



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

SB2608

Introduced 2/15/2008, by Sen. Christine Radogno

#### SYNOPSIS AS INTRODUCED:

See Index

Creates the Legislative Contract Disclosure Act and the Lieutenant Governor's Contract Disclosure Act and amends the State Budget Law, the Attorney General Act, the Secretary of State Act, the State Comptroller Act, the State Treasurer Act, and the Illinois State Auditing Act. Requires that the offices of statewide officers, legislators, legislative agencies, and the Auditor General post on their websites disclosures with respect to each of their contracts with an annual value of \$50,000 or more. Specifies the contents of the disclosure, including the names of the contracting entity and others with whom the contracting entity has a financial relationship. Amends the Illinois Procurement Code to require posting on the online Procurement Bulletin of similar disclosures by bidders and offerors on State contracts with an annual value of \$50,000 or more. Amends the Illinois Procurement Code to make changes with respect to the following: amendments to contracts; contents of the Procurement Bulletin; contract renewals; use of competitive bidding; sole source procurements; emergency procurements; bidders and offerors authorized to do business in Illinois; contract specifications; expense reimbursement; contract payments; lease holdovers; conflict of interest waivers; and contract voidability. Effective immediately.

LRB095 19118 JAM 45329 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning procurement.

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

4 ARTICLE 1

5 Section 1-1. Short title. This Article may be cited as the  
6 Legislative Contract Disclosure Act.

7 Section 1-5. Definitions. For purposes of this Article:

8 "Contract" means any contract or agreement for goods or  
9 services executed by a member of the General Assembly,  
10 legislative office, or legislative agency, with an annual value  
11 of \$50,000 or more, except, regardless of amount, "contract" as  
12 used in this Article shall not include the following:

13 (1) Contracts with State agencies or officers or other  
14 political subdivisions;

15 (2) Hiring of an individual as an employee or  
16 independent contractor, whether pursuant to an employment  
17 code or policy or by contract directly with that  
18 individual;

19 (3) Collective bargaining contracts;

20 (4) Purchase of real estate; or

21 (5) Contracts necessary to prepare for anticipated  
22 litigation, enforcement actions, or investigations.

1 "Contracting entity" means an entity that has executed a  
2 contract with the member of the General Assembly, legislative  
3 office, or legislative agency.

4 "Key persons" means any persons who (i) have an ownership  
5 or distributive income share in the contracting entity that is  
6 in excess of 5%, or an amount greater than 60% of the annual  
7 salary of the Governor; (ii) serve as executive officers of the  
8 contracting entity; (iii) are employed by the contracting  
9 entity who are required to register as lobbyists under the  
10 Lobbyist Registration Act; (iv) are individuals or entities  
11 with whom the contracting entity is contracting who are  
12 required to register as lobbyists under the Lobbyist  
13 Registration Act; and (v) are employed by the contracting  
14 entity who are special government agents as defined in Section  
15 4A-101(1) of the Illinois Governmental Ethics Act.

16 Section 1-10. Notice. Notice of the execution of contracts  
17 shall be posted on the website of the Illinois General Assembly  
18 that includes a brief description of the purpose of the  
19 contract and disclosure of the names of the following:

20 (1) The contracting entity;

21 (2) Any entity that is a parent of, or owns a  
22 controlling interest in, the contracting entity;

23 (3) Any entity that is a subsidiary of, or owns a  
24 controlling interest in, the contracting entity;

25 (4) Any subcontractor that will be contracting with the

1 contracting entity;

2 (5) Any State, local, or federal political committee  
3 that makes or may make political contributions on behalf of  
4 or at the direction of the contracting entity; and

5 (6) The key persons of the contracting entity and any  
6 subcontractor.

7 This notice shall be posted within 10 business days after the  
8 contract is awarded.

9 Section 1-15. Application. This Article applies to  
10 contracts executed on or after the effective date of this  
11 amendatory Act of the 95th General Assembly.

12 ARTICLE 5

13 Section 5-1. Short title. This Article may be cited as the  
14 Lieutenant Governor's Contract Disclosure Act.

15 Section 5-5. Definitions. For purposes of this Article:

16 "Contract" means any contract or agreement for goods or  
17 services executed by the office of the Lieutenant Governor with  
18 an annual value of \$50,000 or more, except, regardless of  
19 amount, "contract" as used in this Section shall not include  
20 the following:

21 (1) Contracts with State agencies or officers or other  
22 political subdivisions;

1           (2) Hiring of an individual as an employee or  
2 independent contractor, whether pursuant to an employment  
3 code or policy or by contract directly with that  
4 individual;

5           (3) Collective bargaining contracts;

6           (4) Purchase of real estate; or

7           (5) Contracts necessary to prepare for anticipated  
8 litigation, enforcement actions, or investigations.

9           "Contracting entity" means an entity that has executed a  
10 contract with the Office of the Lieutenant Governor.

11           "Key persons" means any persons who (i) have an ownership  
12 or distributive income share in the contracting entity that is  
13 in excess of 5%, or an amount greater than 60% of the annual  
14 salary of the Governor; (ii) serve as executive officers of the  
15 contracting entity; (iii) are employed by the contracting  
16 entity who are required to register as lobbyists under the  
17 Lobbyist Registration Act; (iv) are individuals or entities  
18 with whom the contracting entity is contracting who are  
19 required to register as lobbyists under the Lobbyist  
20 Registration Act; and (v) are employed by the contracting  
21 entity who are special government agents as defined in Section  
22 4A-101(1) of the Illinois Governmental Ethics Act.

23           Section 5-10. Notice. Notice of the execution of contracts  
24 shall be posted on the website of the Office of the Lieutenant  
25 Governor that includes a brief description of the purpose of

1 the contract and disclosure of the names of the following:

2 (1) The contracting entity;

3 (2) Any entity that is a parent of, or owns a  
4 controlling interest in, the contracting entity;

5 (3) Any entity that is a subsidiary of, or owns a  
6 controlling interest in, the contracting entity;

7 (4) Any subcontractor that will be contracting with the  
8 contracting entity;

9 (5) Any State, local, or federal political committee  
10 that makes or may make political contributions on behalf of  
11 or at the direction of the contracting entity; and

12 (6) The key persons of the contracting entity and any  
13 subcontractor.

