



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB1470

Introduced 2/18/2009, 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.

LRB096 04834 JAM 14899 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 Act.

11 ARTICLE 5

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

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

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

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

22 (2) Hiring of an individual as an employee or

1 independent contractor, whether pursuant to an employment
2 code or policy or by contract directly with that
3 individual;

4 (3) Collective bargaining contracts;

5 (4) Purchase of real estate; or

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

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

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

22 Section 5-10. Notice. Notice of the execution of contracts
23 shall be posted on the website of the Office of the Lieutenant
24 Governor that includes a brief description of the purpose of
25 the contract and disclosure of the names of the following:

- 1 (1) The contracting entity;
- 2 (2) Any entity that is a parent of, or owns a
3 controlling interest in, the contracting entity;
- 4 (3) Any entity that is a subsidiary of, or owns a
5 controlling interest in, the contracting entity;
- 6 (4) Any subcontractor that will be contracting with the
7 contracting entity;
- 8 (5) Any State, local, or federal political committee
9 that makes or may make political contributions on behalf of
10 or at the direction of the contracting entity; and
- 11 (6) The key persons of the contracting entity and any
12 subcontractor.

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

15 Section 5-15. Application. This Article applies to
16 contracts executed on or after the effective date of this Act.

17 ARTICLE 90

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

20 (15 ILCS 20/50-25 new)

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

22 (a) For purposes of this Section:

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

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

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

12 (3) Collective bargaining contracts;

13 (4) Purchase of real estate; or

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

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

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

1 Registration Act; and (v) are employed by the contracting
2 entity who are special government agents as defined in Section
3 4A-101(1) of the Illinois Governmental Ethics Act.

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

8 (1) The contracting entity;

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

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

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

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

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

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

22 (c) This Section applies to contracts executed on or after
23 the effective date of this amendatory Act of the 96th General
24 Assembly.

25 Section 90-10. The Attorney General Act is amended by

1 adding Section 6.10 as follows:

2 (15 ILCS 205/6.10 new)

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

4 (a) For purposes of this Section:

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

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

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

16 (3) Collective bargaining contracts;

17 (4) Purchase of real estate; or

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

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

22 "Key persons" means any persons who (i) have an ownership
23 or distributive income share in the contracting entity that is
24 in excess of 5%, or an amount greater than 60% of the annual
25 salary of the Governor; (ii) serve as executive officers of the

1 contracting entity; (iii) are employed by the contracting
2 entity who are required to register as lobbyists under the
3 Lobbyist Registration Act; (iv) are individuals or entities
4 with whom the contracting entity is contracting who are
5 required to register as lobbyists under the Lobbyist
6 Registration Act; and (v) are employed by the contracting
7 entity who are special government agents as defined in Section
8 4A-101(1) of the Illinois Governmental Ethics Act.

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

13 (1) The contracting entity;

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

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

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

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

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

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

1 (c) This Section applies to contracts executed on or after
2 the effective date of this amendatory Act of the 96th General
3 Assembly.

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

6 (15 ILCS 305/30 new)

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

8 (a) For purposes of this Section:

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

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

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

20 (3) Collective bargaining contracts;

21 (4) Purchase of real estate; or

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

24 "Contracting entity" means an entity that has executed a

1 contract with the Office of the Secretary of State.

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

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

18 (1) The contracting entity;

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

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

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

25 (5) Any State, local, or federal political committee
26 that makes or may make political contributions on behalf of

1 or at the direction of the contracting entity; and

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

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

6 (c) This Section applies to contracts executed on or after
7 the effective date of this amendatory Act of the 96th General
8 Assembly.

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

11 (15 ILCS 405/40 new)

12 Sec. 40. Comptroller's Contract Disclosure.

13 (a) For purposes of this Section:

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

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

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

24 (3) Collective bargaining contracts;

1 (4) Purchase of real estate; or

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

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

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

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

22 (1) The contracting entity;

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

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

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

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

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

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

10 (c) This Section applies to contracts executed on or after
11 the effective date of this amendatory Act of the 96th General
12 Assembly.

