

# SB0113



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

SB0113

Introduced 1/27/2011, by Sen. Martin A. Sandoval

#### SYNOPSIS AS INTRODUCED:

New Act  
20 ILCS 605/605-45

Creates the Small Business Contracts Act. Provides that not less than 10% of the total dollar amount of State contracts shall be established as a goal to be awarded to small businesses. Provides for compliance plans and annual reports to help monitor the implementation of the 10% goal. Amends the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois. Provides that not less than 25% of the total dollar amount available to the Department for awarding grants shall be awarded to small businesses. Effective immediately.

LRB097 06246 PJG 46321 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 1. Short title. This Act may be cited as the Small  
5 Business Contracts Act.

6 Section 5. Definitions. For the purposes of this Act, the  
7 following terms shall have the following definitions:

8 "Department" means the Department of Commerce and Economic  
9 Opportunity.

10 "Small business" means an independently owned and operated  
11 business that has fewer than 50 full-time employees.

12 "State contract" means a State contract, funded  
13 exclusively with State funds which are not subject to federal  
14 reimbursement, whether competitively bid or negotiated, as  
15 defined by the Department.

16 "State official or agency" means a department, officer,  
17 board, commission, institution, or body politic or corporate of  
18 the State.

19 Section 10. Award of State contracts.

20 (a) Not less than 10% of the total dollar amount of State  
21 contracts, as defined by the Department, shall be established  
22 as a goal to be awarded to small businesses.

1           (b) The percentage in subsection (a) relates to the total  
2 dollar amount of State contracts during each State fiscal year,  
3 calculated by examining independently each type of contract for  
4 each State official or agency which lets such contracts.

5           Section 15. Compliance plans.

6           (a) Each State official or agency shall file with the  
7 Department an annual compliance plan which shall outline the  
8 goals of the State official or agency for contracting with  
9 small businesses for the then current fiscal year, the manner  
10 in which the official or agency intends to reach these goals,  
11 and a timetable for reaching these goals. The Department shall  
12 review and approve the plan of each State official or agency  
13 and may reject any plan that does not comply with this Act or  
14 any rules promulgated pursuant to this Act.

15           (b) Each State official or agency shall file with the  
16 Department an annual report of its utilization of small  
17 businesses during the preceding fiscal year including lapse  
18 period spending and a mid-fiscal year report of its utilization  
19 to date for the then current fiscal year. The reports shall  
20 include a self-evaluation of the efforts of the State official  
21 or agency to meet its goals under the Act.

22           Section 20. Annual report. The Department shall file no  
23 later than March 1 of each year, an annual report that shall  
24 detail the level of achievement toward the goals specified in

1 this Act over the 3 most recent fiscal years. The annual report  
2 shall include, but need not be limited to, the following:

3 (1) a summary detailing State appropriations subject  
4 to the goals, the actual goals specified, and the goals  
5 attained by each State official or agency;

6 (2) a summary of the number of contracts awarded and  
7 the average contract amount by each State official or  
8 agency; and

9 (3) an analysis of the level of overall goal  
10 achievement concerning purchases from small businesses.

11 Section 905. The Department of Commerce and Economic  
12 Opportunity Law of the Civil Administrative Code of Illinois is  
13 amended by changing Section 605-45 as follows:

14 (20 ILCS 605/605-45)

15 Sec. 605-45. Economic development grants; policy  
16 considerations.

17 (a) When awarding grants for any economic development  
18 purpose, the Department must consider (i) reserving and  
19 targeting State business incentives to areas with high  
20 unemployment or low income and (ii) if the applicant seeking  
21 the grant is located in a metropolitan area, whether that  
22 metropolitan area meets location efficiency standards.

23 (b) In a fiscal year, not less than 25% of the total dollar  
24 amount available to the Department for awarding grants under

1 this Article shall be awarded to small businesses that are  
2 independently owned and operated and have fewer than 50  
3 full-time employees.

4 (Source: P.A. 95-56, eff. 8-10-07.)

5 Section 999. Effective date. This Act takes effect upon  
6 becoming law.