14 This notice shall be posted within 10 business days after the  
15 contract is awarded.

16 Section 5-15. Application. This Article applies to  
17 contracts executed on or after the effective date of this  
18 amendatory Act of the 95th General Assembly.

19 ARTICLE 90

20 Section 90-5. The State Budget Law is amended by adding  
21 Section 50-25 as follows:

22 (15 ILCS 20/50-25 new)

1       Sec. 50-25. Governor's Contract Disclosure.

2       (a) For purposes of this Section:

3       "Contract" means any contract or agreement for goods or  
4 services executed by the Office of the Governor, with an annual  
5 value of \$50,000 or more, except, regardless of amount,  
6 "contract" as used in this Section shall not include the  
7 following:

8           (1) Contracts with State agencies or officers or other  
9 political subdivisions;

10          (2) Hiring of an individual as an employee or  
11 independent contractor, whether pursuant to an employment  
12 code or policy or by contract directly with that  
13 individual;

14          (3) Collective bargaining contracts;

15          (4) Purchase of real estate; or

16          (5) Contracts necessary to prepare for anticipated  
17 litigation, enforcement actions, or investigations.

18       "Contracting entity" means an entity that has executed a  
19 contract with the Office of the Governor.

20       "Key persons" means any persons who (i) have an ownership  
21 or distributive income share in the contracting entity that is  
22 in excess of 5%, or an amount greater than 60% of the annual  
23 salary of the Governor; (ii) serve as executive officers of the  
24 contracting entity; (iii) are employed by the contracting  
25 entity who are required to register as lobbyists under the  
26 Lobbyist Registration Act; (iv) are individuals or entities

1 with whom the contracting entity is contracting who are  
2 required to register as lobbyists under the Lobbyist  
3 Registration Act; and (v) are employed by the contracting  
4 entity who are special government agents as defined in Section  
5 4A-101(1) of the Illinois Governmental Ethics Act.

6 (b) Notice of the execution of contracts shall be posted on  
7 the website of the Office of the Governor that includes a brief  
8 description of the purpose of the contract and disclosure of  
9 the names of the following:

10 (1) The contracting entity;

11 (2) Any entity that is a parent of, or owns a  
12 controlling interest in, the contracting entity;

13 (3) Any entity that is a subsidiary of, or owns a  
14 controlling interest in, the contracting entity;

15 (4) Any subcontractor that will be contracting with the  
16 contracting entity;

17 (5) Any State, local, or federal political committee  
18 which makes or may make political contributions on behalf  
19 or at the direction of the contracting entity; and

20 (6) The key persons of the contracting entity and any  
21 subcontractor.

22 This notice shall be posted within 10 business days after the  
23 contract is awarded.

24 (c) This Section applies to contracts executed on or after  
25 the effective date of this amendatory Act of the 95th General  
26 Assembly.



1 Section 90-10. The Attorney General Act is amended by  
2 adding Section 6.10 as follows:

3 (15 ILCS 205/6.10 new)

4 Sec. 6.10. Attorney General's Contract Disclosure.

5 (a) For purposes of this Section:

6 "Contract" means any contract or agreement for goods or  
7 services executed by the Office of the Attorney General, with  
8 an annual value of \$50,000 or more, except, regardless of  
9 amount, "contract" as used in this Section shall not include  
10 the following:

11 (1) Contracts with State agencies or officers or other  
12 political subdivisions;

13 (2) Hiring of an individual as an employee or  
14 independent contractor, whether pursuant to an employment  
15 code or policy or by contract directly with that  
16 individual;

17 (3) Collective bargaining contracts;

18 (4) Purchase of real estate; or

19 (5) Contracts necessary to prepare for anticipated  
20 litigation, enforcement actions or investigations.

21 "Contracting entity" means an entity that has executed a  
22 contract with the Office of the Attorney General.

23 "Key persons" means any persons who (i) have an ownership  
24 or distributive income share in the contracting entity that is

1 in excess of 5%, or an amount greater than 60% of the annual  
2 salary of the Governor; (ii) serve as executive officers of the  
3 contracting entity; (iii) are employed by the contracting  
4 entity who are required to register as lobbyists under the  
5 Lobbyist Registration Act; (iv) are individuals or entities  
6 with whom the contracting entity is contracting who are  
7 required to register as lobbyists under the Lobbyist  
8 Registration Act; and (v) are employed by the contracting  
9 entity who are special government agents as defined in Section  
10 4A-101(1) of the Illinois Governmental Ethics Act.

11 (b) Notice of the execution of contracts shall be posted on  
12 the website of the Office of the Attorney General that includes  
13 a brief description of the purpose of the contract and  
14 disclosure of the names of the following:

15 (1) The contracting entity;

16 (2) Any entity that is a parent of, or owns a  
17 controlling interest in, the contracting entity;

18 (3) Any entity that is a subsidiary of, or owns a  
19 controlling interest in, the contracting entity;

20 (4) Any subcontractor that will be contracting with the  
21 contracting entity;

22 (5) Any State, local, or federal political committee  
23 which makes or may make political contributions on behalf  
24 of or at the direction of the contracting entity; and

25 (6) The key persons of the contracting entity and any  
26 subcontractor.

1 This notice shall be posted within 10 business days after the  
2 contract is awarded.

3 (c) This Section applies to contracts executed on or after  
4 the effective date of this amendatory Act of the 95th General  
5 Assembly.

