



Sen. Michael E. Hastings

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09800HB2408sam003

LRB098 06361 OMW 45812 a

1 AMENDMENT TO HOUSE BILL 2408

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 2408 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by changing  
5 Section 6z-64 as follows:

6 (30 ILCS 105/6z-64)

7 Sec. 6z-64. The Workers' Compensation Revolving Fund.

8 (a) The Workers' Compensation Revolving Fund is created as  
9 a revolving fund, not subject to fiscal year limitations, in  
10 the State treasury. The following moneys shall be deposited  
11 into the Fund:

12 (1) amounts authorized for transfer to the Fund from  
13 the General Revenue Fund and other State funds (except for  
14 funds classified by the Comptroller as federal trust funds  
15 or State trust funds) pursuant to State law or Executive  
16 Order;

1           (2) federal funds received by the Department of Central  
2 Management Services (the "Department") as a result of  
3 expenditures from the Fund;

4           (3) interest earned on moneys in the Fund;

5           (4) receipts or inter-fund transfers resulting from  
6 billings issued to State agencies and universities for the  
7 cost of workers' compensation services that are not  
8 compensated through the specific fund transfers authorized  
9 by this Section, if any;

10          (5) amounts received from a State agency or university  
11 for workers' compensation payments for temporary total  
12 disability, as provided in Section 405-105 of the  
13 Department of Central Management Services Law of the Civil  
14 Administrative Code of Illinois; and

15          (6) amounts recovered through subrogation in workers'  
16 compensation and workers' occupational disease cases.

17          (b) Moneys in the Fund may be used by the Department for  
18 reimbursement or payment for:

19           (1) providing workers' compensation services to State  
20 agencies and State universities; or

21           (2) providing for payment of administrative and other  
22 expenses (and, beginning January 1, 2013, fees and charges  
23 made pursuant to a contract with a private vendor) incurred  
24 in providing workers' compensation services. The  
25 Department, or any successor agency designated to enter  
26 into contracts with one or more private vendors for the

1 administration of the workers' compensation program for  
2 State employees pursuant to subsection 10b of Section  
3 405-105 of the Department of Central Management Services  
4 Law of the Civil Administrative Code of Illinois, is  
5 authorized to establish one or more special funds, as  
6 separate accounts provided by any bank or banks as defined  
7 by the Illinois Banking Act, any savings and loan  
8 association or associations as defined by the Illinois  
9 Savings and Loan Act of 1985, or any credit union as  
10 defined by the Illinois Credit Union Act, to be held by the  
11 Director outside of the State treasury, for the purpose of  
12 receiving the transfer of moneys from the Workers'  
13 Compensation Revolving Fund. The Department may promulgate  
14 rules further defining the methodology for the transfers.  
15 Any interest earned by moneys in the funds or accounts  
16 shall be deposited into the Workers' Compensation  
17 Revolving Fund. The transferred moneys, and interest  
18 accrued thereon, shall be used exclusively for transfers to  
19 contracted private vendors or their financial institutions  
20 for payments to workers' compensation claimants and  
21 providers for workers' compensation services, claims, and  
22 benefits pursuant to this Section and subsection 9 of  
23 Section 405-105 of the Department of Central Management  
24 Services Law of the Civil Administrative Code of Illinois.  
25 The transferred moneys, and interest accrued thereon,  
26 shall not be used for any other purpose including, but not

1       limited to, reimbursement or payment of administrative  
 2       fees due the contracted vendor pursuant to its contract or  
 3       contracts with the Department.

4       (c) State agencies may direct the Comptroller to process  
 5 inter-fund transfers or make payment through the voucher and  
 6 warrant process to the Workers' Compensation Revolving Fund in  
 7 satisfaction of billings issued under subsection (a) of this  
 8 Section.

9       (d) Reconciliation. For the fiscal year beginning on July  
 10 1, 2004 only, the Director of Central Management Services (the  
 11 "Director") shall order that each State agency's payments and  
 12 transfers made to the Fund be reconciled with actual Fund costs  
 13 for workers' compensation services provided by the Department  
 14 and attributable to the State agency and relevant fund on no  
 15 less than an annual basis. The Director may require reports  
 16 from State agencies as deemed necessary to perform this  
 17 reconciliation.