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

15 (15 ILCS 505/25 new)

16 Sec. 25. Treasurer's Contract Disclosure.

17 (a) For purposes of this Section:

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

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

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

4 (3) Collective bargaining contracts;

5 (4) Purchase of real estate; or

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

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

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

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

26 (1) The contracting entity;

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

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

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

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

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

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

14 (c) This Section applies to contracts executed on or after
15 the effective date of this amendatory Act of the 96th General
16 Assembly.

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

19 (30 ILCS 5/2-20 new)

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

21 (a) For purposes of this Section:

22 "Contract" means any contract or agreement for goods or
23 services executed by the Office of the Auditor General, with an
24 annual value of \$50,000 or more, except, regardless of amount,

1 "contract" as used in this Section shall not include the
2 following:

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

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

9 (3) Collective bargaining contracts;

10 (4) Purchase of real estate; or

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

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

15 "Key persons" means any persons who (i) have an ownership
16 or distributive income share in the contracting entity that is
17 in excess of 5%, or an amount greater than 60% of the annual
18 salary of the Governor; (ii) serve as executive officers of the
19 contracting entity; (iii) are employed by the contracting
20 entity who are required to register as lobbyists under the
21 Lobbyist Registration Act; (iv) are individuals or entities
22 with whom the contracting entity is contracting who are
23 required to register as lobbyists under the Lobbyist
24 Registration Act; and (v) are employed by the contracting
25 entity who are special government agents as defined in Section
26 4A-101(1) of the Illinois Governmental Ethics Act.

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

5 (1) The contracting entity;

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

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

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

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

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

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

19 (c) This Section applies to contracts executed on or after
20 the effective date of this amendatory Act of the 96th General
21 Assembly.

22 Section 90-25. The Illinois Procurement Code is amended by
23 changing Sections 1-15.30, 15-25, 20-10, 20-25, 20-30, 20-50,
24 20-55, 20-80, 40-25, 50-20, 50-30, and 50-60 and by adding
25 Sections 20-43 and 50-38 as follows:

1 (30 ILCS 500/1-15.30)

2 Sec. 1-15.30. Contract. "Contract" means all types of State
3 agreements, regardless of what they may be called, for the
4 procurement, use, or disposal of supplies, services,
5 professional or artistic services, or construction or for
6 leases of real property or capital improvements, and including
7 master contracts, contracts for financing through use of
8 installment or lease-purchase arrangements, renegotiated
9 contracts, amendments to contracts, and change orders. The
10 changes to this Section made by this amendatory Act of the 96th
11 General Assembly apply to amendments executed on or after its
12 effective date.

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

14 (30 ILCS 500/15-25)

15 Sec. 15-25. Bulletin content.

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

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

7 (b) Contracts let or awarded. Notice of each and every
8 contract that is let or awarded, including renegotiated
9 contracts and change orders, shall be published in the next
10 available subsequent Bulletin, and the applicable chief
11 procurement officer may provide by rule an organized format for
12 the publication of this information, but in any case it must
13 include at least all of the information specified in subsection
14 (a) as well as the name of the successful responsible bidder or
15 offeror, the contract price, the number of unsuccessful
16 responsive bidders, and any other disclosure specified in any
17 Section of this Code. This notice shall include the disclosures
18 required under Section 50-38, if applicable. In addition, the
19 notice shall summarize the outreach efforts undertaken by the
20 agency to make potential bidders or offerors aware of any
21 contract offer other than publication in the Bulletin. This
22 notice must be posted in the online electronic Bulletin no
23 later than 10 business days after the contract is awarded. This
24 notice must be posted in the online electronic Bulletin prior
25 to execution of the contract.

26 (c) Emergency purchase disclosure. Any chief procurement

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

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

21 (c-10) Renewals. Notice of each contract renewal shall be
22 posted online on the Procurement Bulletin no later than 10
23 business days after the renewal is exercised. The Procurement
24 Policy Board by rule shall specify the information to be
25 included in the notice, and the applicable chief procurement
26 officer by rule may provide a format for the information.

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

5 (e) Application of amendatory provisions. The changes to
6 this Section made by this amendatory Act of the 96th General
7 Assembly apply to reports submitted, offers made, and notices
8 on contracts executed on or after its effective date.