6 Section 90-12. The Secretary of State Act is amended by  
7 adding Section 30 as follows:

8 (15 ILCS 305/30 new)

9 Sec. 30. Secretary of State's Contract Disclosure.

10 (a) For purposes of this Section:

11 "Contract" means any contract or agreement for goods or  
12 services executed by the Office of the Secretary of State, with  
13 an annual value of \$50,000 or more, except, regardless of  
14 amount, "contract" as used in this Section shall not include  
15 the following:

16 (1) Contracts with State agencies or officers or other  
17 political subdivisions;

18 (2) Hiring of an individual as an employee or  
19 independent contractor, whether pursuant to an employment  
20 code or policy or by contract directly with that  
21 individual;

22 (3) Collective bargaining contracts;

23 (4) Purchase of real estate; or

24 (5) Contracts necessary to prepare for anticipated

1 litigation, enforcement actions, or investigations.

2 "Contracting entity" means an entity that has executed a  
3 contract with the Office of the Secretary of State.

4 "Key persons" means any persons who (i) have an ownership  
5 or distributive income share in the contracting entity that is  
6 in excess of 5%, or an amount greater than 60% of the annual  
7 salary of the Governor; (ii) serve as executive officers of the  
8 contracting entity; (iii) are employed by the contracting  
9 entity who are required to register as lobbyists under the  
10 Lobbyist Registration Act; (iv) are individuals or entities  
11 with whom the contracting entity is contracting who are  
12 required to register as lobbyists under the Lobbyist  
13 Registration Act; and (v) are employed by the contracting  
14 entity who are special government agents as defined in Section  
15 4A-101(1) of the Illinois Governmental Ethics Act.

16 (b) Notice of the execution of contracts shall be posted on  
17 the website of the Office of the Secretary of State that  
18 includes a brief description of the purpose of the contract and  
19 disclosure of the names of the following:

20 (1) The contracting entity;

21 (2) Any entity that is a parent of, or owns a  
22 controlling interest in, the contracting entity;

23 (3) Any entity that is a subsidiary of, or owns a  
24 controlling interest in, the contracting entity;

25 (4) Any subcontractor that will be contracting with the  
26 contracting entity;

1           (5) Any State, local, or federal political committee  
2           that makes or may make political contributions on behalf of  
3           or at the direction of the contracting entity; and

4           (6) The key persons of the contracting entity and any  
5           subcontractor.

6           This notice shall be posted within 10 business days after the  
7           contract is awarded.

8           (c) This Section applies to contracts executed on or after  
9           the effective date of this amendatory Act of the 95th General  
10           Assembly.

11           Section 90-13. The State Comptroller Act is amended by  
12           adding Section 40 as follows:

13           (15 ILCS 405/40 new)

14           Sec. 40. Comptroller's Contract Disclosure.

15           (a) For purposes of this Section:

16           "Contract" means any contract or agreement for goods or  
17           services executed by the Office of the Comptroller, with an  
18           annual value of \$50,000 or more, except, regardless of amount,  
19           "contract" as used in this Section shall not include the  
20           following:

21           (1) Contracts with State agencies or officers or other  
22           political subdivisions;

23           (2) Hiring of an individual as an employee or  
24           independent contractor, whether pursuant to an employment code

1 or policy or by contract directly with that individual;

2 (3) Collective bargaining contracts;

3 (4) Purchase of real estate; or

4 (5) Contracts necessary to prepare for anticipated  
5 litigation, enforcement actions, or investigations.

6 "Contracting entity" means an entity that has executed a  
7 contract with the Office of the Comptroller.

8 "Key persons" means any persons who (i) have an ownership  
9 or distributive income share in the contracting entity that is  
10 in excess of 5%, or an amount greater than 60% of the annual  
11 salary of the Governor; (ii) serve as executive officers of the  
12 contracting entity; (iii) are employed by the contracting  
13 entity who are required to register as lobbyists under the  
14 Lobbyist Registration Act; (iv) are individuals or entities  
15 with whom the contracting entity is contracting who are  
16 required to register as lobbyists under the Lobbyist  
17 Registration Act; and (v) are employed by the contracting  
18 entity who are special government agents as defined in Section  
19 4A-101(1) of the Illinois Governmental Ethics Act.

20 (b) Notice of the execution of contracts shall be posted on  
21 the website of the Office of the Comptroller that includes a  
22 brief description of the purpose of the contract and disclosure  
23 of the names of the following:

24 (1) The contracting entity;

25 (2) Any entity that is a parent of, or owns a  
26 controlling interest in, the contracting entity;

1           (3) Any entity that is a subsidiary of, or owns a  
2           controlling interest in, the contracting entity;

3           (4) Any subcontractor that will be contracting with the  
4           contracting entity;

5           (5) Any State, local, or federal political committee  
6           which makes or may make political contributions on behalf  
7           of or at the direction of the contracting entity; and

8           (6) The key persons of the contracting entity and any  
9           subcontractor.

10          This notice shall be posted within 10 business days after the  
11          contract is awarded.

12          (c) This Section applies to contracts executed on or after  
13          the effective date of this amendatory Act of the 95th General  
14          Assembly.

15          Section 90-15. The State Treasurer Act is amended by adding  
16          Section 25 as follows:

17               (15 ILCS 505/25 new)

18               Sec. 25. Treasurer's Contract Disclosure.

19               (a) For purposes of this Section:

20               "Contract" means any contract or agreement for goods or  
21               services executed by the Office of the Treasurer, with an  
22               annual value of \$50,000 or more, except, regardless of amount,  
23               "contract" as used in this Section shall not include the  
24               following:

1           (1) Contracts with State agencies or officers or other  
2 political subdivisions;

3           (2) Hiring of an individual as an employee or  
4 independent contractor, whether pursuant to an employment code  
5 or policy or by contract directly with that individual;

6           (3) Collective bargaining contracts;

7           (4) Purchase of real estate; or

8           (5) Contracts necessary to prepare for anticipated  
9 litigation, enforcement actions, or investigations.

10          "Contracting entity" means an entity that has executed a  
11 contract with the Office of the Treasurer.