18       (d-5) Notwithstanding any other provision of State law to  
 19 the contrary, on or after July 1, 2005 and until June 30, 2006,  
 20 in addition to any other transfers that may be provided for by  
 21 law, at the direction of and upon notification of the Director  
 22 of Central Management Services, the State Comptroller shall  
 23 direct and the State Treasurer shall transfer amounts into the  
 24 Workers' Compensation Revolving Fund from the designated funds  
 25 not exceeding the following totals:

26       Mental Health Fund ..... \$17,694,000

1	Statistical Services Revolving Fund .....	\$1,252,600
2	Department of Corrections Reimbursement	
3	and Education Fund .....	\$1,198,600
4	Communications Revolving Fund .....	\$535,400
5	Child Support Administrative Fund .....	\$441,900
6	Health Insurance Reserve Fund .....	\$238,900
7	Fire Prevention Fund .....	\$234,100
8	Park and Conservation Fund .....	\$142,000
9	Motor Fuel Tax Fund .....	\$132,800
10	Illinois Workers' Compensation	
11	Commission Operations Fund .....	\$123,900
12	State Boating Act Fund .....	\$112,300
13	Public Utility Fund .....	\$106,500
14	State Lottery Fund .....	\$101,300
15	Traffic and Criminal Conviction	
16	Surcharge Fund .....	\$88,500
17	State Surplus Property Revolving Fund .....	\$82,700
18	Natural Areas Acquisition Fund .....	\$65,600
19	Securities Audit and Enforcement Fund .....	\$65,200
20	Agricultural Premium Fund .....	\$63,400
21	Capital Development Fund .....	\$57,500
22	State Gaming Fund .....	\$54,300
23	Underground Storage Tank Fund .....	\$53,700
24	Illinois State Medical Disciplinary Fund .....	\$53,000
25	Personal Property Tax Replacement Fund .....	\$53,000
26	General Professions Dedicated Fund .....	\$51,900

1 Total \$23,003,100

2 (d-10) Notwithstanding any other provision of State law to  
3 the contrary and in addition to any other transfers that may be  
4 provided for by law, on the first day of each calendar quarter  
5 of the fiscal year beginning July 1, 2005, or as soon as may be  
6 practical thereafter, the State Comptroller shall direct and  
7 the State Treasurer shall transfer from each designated fund  
8 into the Workers' Compensation Revolving Fund amounts equal to  
9 one-fourth of each of the following totals:

10	General Revenue Fund .....	\$34,000,000
11	Road Fund .....	\$25,987,000
12	Total	\$59,987,000

13 (d-12) Notwithstanding any other provision of State law to  
14 the contrary and in addition to any other transfers that may be  
15 provided for by law, on the effective date of this amendatory  
16 Act of the 94th General Assembly, or as soon as may be  
17 practical thereafter, the State Comptroller shall direct and  
18 the State Treasurer shall transfer from each designated fund  
19 into the Workers' Compensation Revolving Fund the following  
20 amounts:

21	General Revenue Fund .....	\$10,000,000
22	Road Fund .....	\$5,000,000
23	Total	\$15,000,000

24 (d-15) Notwithstanding any other provision of State law to  
25 the contrary and in addition to any other transfers that may be  
26 provided for by law, on July 1, 2006, or as soon as may be

1 practical thereafter, the State Comptroller shall direct and  
 2 the State Treasurer shall transfer from each designated fund  
 3 into the Workers' Compensation Revolving Fund the following  
 4 amounts:

5	General Revenue Fund .....	\$44,028,200
6	Road Fund .....	\$28,084,000
7	Total	\$72,112,200

8 (d-20) Notwithstanding any other provision of State law to  
 9 the contrary, on or after July 1, 2006 and until June 30, 2007,  
 10 in addition to any other transfers that may be provided for by  
 11 law, at the direction of and upon notification of the Director  
 12 of Central Management Services, the State Comptroller shall  
 13 direct and the State Treasurer shall transfer amounts into the  
 14 Workers' Compensation Revolving Fund from the designated funds  
 15 not exceeding the following totals:

16	Mental Health Fund .....	\$19,121,800
17	Statistical Services Revolving Fund .....	\$1,353,700
18	Department of Corrections Reimbursement	
19	and Education Fund .....	\$1,295,300
20	Communications Revolving Fund .....	\$578,600
21	Child Support Administrative Fund .....	\$477,600
22	Health Insurance Reserve Fund .....	\$258,200
23	Fire Prevention Fund .....	\$253,000
24	Park and Conservation Fund .....	\$153,500
25	Motor Fuel Tax Fund .....	\$143,500
26	Illinois Workers' Compensation	