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

10 (30 ILCS 500/20-10)

11 Sec. 20-10. Competitive sealed bidding.

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

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

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

23 (d) Bid opening. Bids shall be opened publicly in the
24 presence of one or more witnesses at the time and place
25 designated in the invitation for bids. The name of each bidder,

1 the amount of each bid, and other relevant information as may
2 be specified by rule shall be recorded. After the award of the
3 contract, the winning bid and the record of each unsuccessful
4 bid shall be open to public inspection.

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

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

26 (g) Award. The contract shall be awarded with reasonable

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

9 (1) a description of the agency's needs;

10 (2) a determination that the anticipated cost will be
11 fair and reasonable;

12 (3) a listing of all responsible and responsive
13 bidders; and

14 (4) the name of the bidder selected, pricing, and the
15 reasons for selecting that bidder instead of the lowest
16 responsible and responsive bidder.

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

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

23 (h) Multi-step sealed bidding. When it is considered
24 impracticable to initially prepare a purchase description to
25 support an award based on price, an invitation for bids may be
26 issued requesting the submission of unpriced offers to be

1 followed by an invitation for bids limited to those bidders
2 whose offers have been qualified under the criteria set forth
3 in the first solicitation.

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

13 (j) Application of amendatory provisions. The changes to
14 this Section made by this amendatory Act of the 96th General
15 Assembly apply to contracts awarded on or after its effective
16 date.

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

18 (30 ILCS 500/20-25)

19 Sec. 20-25. Sole source procurements. In accordance with
20 standards set by rule, contracts may be awarded without use of
21 the specified method of source selection when there is only one
22 economically feasible source for the item. This Section may not
23 be used as a basis for amending a contract if the amendment
24 would result in an increase in the amount paid under the
25 contract of more than 5% of the initial award, or would extend

1 the contract term beyond the time reasonably needed for a
2 competitive procurement, not to exceed 2 months. At least 2
3 weeks before entering into a sole source contract, the
4 purchasing agency shall publish in the Illinois Procurement
5 Bulletin a notice of intent to do so along with a description
6 of the item to be procured and the intended sole source
7 contractor. The changes to this Section made by this amendatory
8 Act of the 96th General Assembly apply to amendments executed
9 on or after its effective date.

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

11 (30 ILCS 500/20-30)

12 Sec. 20-30. Emergency purchases.

13 (a) Conditions for use. In accordance with standards set by
14 rule, a purchasing agency may make emergency procurements
15 without competitive sealed bidding or prior notice when there
16 exists a threat to public health or public safety, or when
17 immediate expenditure is necessary for repairs to State
18 property in order to protect against further loss of or damage
19 to State property, to prevent or minimize serious disruption in
20 critical State services that affect health, safety, or
21 collections of substantial State revenue, or to ensure the
22 integrity of State records; provided, however, that the term of
23 the emergency purchase shall be limited to the time reasonably
24 needed for a competitive procurement, not to exceed 2 months.
25 Emergency procurements shall be made with as much competition

1 as is practicable under the circumstances. A written
2 description of the basis for the emergency and reasons for the
3 selection of the particular contractor shall be included in the
4 contract file.

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

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

1 Legislative Audit Commission shall review the emergency
2 procurements so reported and, in its annual reports, advise the
3 General Assembly of procurements that appear to constitute an
4 abuse of this Section.

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

10 (e) Application of amendatory provisions. The changes to
11 this Section made by this amendatory Act of the 96th General
12 Assembly apply to procurements executed on or after its
13 effective date.

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

15 (30 ILCS 500/20-43 new)

16 Sec. 20-43. Bidder or offeror authorized to do business in
17 Illinois. In addition to meeting any other requirement of law
18 or rule, a person (other than an individual acting as a sole
19 proprietor) may qualify as a bidder or offeror under this Code
20 only if the person is a legal entity authorized to do business
21 in Illinois prior to submitting the bid, offer, or proposal.
22 This Section applies to all bids, offers, and proposals
23 submitted on or after the effective date of this amendatory Act
24 of the 96th General Assembly.

1 (30 ILCS 500/20-50)

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

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

1 a college, university, or institution receive a consulting
2 contract for professional services.

3 (Source: P.A. 90-572, eff. date - See Sec. 99-5; 91-627, eff.
4 8-19-99.)