12          "Key persons" means any persons who (i) have an ownership  
13 or distributive income share in the contracting entity that is  
14 in excess of 5%, or an amount greater than 60% of the annual  
15 salary of the Governor; (ii) serve as executive officers of the  
16 contracting entity; (iii) are employed by the contracting  
17 entity who are required to register as lobbyists under the  
18 Lobbyist Registration Act; (iv) are individuals or entities  
19 with whom the contracting entity is contracting who are  
20 required to register as lobbyists under the Lobbyist  
21 Registration Act; and (v) are employed by the contracting  
22 entity who are special government agents as defined in Section  
23 4A-101(1) of the Illinois Governmental Ethics Act.

24          (b) Notice of the execution of contracts shall be posted on  
25 the website of the Office of the Treasurer that includes a  
26 brief description of the purpose of the contract and disclosure



1 of the names of the following:

2 (1) The contracting entity;

3 (2) Any entity that is a parent of, or owns a  
4 controlling interest in, the contracting entity;

5 (3) Any entity that is a subsidiary of, or owns a  
6 controlling interest in, the contracting entity;

7 (4) Any subcontractor that will be contracting with the  
8 contracting entity;

9 (5) Any State, local, or federal political committee  
10 which makes or may make political contributions on behalf  
11 of or at the direction of the contracting entity; and

12 (6) The key persons of the contracting entity and any  
13 subcontractor.

14 This notice shall be posted within 10 business days after the  
15 contract is awarded.

16 (c) This Section applies to contracts executed on or after  
17 the effective date of this amendatory Act of the 95th General  
18 Assembly.

19 Section 90-20. The Illinois State Auditing Act is amended  
20 by adding Section 2-20 as follows:

21 (30 ILCS 5/2-20 new)

22 Sec. 2-20. Auditor General's Contract Disclosure.

23 (a) For purposes of this Section:

24 "Contract" means any contract or agreement for goods or

1 services executed by the Office of the Auditor General, with an  
2 annual value of \$50,000 or more, except, regardless of amount,  
3 "contract" as used in this Section shall not include the  
4 following:

5 (1) Contracts with State agencies or officers or other  
6 political subdivisions;

7 (2) Hiring of an individual as an employee or  
8 independent contractor, whether pursuant to an employment  
9 code or policy or by contract directly with that  
10 individual;

11 (3) Collective bargaining contracts;

12 (4) Purchase of real estate; or

13 (5) Contracts necessary to prepare for anticipated  
14 litigation, enforcement actions, or investigations.

15 "Contracting entity" means an entity that has executed a  
16 contract with the Office of the Auditor General.

17 "Key persons" means any persons who (i) have an ownership  
18 or distributive income share in the contracting entity that is  
19 in excess of 5%, or an amount greater than 60% of the annual  
20 salary of the Governor; (ii) serve as executive officers of the  
21 contracting entity; (iii) are employed by the contracting  
22 entity who are required to register as lobbyists under the  
23 Lobbyist Registration Act; (iv) are individuals or entities  
24 with whom the contracting entity is contracting who are  
25 required to register as lobbyists under the Lobbyist  
26 Registration Act; and (v) are employed by the contracting

1 entity who are special government agents as defined in Section  
2 4A-101(1) of the Illinois Governmental Ethics Act.

3 (b) Notice of the execution of contracts shall be posted on  
4 the website of the Office of the Auditor General that includes  
5 a brief description of the purpose of the contract and  
6 disclosure of the names of the following:

7 (1) The contracting entity;

8 (2) Any entity that is a parent of, or owns a  
9 controlling interest in, the contracting entity;

10 (3) Any entity that is a subsidiary of, or owns a  
11 controlling interest in, the contracting entity;

12 (4) Any subcontractor that will be contracting with the  
13 contracting entity;

14 (5) Any State, local, or federal political committee  
15 which makes or may make political contributions on behalf  
16 of or at the direction of the contracting entity; and

17 (6) The key persons of the contracting entity and any  
18 subcontractor.

19 This notice shall be posted within 10 business days after the  
20 contract is awarded.

21 (c) This Section applies to contracts executed on or after  
22 the effective date of this amendatory Act of the 95th General  
23 Assembly.

24 Section 90-25. The Illinois Procurement Code is amended by  
25 changing Sections 1-15.30, 15-25, 20-10, 20-25, 20-30, 20-50,

1 20-55, 20-80, 40-25, 50-20, 50-30, and 50-60 and by adding  
2 Sections 20-43 and 50-37 as follows:

3 (30 ILCS 500/1-15.30)

4 Sec. 1-15.30. Contract. "Contract" means all types of State  
5 agreements, regardless of what they may be called, for the  
6 procurement, use, or disposal of supplies, services,  
7 professional or artistic services, or construction or for  
8 leases of real property or capital improvements, and including  
9 master contracts, contracts for financing through use of  
10 installment or lease-purchase arrangements, renegotiated  
11 contracts, amendments to contracts, and change orders. The  
12 changes to this Section made by this amendatory Act of the 95th  
13 General Assembly apply to amendments executed on or after its  
14 effective date.

15 (Source: P.A. 90-572, eff. 2-6-98.)

16 (30 ILCS 500/15-25)

17 Sec. 15-25. Bulletin content.

18 (a) Invitations for bids. Notice of each and every contract  
19 that is offered, including renegotiated contracts and change  
20 orders, shall be published in the Bulletin. The applicable  
21 chief procurement officer may provide by rule an organized  
22 format for the publication of this information, but in any case  
23 it must include at least the date first offered, the date  
24 submission of offers is due, the location that offers are to be

1 submitted to, the purchasing State agency, the responsible  
2 State purchasing officer, a brief purchase description, the  
3 method of source selection, information of how to obtain a  
4 comprehensive purchase description and any disclosure and  
5 contract forms, and encouragement to prospective vendors to  
6 hire qualified veterans, as defined by Section 45-67 of this  
7 Code, and Illinois residents discharged from any Illinois adult  
8 correctional center.