1	Commission Operations Fund .....	\$133,900
2	State Boating Act Fund .....	\$121,400
3	Public Utility Fund .....	\$115,100
4	State Lottery Fund .....	\$109,500
5	Traffic and Criminal Conviction Surcharge Fund ..	\$95,700
6	State Surplus Property Revolving Fund .....	\$89,400
7	Natural Areas Acquisition Fund .....	\$70,800
8	Securities Audit and Enforcement Fund .....	\$70,400
9	Agricultural Premium Fund .....	\$68,500
10	State Gaming Fund .....	\$58,600
11	Underground Storage Tank Fund .....	\$58,000
12	Illinois State Medical Disciplinary Fund .....	\$57,200
13	Personal Property Tax Replacement Fund .....	\$57,200
14	General Professions Dedicated Fund .....	\$56,100
15	Total	\$24,797,000

16 (d-25) Notwithstanding any other provision of State law to  
 17 the contrary and in addition to any other transfers that may be  
 18 provided for by law, on July 1, 2009, or as soon as may be  
 19 practical thereafter, the State Comptroller shall direct and  
 20 the State Treasurer shall transfer from each designated fund  
 21 into the Workers' Compensation Revolving Fund the following  
 22 amounts:

23	General Revenue Fund .....	\$55,000,000
24	Road Fund .....	\$34,803,000
25	Total	\$89,803,000

26 (d-30) Notwithstanding any other provision of State law to



1 the contrary, on or after July 1, 2009 and until June 30, 2010,  
2 in addition to any other transfers that may be provided for by  
3 law, at the direction of and upon notification of the Director  
4 of Central Management Services, the State Comptroller shall  
5 direct and the State Treasurer shall transfer amounts into the  
6 Workers' Compensation Revolving Fund from the designated funds  
7 not exceeding the following totals:

8	Food and Drug Safety Fund .....	\$13,900
9	Teacher Certificate Fee Revolving Fund .....	\$6,500
10	Transportation Regulatory Fund .....	\$14,500
11	Financial Institution Fund .....	\$25,200
12	General Professions Dedicated Fund .....	\$25,300
13	Illinois Veterans' Rehabilitation Fund .....	\$64,600
14	State Boating Act Fund .....	\$177,100
15	State Parks Fund .....	\$104,300
16	Lobbyist Registration Administration Fund .....	\$14,400
17	Agricultural Premium Fund .....	\$79,100
18	Fire Prevention Fund .....	\$360,200
19	Mental Health Fund .....	\$9,725,200
20	Illinois State Pharmacy Disciplinary Fund .....	\$5,600
21	Public Utility Fund .....	\$40,900
22	Radiation Protection Fund .....	\$14,200
23	Firearm Owner's Notification Fund .....	\$1,300
24	Solid Waste Management Fund .....	\$74,100
25	Illinois Gaming Law Enforcement Fund .....	\$17,800
26	Subtitle D Management Fund .....	\$14,100

1	Illinois State Medical Disciplinary Fund .....	\$26,500
2	Facility Licensing Fund .....	\$11,700
3	Plugging and Restoration Fund .....	\$9,100
4	Explosives Regulatory Fund .....	\$2,300
5	Aggregate Operations Regulatory Fund .....	\$5,000
6	Coal Mining Regulatory Fund .....	\$1,900
7	Registered Certified Public Accountants'	
8	Administration and Disciplinary Fund .....	\$1,500
9	Weights and Measures Fund .....	\$56,100
10	Division of Corporations Registered	
11	Limited Liability Partnership Fund .....	\$3,900
12	Illinois School Asbestos Abatement Fund .....	\$14,000
13	Secretary of State Special License Plate Fund ....	\$30,700
14	Capital Development Board Revolving Fund .....	\$27,000
15	DCFS Children's Services Fund .....	\$69,300
16	Asbestos Abatement Fund .....	\$17,200
17	Illinois Health Facilities Planning Fund .....	\$26,800
18	Emergency Public Health Fund .....	\$5,600
19	Nursing Dedicated and Professional Fund .....	\$10,000
20	Optometric Licensing and Disciplinary	
21	Board Fund .....	\$1,600
22	Underground Resources Conservation	
23	Enforcement Fund .....	\$11,500
24	Drunk and Drugged Driving Prevention Fund .....	\$18,200
25	Long Term Care Monitor/Receiver Fund .....	\$35,400
26	Community Water Supply Laboratory Fund .....	\$5,600

