitation for bids 15
- 16 shall be published in the Illinois Procurement Bulletin at
- 17 least 14 days before the date set in the invitation for the
- opening of bids. 18
- 19 (d) Bid opening. Bids shall be opened publicly in the
- 20 presence of one or more witnesses at the time and place
- 21 designated in the invitation for bids. The name of each bidder,
- 22 the amount of each bid, and other relevant information as may
- be specified by rule shall be recorded. After the award of the 2.3

- contract, the winning bid and the record of each unsuccessful bid shall be open to public inspection.
 - (e) Bid acceptance and bid evaluation. Bids shall be unconditionally accepted without alteration or correction, except as authorized in this Code. Bids shall be evaluated based on the requirements set forth in the invitation for bids, which may include criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the bid price and be considered in evaluation for award, such as discounts, transportation costs, and total or life cycle costs, shall be objectively measurable. The invitation for bids shall set forth the evaluation criteria to be used.
 - (f) Correction or withdrawal of bids. Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards of contracts based on bid mistakes, shall be permitted in accordance with rules. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the State or fair competition shall be permitted. All decisions to permit the correction or withdrawal of bids based on bid mistakes shall be supported by written determination made by a State purchasing officer.
 - (g) Award. The contract shall be awarded with reasonable promptness by written notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria

- set forth in the invitation for bids, except when a State purchasing officer determines it is not in the best interest of the State and by written explanation determines another bidder shall receive the award. The explanation shall appear in the appropriate volume of the Illinois Procurement Bulletin.
 - (h) Multi-step sealed bidding. When it is considered impracticable to initially prepare a purchase description to support an award based on price, an invitation for bids may be issued requesting the submission of unpriced offers to be followed by an invitation for bids limited to those bidders whose offers have been qualified under the criteria set forth in the first solicitation.
 - (i) Reverse auctions. In accordance with rules adopted by each chief procurement officer, the appropriate State purchasing officer may procure needed supplies or services through a reverse auction technique that would allow responsive and responsible bidders to adjust prices downward during the competitive sealed bidding process. The reverse auction shall follow all of the requirements of subsections (a) through (h) of this Section but may allow for the electronic submission, revision, and display of prices during the period of the reverse auction. The names of the vendors participating shall be disclosed, but their names need not be displayed with their associated pricing until after the conclusion of a successful auction. This subsection does not apply to contracts for road and construction projects and to contracts for human services

- 1 <u>items.</u>
- 2 (Source: P.A. 90-572, eff. date See Sec. 99-5.)