9 (b) Contracts let or awarded. Notice of each and every  
10 contract that is let or awarded, including renegotiated  
11 contracts and change orders, shall be published in the next  
12 available subsequent Bulletin, and the applicable chief  
13 procurement officer may provide by rule an organized format for  
14 the publication of this information, but in any case it must  
15 include at least all of the information specified in subsection  
16 (a) as well as the name of the successful responsible bidder or  
17 offeror, the contract price, the number of unsuccessful  
18 responsive bidders, and any other disclosure specified in any  
19 Section of this Code. This notice shall include the disclosures  
20 required under Section 50-37, if applicable. In addition, the  
21 notice shall summarize the outreach efforts undertaken by the  
22 agency to make potential bidders or offerors aware of any  
23 contract offer other than publication in the Bulletin. This  
24 notice must be posted in the online electronic Bulletin no  
25 later than 10 business days after the contract is awarded. This  
26 notice must be posted in the online electronic Bulletin prior

1 to execution of the contract.

2 (c) Emergency purchase disclosure. Any chief procurement  
3 officer, State purchasing officer, or designee exercising  
4 emergency purchase authority under this Code shall publish a  
5 written description and reasons and the total cost, if known,  
6 or an estimate if unknown and the name of the responsible chief  
7 procurement officer and State purchasing officer, and the  
8 business or person contracted with for all emergency purchases  
9 in the next timely, practicable Bulletin. This notice must be  
10 posted in the online electronic Bulletin no later than 10  
11 business days after the contract is awarded. This notice must  
12 be posted in the online electronic Bulletin within 3 business  
13 days after the execution of the contract.

14 (c-5) Business Enterprises Council reports. Each State  
15 agency shall post online on the Procurement Bulletin a copy of  
16 its annual report of utilization of businesses owned by  
17 minorities, females, and persons with disabilities as  
18 submitted to the Business Enterprises Council for Minorities,  
19 Females, and Persons with Disabilities pursuant to Section 6(c)  
20 of the Business Enterprise for Minorities, Females, and Persons  
21 with Disabilities Act no later than 10 business days after its  
22 submission of its report to the Council.

23 (c-10) Renewals. Notice of each contract renewal shall be  
24 posted online on the Procurement Bulletin no later than 10  
25 business days after the renewal is exercised. The Procurement  
26 Policy Board by rule shall specify the information to be

1 included in the notice, and the applicable chief procurement  
2 officer by rule may provide a format for the information.

3 (d) Other required disclosure. The applicable chief  
4 procurement officer shall provide by rule for the organized  
5 publication of all other disclosure required in other Sections  
6 of this Code in a timely manner.

7 (e) Application of amendatory provisions. The changes to  
8 this Section made by this amendatory Act of the 95th General  
9 Assembly apply to reports submitted, offers made, and notices  
10 on contracts executed on or after its effective date.

11 (Source: P.A. 94-1067, eff. 8-1-06; 95-536, eff. 1-1-08.)

12 (30 ILCS 500/20-10)

13 Sec. 20-10. Competitive sealed bidding.

14 (a) Conditions for use. All contracts shall be awarded by  
15 competitive sealed bidding except as otherwise provided in  
16 Section 20-5.

17 (b) Invitation for bids. An invitation for bids shall be  
18 issued and shall include a purchase description and the  
19 material contractual terms and conditions applicable to the  
20 procurement.

21 (c) Public notice. Public notice of the invitation for bids  
22 shall be published in the Illinois Procurement Bulletin at  
23 least 14 days before the date set in the invitation for the  
24 opening of bids.

25 (d) Bid opening. Bids shall be opened publicly in the

1 presence of one or more witnesses at the time and place  
2 designated in the invitation for bids. The name of each bidder,  
3 the amount of each bid, and other relevant information as may  
4 be specified by rule shall be recorded. After the award of the  
5 contract, the winning bid and the record of each unsuccessful  
6 bid shall be open to public inspection.

7 (e) Bid acceptance and bid evaluation. Bids shall be  
8 unconditionally accepted without alteration or correction,  
9 except as authorized in this Code. Bids shall be evaluated  
10 based on the requirements set forth in the invitation for bids,  
11 which may include criteria to determine acceptability such as  
12 inspection, testing, quality, workmanship, delivery, and  
13 suitability for a particular purpose. Those criteria that will  
14 affect the bid price and be considered in evaluation for award,  
15 such as discounts, transportation costs, and total or life  
16 cycle costs, shall be objectively measurable. The invitation  
17 for bids shall set forth the evaluation criteria to be used.

18 (f) Correction or withdrawal of bids. Correction or  
19 withdrawal of inadvertently erroneous bids before or after  
20 award, or cancellation of awards of contracts based on bid  
21 mistakes, shall be permitted in accordance with rules. After  
22 bid opening, no changes in bid prices or other provisions of  
23 bids prejudicial to the interest of the State or fair  
24 competition shall be permitted. All decisions to permit the  
25 correction or withdrawal of bids based on bid mistakes shall be  
26 supported by written determination made by a State purchasing



1 officer.

2 (g) Award. The contract shall be awarded with reasonable  
3 promptness by written notice to the lowest responsible and  
4 responsive bidder whose bid meets the requirements and criteria  
5 set forth in the invitation for bids, except when a State  
6 purchasing officer determines it is not in the best interest of  
7 the State and by written explanation determines another bidder  
8 shall receive the award. The explanation shall be posted in the  
9 online ~~appear in the appropriate volume of the~~ Illinois  
10 Procurement Bulletin. The written explanation must include:

- 11 (1) a description of the agency's needs;  
12 (2) a determination that the anticipated cost will be  
13 fair and reasonable;  
14 (3) a listing of all responsible and responsive  
15 bidders; and  
16 (4) the name of the bidder selected, pricing, and the  
17 reasons for selecting that bidder instead of the lowest  
18 responsible and responsive bidder.