1	Securities Investors Education Fund .....	\$2,000
2	Used Tire Management Fund .....	\$32,400
3	Natural Areas Acquisition Fund .....	\$101,200
4	Open Space Lands Acquisition	
5	and Development Fund .....	\$28,400
6	Working Capital Revolving Fund .....	\$489,100
7	State Garage Revolving Fund .....	\$791,900
8	Statistical Services Revolving Fund .....	\$3,984,700
9	Communications Revolving Fund .....	\$1,432,800
10	Facilities Management Revolving Fund .....	\$1,911,600
11	Professional Services Fund .....	\$483,600
12	Motor Vehicle Review Board Fund .....	\$15,000
13	Environmental Laboratory Certification Fund .....	\$3,000
14	Public Health Laboratory Services	
15	Revolving Fund .....	\$2,500
16	Lead Poisoning Screening, Prevention,	
17	and Abatement Fund .....	\$28,200
18	Securities Audit and Enforcement Fund .....	\$258,400
19	Department of Business Services	
20	Special Operations Fund .....	\$111,900
21	Feed Control Fund .....	\$20,800
22	Tanning Facility Permit Fund .....	\$5,400
23	Plumbing Licensure and Program Fund .....	\$24,400
24	Tax Compliance and Administration Fund .....	\$27,200
25	Appraisal Administration Fund .....	\$2,400
26	Small Business Environmental Assistance Fund .....	\$2,200

1	Illinois State Fair Fund .....	\$31,400
2	Secretary of State Special Services Fund .....	\$317,600
3	Department of Corrections Reimbursement	
4	and Education Fund .....	\$324,500
5	Health Facility Plan Review Fund .....	\$31,200
6	Illinois Historic Sites Fund .....	\$11,500
7	Attorney General Court Ordered and Voluntary	
8	Compliance Payment Projects Fund .....	\$18,500
9	Public Pension Regulation Fund .....	\$5,600
10	Illinois Charity Bureau Fund .....	\$11,400
11	Renewable Energy Resources Trust Fund .....	\$6,700
12	Energy Efficiency Trust Fund .....	\$3,600
13	Pesticide Control Fund .....	\$56,800
14	Attorney General Whistleblower Reward	
15	and Protection Fund .....	\$14,200
16	Partners for Conservation Fund .....	\$36,900
17	Capital Litigation Trust Fund .....	\$800
18	Motor Vehicle License Plate Fund .....	\$99,700
19	Horse Racing Fund .....	\$18,900
20	Death Certificate Surcharge Fund .....	\$12,800
21	Auction Regulation Administration Fund .....	\$500
22	Motor Carrier Safety Inspection Fund .....	\$55,800
23	Assisted Living and Shared Housing	
24	Regulatory Fund .....	\$900
25	Illinois Thoroughbred Breeders Fund .....	\$9,200
26	Illinois Clean Water Fund .....	\$42,300

1	Secretary of State DUI Administration Fund .....	\$16,100
2	Child Support Administrative Fund .....	\$1,037,900
3	Secretary of State Police Services Fund .....	\$1,200
4	Tourism Promotion Fund .....	\$34,400
5	IMSA Income Fund .....	\$12,700
6	Presidential Library and Museum Operating Fund ..	\$83,000
7	Dram Shop Fund .....	\$44,500
8	Illinois State Dental Disciplinary Fund .....	\$5,700
9	Cycle Rider Safety Training Fund .....	\$8,700
10	Traffic and Criminal Conviction Surcharge Fund ..	\$106,100
11	Design Professionals Administration	
12	and Investigation Fund .....	\$4,500
13	State Police Services Fund .....	\$276,100
14	Metabolic Screening and Treatment Fund .....	\$90,800
15	Insurance Producer Administration Fund .....	\$45,600
16	Coal Technology Development Assistance Fund .....	\$11,700
17	Hearing Instrument Dispenser Examining	
18	and Disciplinary Fund .....	\$1,900
19	Low-Level Radioactive Waste Facility	
20	Development and Operation Fund .....	\$1,000
21	Environmental Protection Permit and	
22	Inspection Fund .....	\$66,900
23	Park and Conservation Fund .....	\$199,300
24	Local Tourism Fund .....	\$2,400
25	Illinois Capital Revolving Loan Fund .....	\$10,000
26	Large Business Attraction Fund .....	\$100

