

SB1945



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB1945

Introduced 2/20/2009, by Sen. Kwame Raoul

SYNOPSIS AS INTRODUCED:

30 ILCS 500/50-37

Amends the Illinois Procurement Code. Provides that, for purposes of the prohibition against campaign contributions from certain State contractors and bidders, the public employee retirement systems to which the prohibition relates include only the State employee, State university, and downstate teacher retirement systems.

LRB096 09699 JAM 19860 b

A BILL FOR

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 Section 50-37 as follows:

6 (30 ILCS 500/50-37)

7 Sec. 50-37. Prohibition of political contributions.

8 (a) As used in this Section:

9 The terms "contract", "State contract", and "contract
10 with a State agency" each mean any contract, as defined in
11 this Code, between a business entity and a State agency let
12 or awarded pursuant to this Code. The terms "contract",
13 "State contract", and "contract with a State agency" do not
14 include cost reimbursement contracts; purchase of care
15 agreements as defined in Section 1-15.68 of this Code;
16 grants, including but are not limited to grants for job
17 training or transportation; and grants, loans, or tax
18 credit agreements for economic development purposes.

19 "Contribution" means a contribution as defined in
20 Section 9-1.4 of the Election Code.

21 "Declared candidate" means a person who has filed a
22 statement of candidacy and petition for nomination or
23 election in the principal office of the State Board of

1 Elections.

2 "State agency" means and includes all boards,
3 commissions, agencies, institutions, authorities, and
4 bodies politic and corporate of the State, created by or in
5 accordance with the Illinois Constitution or State
6 statute, of the executive branch of State government and
7 does include colleges, universities, public employee
8 retirement systems established under Article 14, 15, or 16
9 of the Illinois Pension Code, and institutions under the
10 jurisdiction of the governing boards of the University of
11 Illinois, Southern Illinois University, Illinois State
12 University, Eastern Illinois University, Northern Illinois
13 University, Western Illinois University, Chicago State
14 University, Governors State University, Northeastern
15 Illinois University, and the Illinois Board of Higher
16 Education.

17 "Officeholder" means the Governor, Lieutenant
18 Governor, Attorney General, Secretary of State,
19 Comptroller, or Treasurer. The Governor shall be
20 considered the officeholder responsible for awarding all
21 contracts by all officers and employees of, and vendors and
22 others doing business with, executive branch State
23 agencies under the jurisdiction of the Executive Ethics
24 Commission and not within the jurisdiction of the Attorney
25 General, the Secretary of State, the Comptroller, or the
26 Treasurer.

1 "Sponsoring entity" means a sponsoring entity as
2 defined in Section 9-3 of the Election Code.

3 "Affiliated person" means (i) any person with any
4 ownership interest or distributive share of the bidding or
5 contracting business entity in excess of 7.5%, (ii)
6 executive employees of the bidding or contracting business
7 entity, and (iii) the spouse and minor children of any such
8 persons.

9 "Affiliated entity" means (i) any subsidiary of the
10 bidding or contracting business entity, (ii) any member of
11 the same unitary business group, (iii) any organization
12 recognized by the United States Internal Revenue Service as
13 a tax-exempt organization described in Section 501(c) of
14 the Internal Revenue Code of 1986 (or any successor
15 provision of federal tax law) established by the bidding or
16 contracting business entity, any affiliated entity of that
17 business entity, or any affiliated person of that business
18 entity, or (iv) any political committee for which the
19 bidding or contracting business entity, or any 501(c)
20 organization described in item (iii) related to that
21 business entity, is the sponsoring entity.

22 "Business entity" means any entity doing business for
23 profit, whether organized as a corporation, partnership,
24 sole proprietorship, limited liability company or
25 partnership, or otherwise.

26 "Executive employee" means the President, Chairman,

1 Chief Executive Officer, or other employee with executive
2 decision-making authority over the long-term and
3 day-to-day affairs of the entity employing the employee, or
4 an employee whose compensation is determined directly, in
5 whole or in part, by the award or payment of contracts by a
6 State agency to the entity employing the employee.

7 (b) Any business entity whose contracts with State
8 agencies, in the aggregate, annually total more than \$50,000,
9 and any affiliated entities or affiliated persons of such
10 business entity, are prohibited from making any contributions
11 to any political committees established to promote the
12 candidacy of (i) the officeholder responsible for awarding the
13 contracts or (ii) any other declared candidate for that office.
14 This prohibition shall be effective for the duration of the
15 term of office of the incumbent officeholder awarding the
16 contracts or for a period of 2 years following the expiration
17 or termination of the contracts, whichever is longer.

18 (c) Any business entity whose aggregate pending bids and
19 proposals on State contracts total more than \$50,000, or whose
20 aggregate pending bids and proposals on State contracts
21 combined with the business entity's aggregate annual total
22 value of State contracts exceed \$50,000, and any affiliated
23 entities or affiliated persons of such business entity, are
24 prohibited from making any contributions to any political
25 committee established to promote the candidacy of the
26 officeholder responsible for awarding the contract on which the

1 business entity has submitted a bid or proposal during the
2 period beginning on the date the invitation for bids or request
3 for proposals is issued and ending on the day after the date
4 the contract is awarded.

5 (d) All contracts between State agencies and a business
6 entity that violate subsection (b) or (c) shall be voidable
7 under Section 50-60. If a business entity violates subsection
8 (b) 3 or more times within a 36-month period, then all
9 contracts between State agencies and that business entity shall
10 be void, and that business entity shall not bid or respond to
11 any invitation to bid or request for proposals from any State
12 agency or otherwise enter into any contract with any State
13 agency for 3 years from the date of the last violation. A
14 notice of each violation and the penalty imposed shall be
15 published in both the Procurement Bulletin and the Illinois
16 Register.

17 (e) Any political committee that has received a
18 contribution in violation of subsection (b) or (c) shall pay an
19 amount equal to the value of the contribution to the State no
20 more than 30 days after notice of the violation concerning the
21 contribution appears in the Illinois Register. Payments
22 received by the State pursuant to this subsection shall be
23 deposited into the general revenue fund.

24 (Source: P.A. 95-971, eff. 1-1-09.)