19 Each agency may adopt rules to implement the requirements  
20 of this subsection (g).

21 The written explanation shall be filed with the Legislative  
22 Audit Commission and the Procurement Policy Board and posted in  
23 the online Bulletin within 30 days after the contract is  
24 awarded.

25 (h) Multi-step sealed bidding. When it is considered  
26 impracticable to initially prepare a purchase description to

1 support an award based on price, an invitation for bids may be  
2 issued requesting the submission of unpriced offers to be  
3 followed by an invitation for bids limited to those bidders  
4 whose offers have been qualified under the criteria set forth  
5 in the first solicitation.

6 (i) Alternative procedures. Notwithstanding any other  
7 provision of this Act to the contrary, the Director of the  
8 Illinois Power Agency may create alternative bidding  
9 procedures to be used in procuring professional services under  
10 Section 1-75(a) of the Illinois Power Agency Act and Section  
11 16-111.5(c) of the Public Utilities Act. These alternative  
12 procedures shall be set forth together with the other criteria  
13 contained in the invitation for bids, and shall appear in the  
14 appropriate volume of the Illinois Procurement Bulletin.

15 (j) Application of amendatory provisions. The changes to  
16 this Section made by this amendatory Act of the 95th General  
17 Assembly apply to contracts awarded on or after its effective  
18 date.

19 (Source: P.A. 95-481, eff. 8-28-07.)

20 (30 ILCS 500/20-25)

21 Sec. 20-25. Sole source procurements. In accordance with  
22 standards set by rule, contracts may be awarded without use of  
23 the specified method of source selection when there is only one  
24 economically feasible source for the item. This Section may not  
25 be used as a basis for amending a contract if the amendment

1 would result in an increase in the amount paid under the  
2 contract of more than 5% of the initial award, or would extend  
3 the contract term beyond the time reasonably needed for a  
4 competitive procurement, not to exceed 2 months. At least 2  
5 weeks before entering into a sole source contract, the  
6 purchasing agency shall publish in the Illinois Procurement  
7 Bulletin a notice of intent to do so along with a description  
8 of the item to be procured and the intended sole source  
9 contractor. The changes to this Section made by this amendatory  
10 Act of the 95th General Assembly apply to amendments executed  
11 on or after its effective date.

12 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

13 (30 ILCS 500/20-30)

14 Sec. 20-30. Emergency purchases.

15 (a) Conditions for use. In accordance with standards set by  
16 rule, a purchasing agency may make emergency procurements  
17 without competitive sealed bidding or prior notice when there  
18 exists a threat to public health or public safety, or when  
19 immediate expenditure is necessary for repairs to State  
20 property in order to protect against further loss of or damage  
21 to State property, to prevent or minimize serious disruption in  
22 critical State services that affect health, safety, or  
23 collections of substantial State revenue, or to ensure the  
24 integrity of State records; provided, however, that the term of  
25 the emergency purchase shall be limited to the time reasonably

1 needed for a competitive procurement, not to exceed 2 months.

2 Emergency procurements shall be made with as much competition  
3 as is practicable under the circumstances. A written  
4 description of the basis for the emergency and reasons for the  
5 selection of the particular contractor shall be included in the  
6 contract file.

7 (b) Notice. Before the next appropriate volume of the  
8 Illinois Procurement Bulletin, the purchasing agency shall  
9 publish in the Illinois Procurement Bulletin a copy of each  
10 written description and reasons and the total cost of each  
11 emergency procurement made during the previous month. When only  
12 an estimate of the total cost is known at the time of  
13 publication, the estimate shall be identified as an estimate  
14 and published. When the actual total cost is determined, it  
15 shall also be published in like manner before the 10th day of  
16 the next succeeding month.

17 (c) Affidavits. A purchasing agency making a procurement  
18 under this Section shall file affidavits with the chief  
19 procurement officer and the Auditor General within 10 days  
20 after the procurement setting forth the amount expended, the  
21 name of the contractor involved, and the conditions and  
22 circumstances requiring the emergency procurement. When only  
23 an estimate of the cost is available within 10 days after the  
24 procurement, the actual cost shall be reported immediately  
25 after it is determined. At the end of each fiscal quarter, the  
26 Auditor General shall file with the Legislative Audit

1 Commission and the Governor a complete listing of all emergency  
2 procurements reported during that fiscal quarter. The  
3 Legislative Audit Commission shall review the emergency  
4 procurements so reported and, in its annual reports, advise the  
5 General Assembly of procurements that appear to constitute an  
6 abuse of this Section.

7 (d) Quick purchases. The chief procurement officer may  
8 promulgate rules extending the circumstances by which a  
9 purchasing agency may make purchases under this Section,  
10 including but not limited to the procurement of items available  
11 at a discount for a limited period of time.

12 (e) Application of amendatory provisions. The changes to  
13 this Section made by this amendatory Act of the 95th General  
14 Assembly apply to procurements executed on or after its  
15 effective date.

16 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

17 (30 ILCS 500/20-43 new)

18 Sec. 20-43. Bidder or offeror authorized to do business in  
19 Illinois. In addition to meeting any other requirement of law  
20 or rule, a person (other than an individual acting as a sole  
21 proprietor) may qualify as a bidder or offeror under this Code  
22 only if the person is a legal entity authorized to do business  
23 in Illinois prior to submitting the bid, offer, or proposal.  
24 This Section applies to all bids, offers, and proposals  
25 submitted on or after the effective date of this amendatory Act

1 of the 95th General Assembly.

2 (30 ILCS 500/20-50)

3 Sec. 20-50. Specifications. Specifications shall be  
4 prepared in accordance with consistent standards that are  
5 promulgated by the chief procurement officer and reviewed by  
6 the Board and the Joint Committee on Administrative Rules.  
7 Those standards shall include a prohibition against the use of  
8 brand-name only products, except for products intended for  
9 retail sale or as specified by rule. Any person who assists in  
10 the development of specifications or background information  
11 for a bid solicitation or a request for proposals may not be  
12 awarded a contract under that bid solicitation or request for  
13 proposals., and shall include a restriction on the use of  
14 specifications drafted by a potential bidder. All  
15 specifications shall seek to promote overall economy for the  
16 purposes intended and encourage competition in satisfying the  
17 State's needs and shall not be unduly restrictive.