1 Adeline Jay Geo-Karis Illinois Beach

2 Marina Fund..... \$27,200

3 Public Infrastructure Construction

4 Loan Revolving Fund..... \$1,700

5 Insurance Financial Regulation Fund..... \$69,200

6 Total \$24,197,800

7 (d-35) Notwithstanding any other provision of State law to  
 8 the contrary and in addition to any other transfers that may be  
 9 provided for by law, on July 1, 2010, or as soon as may be  
 10 practical thereafter, the State Comptroller shall direct and  
 11 the State Treasurer shall transfer from each designated fund  
 12 into the Workers' Compensation Revolving Fund the following  
 13 amounts:

14 General Revenue Fund ..... \$55,000,000

15 Road Fund..... \$50,955,300

16 Total \$105,955,300

17 (d-40) Notwithstanding any other provision of State law to  
 18 the contrary, on or after July 1, 2010 and until June 30, 2011,  
 19 in addition to any other transfers that may be provided for by  
 20 law, at the direction of and upon notification of the Director  
 21 of Central Management Services, the State Comptroller shall  
 22 direct and the State Treasurer shall transfer amounts into the  
 23 Workers' Compensation Revolving Fund from the designated funds  
 24 not exceeding the following totals:

25 Food and Drug Safety Fund ..... \$8,700

26 Financial Institution Fund ..... \$44,500

1	General Professions Dedicated Fund .....	\$51,400
2	Live and Learn Fund .....	\$10,900
3	Illinois Veterans' Rehabilitation Fund .....	\$106,000
4	State Boating Act Fund .....	\$288,200
5	State Parks Fund .....	\$185,900
6	Wildlife and Fish Fund .....	\$1,550,300
7	Lobbyist Registration Administration Fund .....	\$18,100
8	Agricultural Premium Fund .....	\$176,100
9	Mental Health Fund .....	\$291,900
10	Firearm Owner's Notification Fund .....	\$2,300
11	Illinois Gaming Law Enforcement Fund .....	\$11,300
12	Illinois State Medical Disciplinary Fund .....	\$42,300
13	Facility Licensing Fund .....	\$14,200
14	Plugging and Restoration Fund .....	\$15,600
15	Explosives Regulatory Fund .....	\$4,800
16	Aggregate Operations Regulatory Fund .....	\$6,000
17	Coal Mining Regulatory Fund .....	\$7,200
18	Registered Certified Public Accountants'	
19	Administration and Disciplinary Fund .....	\$1,900
20	Weights and Measures Fund .....	\$105,200
21	Division of Corporations Registered	
22	Limited Liability Partnership Fund .....	\$5,300
23	Illinois School Asbestos Abatement Fund .....	\$19,900
24	Secretary of State Special License Plate Fund ....	\$38,700
25	DCFS Children's Services Fund .....	\$123,100
26	Illinois Health Facilities Planning Fund .....	\$29,700

1	Emergency Public Health Fund .....	\$6,800
2	Nursing Dedicated and Professional Fund .....	\$13,500
3	Optometric Licensing and Disciplinary	
4	Board Fund .....	\$1,800
5	Underground Resources Conservation	
6	Enforcement Fund .....	\$16,500
7	Mandatory Arbitration Fund .....	\$5,400
8	Drunk and Drugged Driving Prevention Fund .....	\$26,400
9	Long Term Care Monitor/Receiver Fund .....	\$43,800
10	Securities Investors Education Fund .....	\$28,500
11	Used Tire Management Fund .....	\$6,300
12	Natural Areas Acquisition Fund .....	\$185,000
13	Open Space Lands Acquisition and	
14	Development Fund .....	\$46,800
15	Working Capital Revolving Fund .....	\$741,500
16	State Garage Revolving Fund .....	\$356,200
17	Statistical Services Revolving Fund .....	\$1,775,900
18	Communications Revolving Fund .....	\$630,600
19	Facilities Management Revolving Fund .....	\$870,800
20	Professional Services Fund .....	\$275,500
21	Motor Vehicle Review Board Fund .....	\$12,900
22	Public Health Laboratory Services	
23	Revolving Fund .....	\$5,300
24	Lead Poisoning Screening, Prevention,	
25	and Abatement Fund .....	\$42,100
26	Securities Audit and Enforcement Fund .....	\$162,700