5 (30 ILCS 500/20-55)

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

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

21 (30 ILCS 500/20-80)

22 Sec. 20-80. Contract files.

23 (a) Written determinations. All written determinations
24 required under this Article shall be placed in the contract

1 file maintained by the chief procurement officer.

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

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

1 of this affidavit shall be filed with the Auditor General. No
2 work by any contractor for any State agency shall commence, nor
3 shall any liability for payment by any State agency be
4 incurred, until a final binding contract complying with all
5 provisions of this Code has been executed by the contractor and
6 agency.

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

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

22 (2) an affidavit, signed by the chief executive officer
23 of the State agency or his or her designee, stating that
24 the services for which payment is being made were agreed to
25 before commencement of the services and setting forth an
26 explanation of why the contract was not reduced to writing

1 before the services commenced.

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

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

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

15 (g) Application of amendatory provisions. The changes to
16 this Section made by this amendatory Act of the 96th General
17 Assembly apply to contracts, purchase orders, grants, or leases
18 or amendments thereto executed on or after its effective date.

19 (Source: P.A. 90-572, eff. date - See Sec. 99-5; 91-904, eff.
20 7-6-00.)

21 (30 ILCS 500/40-25)

22 Sec. 40-25. Length of leases.

23 (a) Maximum term. Leases shall be for a term not to exceed
24 10 years and shall include a termination option in favor of the
25 State after 5 years.

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

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

11 (d) Holdover. No lease with a stated term ending on or
12 after the effective date of this amendatory Act of the 96th
13 General Assembly may continue on a month-to-month or other
14 holdover basis for a total of more than 6 months.

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

16 (30 ILCS 500/50-20)

17 Sec. 50-20. Exemptions. With the approval of the
18 appropriate chief procurement officer involved, the Governor,
19 or an executive ethics board or commission he or she
20 designates, may exempt named individuals from the prohibitions
21 of Section 50-13 when, in his, her, or its judgment, the public
22 interest in having the individual in the service of the State
23 outweighs the public policy evidenced in that Section. An
24 exemption is effective only when it is filed with the Secretary
25 of State and the Comptroller and includes a statement setting

1 forth the name of the individual and all the pertinent facts
2 that would make that Section applicable, setting forth the
3 reason for the exemption, and declaring the individual exempted
4 from that Section. Exemptions must be filed with the Secretary
5 of State and Comptroller prior to execution of any contracts. A
6 copy of ~~Notice of~~ each exemption shall be published in the
7 Illinois Procurement Bulletin in its electronic form prior to
8 execution of the contract. The changes to this Section made by
9 this amendatory Act of the 96th General Assembly apply to
10 exemptions granted on or after its effective date.

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

12 (30 ILCS 500/50-38 new)

13 Sec. 50-38. Contract award disclosure.

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

15 "Contracting entity" means an entity that would execute any
16 contract with a State agency.

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 under the Lobbyist
23 Registration Act; (iv) are individuals or entities with whom
24 the contracting entity is contracting who are required to be
25 registered as lobbyists under the Lobbyist Registration Act;

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

4 (b) Disclosure. For contracts with an annual value of
5 \$50,000 or more, all offers from responsive bidders or offerors
6 shall be accompanied by disclosure of the names of the
7 following:

8 (1) The contracting entity.

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

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

13 (4) Any subcontractor that will be contracting with the
14 contracting entity.

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

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

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

24 (d) Application. The changes made to this Section made by
25 this amendatory Act of the 96th General Assembly apply to
26 contracts first offered on or after its effective date.

1 (30 ILCS 500/50-60)

2 Sec. 50-60. Voidable contracts.

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

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

22 (c) If, during the term of a contract, the contracting
23 agency determines that the contractor is in violation of
24 Section 50-10.5 of this Code, the contracting agency shall
25 declare the contract void.

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

13 30 ILCS 500/20-25

14 30 ILCS 500/20-30

15 30 ILCS 500/20-43 new

16 30 ILCS 500/20-50

17 30 ILCS 500/20-55

18 30 ILCS 500/20-80

19 30 ILCS 500/40-25

20 30 ILCS 500/50-20

21 30 ILCS 500/50-38 new

22 30 ILCS 500/50-60