18 A solicitation or specification for a contract or a  
19 contract, including but not limited to a contract of a college,  
20 university, or institution under the jurisdiction of a  
21 governing board listed in Section 1-15.100, may not require,  
22 stipulate, suggest, or encourage a monetary or other financial  
23 contribution or donation, cash bonus or incentive, or economic  
24 investment as an explicit or implied term or condition for  
25 awarding or completing the contract. The contract,

1 solicitation, or specification also may not include a  
2 requirement that an individual or individuals employed by such  
3 a college, university, or institution receive a consulting  
4 contract for professional services.

5 (Source: P.A. 90-572, eff. date - See Sec. 99-5; 91-627, eff.  
6 8-19-99.)

7 (30 ILCS 500/20-55)

8 Sec. 20-55. Types of contracts. Subject to the limitations  
9 of this Section and unless otherwise authorized by law, any  
10 type of contract that will promote the best interests of the  
11 State may be used, except that cost-plus-a-percentage-of-cost  
12 contracts are prohibited and further except that no contract  
13 shall provide for a State agency to reimburse a contractor for  
14 expenses relating to meals or travel of the contractor's  
15 employees or State employees. A cost-reimbursement contract  
16 may be used only when a determination is made in writing that a  
17 cost-reimbursement contract is likely to be less costly to the  
18 State than any other type or that it is impracticable to obtain  
19 the item required except under that type of contract. The  
20 general form of contracts shall be determined by the chief  
21 procurement officer.

22 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

23 (30 ILCS 500/20-80)

24 Sec. 20-80. Contract files.

1 (a) Written determinations. All written determinations  
2 required under this Article shall be placed in the contract  
3 file maintained by the chief procurement officer.

4 (b) Filing with Comptroller. Whenever a grant, defined  
5 pursuant to accounting standards established by the  
6 Comptroller, or a contract liability, except for: (1) contracts  
7 paid from personal services, or (2) contracts between the State  
8 and its employees to defer compensation in accordance with  
9 Article 24 of the Illinois Pension Code, exceeding \$10,000 is  
10 incurred by any State agency, a copy of the contract, purchase  
11 order, grant, or lease or amendments thereto shall be filed  
12 with the Comptroller within 15 days after execution.  
13 ~~thereafter.~~ Any cancellation or modification to any such  
14 contract liability shall be filed with the Comptroller within  
15 15 days of its execution.

16 (c) Late filing affidavit. When a contract, purchase order,  
17 grant, or lease or amendment thereto required to be filed by  
18 this Section has not been filed within 15 ~~30~~ days of execution,  
19 notice shall be filed with the Comptroller within 15 days after  
20 execution indicating that a contract or amendment thereto  
21 described within the notice has been executed and will not be  
22 filed within 15 days after execution, and the Comptroller shall  
23 refuse to issue a warrant for payment thereunder until the  
24 agency files with the Comptroller the contract, purchase order,  
25 grant, or lease or amendment thereto and an affidavit, signed  
26 by the chief executive officer of the agency or his or her



1 designee, setting forth an explanation of why the contract  
2 liability was not filed within 15 ~~30~~ days of execution. A copy  
3 of this affidavit shall be filed with the Auditor General. No  
4 work by any contractor for any State agency shall commence, nor  
5 shall any liability for payment by any State agency be  
6 incurred, until a final binding contract complying with all  
7 provisions of this Code has been executed by the contractor and  
8 agency.

9 (d) Professional and artistic services contracts. No  
10 voucher shall be submitted to the Comptroller for a warrant to  
11 be drawn for the payment of money from the State treasury or  
12 from other funds held by the State Treasurer on account of any  
13 contract for services involving professional or artistic  
14 skills involving an expenditure of more than \$5,000 for the  
15 same type of service at the same location during any fiscal  
16 year unless the contract is reduced to writing before the  
17 services are performed and filed with the Comptroller. When a  
18 contract for professional or artistic skills in excess of  
19 \$5,000 was not reduced to writing before the services were  
20 performed, the Comptroller shall refuse to issue a warrant for  
21 payment for the services until the State agency files with the  
22 Comptroller:

23 (1) a written contract covering the services, and

24 (2) an affidavit, signed by the chief executive officer  
25 of the State agency or his or her designee, stating that  
26 the services for which payment is being made were agreed to

1 before commencement of the services and setting forth an  
2 explanation of why the contract was not reduced to writing  
3 before the services commenced.

4 A copy of this affidavit shall be filed with the Auditor  
5 General. The Comptroller shall maintain professional or  
6 artistic service contracts filed under this Section separately  
7 from other filed contracts.

8 (e) Method of source selection. When a contract or  
9 amendment thereto is filed with the Comptroller under this  
10 Section, the Comptroller's file shall identify the method of  
11 source selection used in obtaining the contract.

12 (f) Comptroller's request for information. Upon the  
13 request of the Comptroller, State agencies shall supply all  
14 documents and information reasonably requested by the  
15 Comptroller with respect to compliance with this Code within 10  
16 business days after the request.

17 (g) Application of amendatory provisions. The changes to  
18 this Section made by this amendatory Act of the 95th General  
19 Assembly apply to contracts, purchase orders, grants, or leases  
20 or amendments thereto executed on or after its effective date.

21 (Source: P.A. 90-572, eff. date - See Sec. 99-5; 91-904, eff.  
22 7-6-00.)

23 (30 ILCS 500/40-25)

24 Sec. 40-25. Length of leases.

25 (a) Maximum term. Leases shall be for a term not to exceed

1 10 years and shall include a termination option in favor of the  
2 State after 5 years.