1	Department of Business Services	
2	Special Operations Fund .....	\$143,700
3	Feed Control Fund .....	\$32,300
4	Tanning Facility Permit Fund .....	\$3,900
5	Plumbing Licensure and Program Fund .....	\$32,600
6	Tax Compliance and Administration Fund .....	\$48,400
7	Appraisal Administration Fund .....	\$3,600
8	Illinois State Fair Fund .....	\$30,200
9	Secretary of State Special Services Fund .....	\$214,400
10	Department of Corrections Reimbursement	
11	and Education Fund .....	\$438,300
12	Health Facility Plan Review Fund .....	\$29,900
13	Public Pension Regulation Fund .....	\$9,900
14	Pesticide Control Fund .....	\$107,500
15	Partners for Conservation Fund .....	\$189,300
16	Motor Vehicle License Plate Fund .....	\$143,800
17	Horse Racing Fund .....	\$20,900
18	Death Certificate Surcharge Fund .....	\$16,800
19	Auction Regulation Administration Fund .....	\$1,000
20	Motor Carrier Safety Inspection Fund .....	\$56,800
21	Assisted Living and Shared Housing	
22	Regulatory Fund .....	\$2,200
23	Illinois Thoroughbred Breeders Fund .....	\$18,100
24	Secretary of State DUI Administration Fund .....	\$19,800
25	Child Support Administrative Fund .....	\$1,809,500
26	Secretary of State Police Services Fund .....	\$2,500

1	Medical Special Purposes Trust Fund .....	\$20,400
2	Dram Shop Fund .....	\$57,200
3	Illinois State Dental Disciplinary Fund .....	\$9,500
4	Cycle Rider Safety Training Fund .....	\$12,200
5	Traffic and Criminal Conviction Surcharge Fund ..	\$128,900
6	Design Professionals Administration	
7	and Investigation Fund .....	\$7,300
8	State Police Services Fund .....	\$335,700
9	Metabolic Screening and Treatment Fund .....	\$81,600
10	Insurance Producer Administration Fund .....	\$77,000
11	Hearing Instrument Dispenser Examining	
12	and Disciplinary Fund .....	\$1,900
13	Park and Conservation Fund .....	\$361,500
14	Adeline Jay Geo-Karis Illinois Beach	
15	Marina Fund .....	\$42,800
16	Insurance Financial Regulation Fund .....	\$108,000
17	Total	\$13,033,200

18 (d-45) Notwithstanding any other provision of State law to  
19 the contrary and in addition to any other transfers that may be  
20 provided for by law, on July 1, 2011, or as soon as may be  
21 practical thereafter, the State Comptroller shall direct and  
22 the State Treasurer shall transfer the sum of \$45,000,000 from  
23 the General Revenue Fund into the Workers' Compensation  
24 Revolving Fund.

25 (e) The term "workers' compensation services" means  
26 services, claims expenses, and related administrative costs

1 incurred in performing the duties under Sections 405-105 and  
2 405-411 of the Department of Central Management Services Law of  
3 the Civil Administrative Code of Illinois.

4 (Source: P.A. 96-45, eff. 7-15-09; 96-959, eff. 7-1-10; 97-641,  
5 eff. 12-19-11; 97-895, eff. 8-3-12.)

6 Section 10. The Illinois Procurement Code is amended by  
7 changing Section 45-57 as follows:

8 (30 ILCS 500/45-57)

9 Sec. 45-57. Veterans.

10 (a) Set-aside goal. It is the goal of the State to promote  
11 and encourage the continued economic development of small  
12 businesses owned and controlled by qualified veterans and that  
13 qualified service-disabled veteran-owned small businesses  
14 (referred to as SDVOSB) and veteran-owned small businesses  
15 (referred to as VOSB) participate in the State's procurement  
16 process as both prime contractors and subcontractors. Not less  
17 than 3% of the total dollar amount of State contracts, as  
18 defined by the Director of Central Management Services, shall  
19 be established as a goal to be awarded to SDVOSB and VOSB. That  
20 portion of a contract under which the contractor subcontracts  
21 with a SDVOSB or VOSB may be counted toward the goal of this  
22 subsection. The Department of Central Management Services  
23 shall adopt rules to implement compliance with this subsection  
24 by all State agencies.

1           (b) Fiscal year reports. By each September 1, each chief  
2 procurement officer shall report to the Department of Central  
3 Management Services on all of the following for the immediately  
4 preceding fiscal year, and by each March 1 the Department of  
5 Central Management Services shall compile and report that  
6 information to the General Assembly:

7           (1) The total number of VOSB, and the number of SDVOSB,  
8 who submitted bids for contracts under this Code.

