



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB1200

Introduced 2/11/2009, by Rep. Gary Hannig

SYNOPSIS AS INTRODUCED:

30 ILCS 500/20-60
30 ILCS 500/40-25

Amends the Illinois Procurement Code. Specifies that the 10-year limit on the duration of State contracts and leases is inclusive of proposed renewals. Effective July 1, 2009.

LRB096 09046 JAM 19186 b

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 changing Sections 20-60 and 40-25 as follows:

6 (30 ILCS 500/20-60)

7 Sec. 20-60. Duration of contracts.

8 (a) Maximum duration. A contract may be entered into for
9 any period of time deemed to be in the best interests of the
10 State but not exceeding 10 years inclusive of proposed contract
11 renewals. The length of a lease for real property or capital
12 improvements shall be in accordance with the provisions of
13 Section 40-25. A contract for bond or mortgage insurance
14 awarded by the Illinois Housing Development Authority,
15 however, may be entered into for any period of time less than
16 or equal to the maximum period of time that the subject bond or
17 mortgage may remain outstanding.

18 (b) Subject to appropriation. All contracts made or entered
19 into shall recite that they are subject to termination and
20 cancellation in any year for which the General Assembly fails
21 to make an appropriation to make payments under the terms of
22 the contract.

23 (Source: P.A. 95-344, eff. 8-21-07.)

1 (30 ILCS 500/40-25)

2 Sec. 40-25. Length of leases.

3 (a) Maximum term. Leases shall be for a term not to exceed
4 10 years inclusive of proposed contract renewals and shall
5 include a termination option in favor of the State after 5
6 years.

7 (b) Renewal. Leases may include a renewal option. An option
8 to renew may be exercised only when a State purchasing officer
9 determines in writing that renewal is in the best interest of
10 the State and notice of the exercise of the option is published
11 in the appropriate volume of the Procurement Bulletin at least
12 60 days prior to the exercise of the option.

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

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

18 Section 99. Effective date. This Act takes effect July 1,
19 2009.