3 (b) Renewal. Leases may include a renewal option. An option  
4 to renew may be exercised only when a State purchasing officer  
5 determines in writing that renewal is in the best interest of  
6 the State and notice of the exercise of the option is published  
7 in the appropriate volume of the Procurement Bulletin at least  
8 60 days prior to the exercise of the option.

9 (c) Subject to appropriation. All leases shall recite that  
10 they are subject to termination and cancellation in any year  
11 for which the General Assembly fails to make an appropriation  
12 to make payments under the terms of the lease.

13 (d) Holdover. No lease with a stated term ending on or  
14 after the effective date of this amendatory Act of the 95th  
15 General Assembly may continue on a month-to-month or other  
16 holdover basis for a total of more than 6 months.

17 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

18 (30 ILCS 500/50-20)

19 Sec. 50-20. Exemptions. With the approval of the  
20 appropriate chief procurement officer involved, the Governor,  
21 or an executive ethics board or commission he or she  
22 designates, may exempt named individuals from the prohibitions  
23 of Section 50-13 when, in his, her, or its judgment, the public  
24 interest in having the individual in the service of the State  
25 outweighs the public policy evidenced in that Section. An

1 exemption is effective only when it is filed with the Secretary  
2 of State and the Comptroller and includes a statement setting  
3 forth the name of the individual and all the pertinent facts  
4 that would make that Section applicable, setting forth the  
5 reason for the exemption, and declaring the individual exempted  
6 from that Section. Exemptions must be filed with the Secretary  
7 of State and Comptroller prior to execution of any contracts. A  
8 copy of ~~Notice of~~ each exemption shall be published in the  
9 Illinois Procurement Bulletin in its electronic form prior to  
10 execution of the contract. The changes to this Section made by  
11 this amendatory Act of the 95th General Assembly apply to  
12 exemptions granted on or after its effective date.

13 (Source: P.A. 90-572, eff. 2-6-98.)

14 (30 ILCS 500/50-37 new)

15 Sec. 50-37. Contract award disclosure.

16 (a) Definitions. For purposes of this Section:

17 "Contracting entity" means an entity that would execute any  
18 contract with a State agency.

19 "Key persons" means any persons who (i) have an ownership  
20 or distributive income share in the contracting entity that is  
21 in excess of 5%, or an amount greater than 60% of the annual  
22 salary of the Governor; (ii) serve as executive officers of the  
23 contracting entity; (iii) are employed by the contracting  
24 entity who are required to register under the Lobbyist  
25 Registration Act; (iv) are individuals or entities with whom

1 the contracting entity is contracting who are required to be  
2 registered as lobbyists under the Lobbyist Registration Act;  
3 and (v) are employed by the contracting entity who are special  
4 government agents as defined in Section 4A-101(1) of the  
5 Illinois Governmental Ethics Act.

6 (b) Disclosure. For contracts with an annual value of  
7 \$50,000 or more all offers from responsive bidders or offerors  
8 shall be accompanied by disclosure of the names of the  
9 following:

10 (1) The contracting entity.

11 (2) Any entity that is a parent of, or owns a  
12 controlling interest in, the contracting entity.

13 (3) Any entity that is a subsidiary of, or in which a  
14 controlling interest is owned by the contracting entity.

15 (4) Any subcontractor that will be contracting with the  
16 contracting entity.

17 (5) Any State, local, or federal political committee  
18 that makes or may make political contributions on behalf of  
19 or at the direction of the contracting entity.

20 (6) The key persons of the contracting entity and any  
21 subcontractor.

22 (c) Notice. Notices of contracts let or awarded published  
23 in the Procurement Bulletin pursuant to Section 15-25 shall  
24 include as part of the notice posted online the names disclosed  
25 by the winning bidder or offeror pursuant to subsection (b).

26 (d) Application. The changes made to this Section made by

1 this amendatory Act of the 95th General Assembly apply to  
2 contracts first offered on or after its effective date.

3 (30 ILCS 500/50-60)

4 Sec. 50-60. Voidable contracts.

5 (a) If any contract or amendment thereto is entered into or  
6 purchase or expenditure of funds is made at any time in  
7 violation of this Code or any other law, the contract or  
8 amendment thereto may be declared void by the Comptroller, with  
9 the approval of the Treasurer, or the chief procurement officer  
10 or may be ratified and affirmed by the Comptroller, with the  
11 approval of the Treasurer, or by the chief procurement officer,  
12 provided the Comptroller, with the approval of the Treasurer,  
13 or the chief procurement officer determines that ratification  
14 is in the best interests of the State. If the contract is  
15 ratified and affirmed, it shall be without prejudice to the  
16 State's rights to any appropriate damages.

17 (b) If, during the term of a contract, the contracting  
18 agency determines that the contractor is delinquent in the  
19 payment of debt as set forth in Section 50-11 of this Code, the  
20 State agency may declare the contract void if it determines  
21 that voiding the contract is in the best interests of the  
22 State. The Debt Collection Board shall adopt rules for the  
23 implementation of this subsection (b).

24 (c) If, during the term of a contract, the contracting  
25 agency determines that the contractor is in violation of

1 Section 50-10.5 of this Code, the contracting agency shall  
2 declare the contract void.

3 (d) The changes to this Section made by this amendatory Act  
4 of the 95th General Assembly apply to actions taken by the  
5 Comptroller and Treasurer on or after its effective date.

6 (Source: P.A. 92-404, eff. 7-1-02; 93-600, eff. 1-1-04.)

7 ARTICLE 99

8 Section 99-99. Effective date. This Act takes effect upon  
9 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 New Act

4 15 ILCS 20/50-25 new

5 15 ILCS 205/6.10 new

6 15 ILCS 305/30 new

7 15 ILCS 405/40 new

8 15 ILCS 505/25 new

9 30 ILCS 5/2-20 new

10 30 ILCS 500/1-15.30

11 30 ILCS 500/15-25

12 30 ILCS 500/20-10

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