9           (2) The total number of VOSB, and the number of SDVOSB,  
10 who entered into contracts with the State under this Code  
11 and the total value of those contracts.

12           (c) Yearly review and recommendations. Each year, each  
13 chief procurement officer shall review the progress of all  
14 State agencies under its jurisdiction in meeting the goal  
15 described in subsection (a), with input from statewide  
16 veterans' service organizations and from the business  
17 community, including businesses owned by qualified veterans,  
18 and shall make recommendations to be included in the Department  
19 of Central Management Services' report to the General Assembly  
20 regarding continuation, increases, or decreases of the  
21 percentage goal. The recommendations shall be based upon the  
22 number of businesses that are owned by qualified veterans and  
23 on the continued need to encourage and promote businesses owned  
24 by qualified veterans.

25           (d) Governor's recommendations. To assist the State in  
26 reaching the goal described in subsection (a), the Governor

1 shall recommend to the General Assembly changes in programs to  
2 assist businesses owned by qualified veterans.

3 (e) Definitions. As used in this Section:

4 "Armed forces of the United States" means the United States  
5 Army, Navy, Air Force, Marine Corps, Coast Guard, or service in  
6 active duty as defined under 38 U.S.C. Section 101. Service in  
7 the Merchant Marine that constitutes active duty under Section  
8 401 of federal Public Act 95-202 shall also be considered  
9 service in the armed forces for purposes of this Section.

10 "Certification" means a determination made by the Illinois  
11 Department of Veterans' Affairs and the Department of Central  
12 Management Services that a business entity is a qualified  
13 service-disabled veteran-owned small business or a qualified  
14 veteran-owned small business for whatever purpose. A SDVOSB or  
15 VOSB owned and controlled by females, minorities, or persons  
16 with disabilities, as those terms are defined in Section 2 of  
17 the Business Enterprise for Minorities, Females, and Persons  
18 with Disabilities Act, may also ~~shall~~ select and designate  
19 whether that business is to be certified as a "female-owned  
20 business", "minority-owned business", or "business owned by a  
21 person with a disability", as defined in Section 2 of the  
22 Business Enterprise for Minorities, Females, and Persons with  
23 Disabilities Act, ~~or as a qualified SDVOSB or qualified VOSB~~  
24 ~~under this Section.~~

25 "Control" means the exclusive, ultimate, majority, or sole  
26 control of the business, including but not limited to capital

1 investment and all other financial matters, property,  
2 acquisitions, contract negotiations, legal matters,  
3 officer-director-employee selection and comprehensive hiring,  
4 operation responsibilities, cost-control matters, income and  
5 dividend matters, financial transactions, and rights of other  
6 shareholders or joint partners. Control shall be real,  
7 substantial, and continuing, not pro forma. Control shall  
8 include the power to direct or cause the direction of the  
9 management and policies of the business and to make the  
10 day-to-day as well as major decisions in matters of policy,  
11 management, and operations. Control shall be exemplified by  
12 possessing the requisite knowledge and expertise to run the  
13 particular business, and control shall not include simple  
14 majority or absentee ownership.

15 "Qualified service-disabled veteran" means a veteran who  
16 has been found to have 10% or more service-connected disability  
17 by the United States Department of Veterans Affairs or the  
18 United States Department of Defense.

19 "Qualified service-disabled veteran-owned small business"  
20 or "SDVOSB" means a small business (i) that is at least 51%  
21 owned by one or more qualified service-disabled veterans living  
22 in Illinois or, in the case of a corporation, at least 51% of  
23 the stock of which is owned by one or more qualified  
24 service-disabled veterans living in Illinois; (ii) that has its  
25 home office in Illinois; and (iii) for which items (i) and (ii)  
26 are factually verified annually by the Department of Central

1 Management Services.

2 "Qualified veteran-owned small business" or "VOSB" means a  
3 small business (i) that is at least 51% owned by one or more  
4 qualified veterans living in Illinois or, in the case of a  
5 corporation, at least 51% of the stock of which is owned by one  
6 or more qualified veterans living in Illinois; (ii) that has  
7 its home office in Illinois; and (iii) for which items (i) and  
8 (ii) are factually verified annually by the Department of  
9 Central Management Services.

10 "Service-connected disability" means a disability incurred  
11 in the line of duty in the active military, naval, or air  
12 service as described in 38 U.S.C. 101(16).

