



State Government Administration Committee

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LRB096 05843 JAM 23148 a

1 AMENDMENT TO HOUSE BILL 379

2 AMENDMENT NO. _____. Amend House Bill 379 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the Local
5 Government Electronic Reverse Auction Act.

6 Section 5. Unit of local government defined. As used in
7 this Act, "unit" and "unit of local government" mean a unit of
8 local government as defined in Section 1 of Article VII of the
9 Illinois Constitution.

10 Section 10. Reverse auction. Notwithstanding any other
11 provision of law and in accordance with rules adopted by the
12 unit, a unit of local government, whether or not it is a home
13 rule unit as defined in Section 6 of Article VII of the
14 Illinois Constitution, may procure supplies or services
15 through a competitive electronic auction bidding process after

1 the unit's purchasing officer explains in writing to the unit's
2 governing body his or her determination that the use of such a
3 process will be in the best interest of the unit.

4 The purchasing officer shall publish that determination in
5 the same manner required by law for the unit's invitations for
6 bids.

7 An invitation for bids shall be issued and shall include
8 (i) a procurement description, (ii) all contractual terms,
9 whenever practical, and (iii) conditions applicable to the
10 procurement, including a notice that bids will be received in
11 an electronic auction manner.

12 Public notice of the invitation for bids shall be given in
13 the same manner as required by law for the unit's other
14 invitations for bids.

15 Bids shall be accepted electronically at the time and in
16 the manner designated in the invitation for bids. During the
17 auction, a bidder's price shall be disclosed to other bidders.
18 Bidders shall have the opportunity to reduce their bid prices
19 during the auction. At the conclusion of the auction, the
20 record of the bid prices received and the name of each bidder
21 shall be open to public inspection.

22 After the auction period has terminated, withdrawal of bids
23 shall be permitted as otherwise provided by law.

24 The contract shall be awarded within 60 days after the
25 auction by written notice to the lowest responsible bidder, or
26 all bids shall be rejected except as otherwise provided by law.

1 Extensions of the date for the award may be made by mutual
2 written consent of the purchasing officer and the lowest
3 responsible bidder.

4 Section 15. Application. This Act does not apply to (i)
5 procurements of professional and artistic services and (ii)
6 contracts for construction projects.

7 Section 95. The Illinois Procurement Code is amended by
8 changing Section 20-10 as follows:

9 (30 ILCS 500/20-10)

10 Sec. 20-10. Competitive sealed bidding; reverse auction.

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

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

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

22 (d) Bid opening. Bids shall be opened publicly in the
23 presence of one or more witnesses at the time and place

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

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

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

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

9 (h) Multi-step sealed bidding. When it is considered
10 impracticable to initially prepare a purchase description to
11 support an award based on price, an invitation for bids may be
12 issued requesting the submission of unpriced offers to be
13 followed by an invitation for bids limited to those bidders
14 whose offers have been qualified under the criteria set forth
15 in the first solicitation.

16 (i) Alternative procedures. Notwithstanding any other
17 provision of this Act to the contrary, the Director of the
18 Illinois Power Agency may create alternative bidding
19 procedures to be used in procuring professional services under
20 Section 1-75(a) of the Illinois Power Agency Act and Section
21 16-111.5(c) of the Public Utilities Act. These alternative
22 procedures shall be set forth together with the other criteria
23 contained in the invitation for bids, and shall appear in the
24 appropriate volume of the Illinois Procurement Bulletin.

25 (j) Reverse auction. Notwithstanding any other provision
26 of this Section and in accordance with rules adopted by the

1 Director of Central Management Services as chief procurement
2 officer, a State purchasing officer under that chief
3 procurement officer's jurisdiction may procure supplies or
4 services through a competitive electronic auction bidding
5 process after the purchasing officer explains in writing to the
6 chief procurement officer his or her determination that the use
7 of such a process will be in the best interest of the State.
8 The chief procurement officer shall publish that determination
9 in his or her next volume of the Illinois Procurement Bulletin.

10 An invitation for bids shall be issued and shall include
11 (i) a procurement description, (ii) all contractual terms,
12 whenever practical, and (iii) conditions applicable to the
13 procurement, including a notice that bids will be received in
14 an electronic auction manner.

15 Public notice of the invitation for bids shall be given in
16 the same manner as provided in subsection (c).

17 Bids shall be accepted electronically at the time and in
18 the manner designated in the invitation for bids. During the
19 auction, a bidder's price shall be disclosed to other bidders.
20 Bidders shall have the opportunity to reduce their bid prices
21 during the auction. At the conclusion of the auction, the
22 record of the bid prices received and the name of each bidder
23 shall be open to public inspection.

24 After the auction period has terminated, withdrawal of bids
25 shall be permitted as provided in subsection (f).

26 The contract shall be awarded within 60 days after the

1 auction by written notice to the lowest responsible bidder, or
2 all bids shall be rejected except as otherwise provided in this
3 Code. Extensions of the date for the award may be made by
4 mutual written consent of the State purchasing officer and the
5 lowest responsible bidder.

6 This subsection does not apply to (i) procurements of
7 professional and artistic services and (ii) contracts for
8 construction projects.

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

10 Section 99. Effective date. This Act takes effect upon
11 becoming law."