13 "Small business" means a business that has annual gross  
14 sales of less than \$75,000,000 as evidenced by the federal  
15 income tax return of the business. A firm with gross sales in  
16 excess of this cap may apply to the Department of Central  
17 Management Services for certification for a particular  
18 contract if the firm can demonstrate that the contract would  
19 have significant impact on SDVOSB or VOSB as suppliers or  
20 subcontractors or in employment of veterans or  
21 service-disabled veterans.

22 "State agency" has the same meaning as in Section 2 of the  
23 Business Enterprise for Minorities, Females, and Persons with  
24 Disabilities Act.

25 "Time of hostilities with a foreign country" means any  
26 period of time in the past, present, or future during which a

1 declaration of war by the United States Congress has been or is  
2 in effect or during which an emergency condition has been or is  
3 in effect that is recognized by the issuance of a Presidential  
4 proclamation or a Presidential executive order and in which the  
5 armed forces expeditionary medal or other campaign service  
6 medals are awarded according to Presidential executive order.

7 "Veteran" means a person who (i) has been a member of the  
8 armed forces of the United States or, while a citizen of the  
9 United States, was a member of the armed forces of allies of  
10 the United States in time of hostilities with a foreign country  
11 and (ii) has served under one or more of the following  
12 conditions: (a) the veteran served a total of at least 6  
13 months; (b) the veteran served for the duration of hostilities  
14 regardless of the length of the engagement; (c) the veteran was  
15 discharged on the basis of hardship; or (d) the veteran was  
16 released from active duty because of a service connected  
17 disability and was discharged under honorable conditions.

18 (f) Certification program. The Illinois Department of  
19 Veterans' Affairs and the Department of Central Management  
20 Services shall work together to devise a certification  
21 procedure to assure that businesses taking advantage of this  
22 Section are legitimately classified as qualified  
23 service-disabled veteran-owned small businesses or qualified  
24 veteran-owned small businesses.

25 (g) Penalties.

26 (1) Administrative penalties. The Department of



1 Central Management Services shall suspend any person who  
2 commits a violation of Section 17-10.3 or subsection (d) of  
3 Section 33E-6 of the Criminal Code of 1961 or the Criminal  
4 Code of 2012 relating to this Section from bidding on, or  
5 participating as a contractor, subcontractor, or supplier  
6 in, any State contract or project for a period of not less  
7 than 3 years, and, if the person is certified as a  
8 service-disabled veteran-owned small business or a  
9 veteran-owned small business, then the Department shall  
10 revoke the business's certification for a period of not  
11 less than 3 years. An additional or subsequent violation  
12 shall extend the periods of suspension and revocation for a  
13 period of not less than 5 years. The suspension and  
14 revocation shall apply to the principals of the business  
15 and any subsequent business formed or financed by, or  
16 affiliated with, those principals.

17 (2) Reports of violations. Each State agency shall  
18 report any alleged violation of Section 17-10.3 or  
19 subsection (d) of Section 33E-6 of the Criminal Code of  
20 1961 or the Criminal Code of 2012 relating to this Section  
21 to the Department of Central Management Services. The  
22 Department of Central Management Services shall  
23 subsequently report all such alleged violations to the  
24 Attorney General, who shall determine whether to bring a  
25 civil action against any person for the violation.

26 (3) List of suspended persons. The Department of

1 Central Management Services shall monitor the status of all  
2 reported violations of Section 17-10.3 or subsection (d) of  
3 Section 33E-6 of the Criminal Code of 1961 or the Criminal  
4 Code of 2012 relating to this Section and shall maintain  
5 and make available to all State agencies a central listing  
6 of all persons that committed violations resulting in  
7 suspension.

8 (4) Use of suspended persons. During the period of a  
9 person's suspension under paragraph (1) of this  
10 subsection, a State agency shall not enter into any  
11 contract with that person or with any contractor using the  
12 services of that person as a subcontractor.

13 (5) Duty to check list. Each State agency shall check  
14 the central listing provided by the Department of Central  
15 Management Services under paragraph (3) of this subsection  
16 to verify that a person being awarded a contract by that  
17 State agency, or to be used as a subcontractor or supplier  
18 on a contract being awarded by that State agency, is not  
19 under suspension pursuant to paragraph (1) of this  
20 subsection.

21 (Source: P.A. 96-96, eff. 1-1-10; 97-260, eff. 8-5-11; 97-1150,  
22 eff. 1-25-13.)

23 Section 99. Effective date. This Act takes effect upon  
24 becoming law."