

# HB3683



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB3683

by Rep. Ron Sandack

#### SYNOPSIS AS INTRODUCED:

30 ILCS 500/1-10

Amends the Illinois Procurement Code. Provides that contracts of \$250,000 or more between (i) the State and its political subdivisions, (ii) the State and other governments, or (iii) State governmental bodies are not exempt from the Code. Effective immediately.

LRB098 13943 HLH 48492 b

FISCAL NOTE ACT  
MAY APPLY

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 1-10 as follows:

6 (30 ILCS 500/1-10)

7 Sec. 1-10. Application.

8 (a) This Code applies only to procurements for which  
9 contractors were first solicited on or after July 1, 1998. This  
10 Code shall not be construed to affect or impair any contract,  
11 or any provision of a contract, entered into based on a  
12 solicitation prior to the implementation date of this Code as  
13 described in Article 99, including but not limited to any  
14 covenant entered into with respect to any revenue bonds or  
15 similar instruments. All procurements for which contracts are  
16 solicited between the effective date of Articles 50 and 99 and  
17 July 1, 1998 shall be substantially in accordance with this  
18 Code and its intent.

19 (b) This Code shall apply regardless of the source of the  
20 funds with which the contracts are paid, including federal  
21 assistance moneys. This Code shall not apply to:

22 (1) Contracts of less than \$250,000 between the State  
23 and its political subdivisions or other governments, or

1 between State governmental bodies except as specifically  
2 provided in this Code.

3 (2) Grants, except for the filing requirements of  
4 Section 20-80.

5 (3) Purchase of care.

6 (4) Hiring of an individual as employee and not as an  
7 independent contractor, whether pursuant to an employment  
8 code or policy or by contract directly with that  
9 individual.

10 (5) Collective bargaining contracts.

11 (6) Purchase of real estate, except that notice of this  
12 type of contract with a value of more than \$25,000 must be  
13 published in the Procurement Bulletin within 7 days after  
14 the deed is recorded in the county of jurisdiction. The  
15 notice shall identify the real estate purchased, the names  
16 of all parties to the contract, the value of the contract,  
17 and the effective date of the contract.

18 (7) Contracts necessary to prepare for anticipated  
19 litigation, enforcement actions, or investigations,  
20 provided that the chief legal counsel to the Governor shall  
21 give his or her prior approval when the procuring agency is  
22 one subject to the jurisdiction of the Governor, and  
23 provided that the chief legal counsel of any other  
24 procuring entity subject to this Code shall give his or her  
25 prior approval when the procuring entity is not one subject  
26 to the jurisdiction of the Governor.

1           (8) Contracts for services to Northern Illinois  
2 University by a person, acting as an independent  
3 contractor, who is qualified by education, experience, and  
4 technical ability and is selected by negotiation for the  
5 purpose of providing non-credit educational service  
6 activities or products by means of specialized programs  
7 offered by the university.

8           (9) Procurement expenditures by the Illinois  
9 Conservation Foundation when only private funds are used.

10           (10) Procurement expenditures by the Illinois Health  
11 Information Exchange Authority involving private funds  
12 from the Health Information Exchange Fund. "Private funds"  
13 means gifts, donations, and private grants.

14           (11) Public-private agreements entered into according  
15 to the procurement requirements of Section 20 of the  
16 Public-Private Partnerships for Transportation Act and  
17 design-build agreements entered into according to the  
18 procurement requirements of Section 25 of the  
19 Public-Private Partnerships for Transportation Act.

20           (12) Contracts for legal, financial, and other  
21 professional and artistic services entered into on or  
22 before December 31, 2018 by the Illinois Finance Authority  
23 in which the State of Illinois is not obligated. Such  
24 contracts shall be awarded through a competitive process  
25 authorized by the Board of the Illinois Finance Authority  
26 and are subject to Sections 5-30, 20-160, 50-13, 50-20,

1           50-35, and 50-37 of this Code, as well as the final  
2           approval by the Board of the Illinois Finance Authority of  
3           the terms of the contract.

4           Notwithstanding any other provision of law, contracts  
5           entered into under item (12) of this subsection (b) shall be  
6           published in the Procurement Bulletin within 14 days after  
7           contract execution. The chief procurement officer shall  
8           prescribe the form and content of the notice. The Illinois  
9           Finance Authority shall provide the chief procurement officer,  
10          on a monthly basis, in the form and content prescribed by the  
11          chief procurement officer, a report of contracts that are  
12          related to the procurement of goods and services identified in  
13          item (12) of this subsection (b). At a minimum, this report  
14          shall include the name of the contractor, a description of the  
15          supply or service provided, the total amount of the contract,  
16          the term of the contract, and the exception to the Code  
17          utilized. A copy of each of these contracts shall be made  
18          available to the chief procurement officer immediately upon  
19          request. The chief procurement officer shall submit a report to  
20          the Governor and General Assembly no later than November 1 of  
21          each year that shall include, at a minimum, an annual summary  
22          of the monthly information reported to the chief procurement  
23          officer.

24          (c) This Code does not apply to the electric power  
25          procurement process provided for under Section 1-75 of the  
26          Illinois Power Agency Act and Section 16-111.5 of the Public

1 Utilities Act.

2 (d) Except for Section 20-160 and Article 50 of this Code,  
3 and as expressly required by Section 9.1 of the Illinois  
4 Lottery Law, the provisions of this Code do not apply to the  
5 procurement process provided for under Section 9.1 of the  
6 Illinois Lottery Law.

7 (e) This Code does not apply to the process used by the  
8 Capital Development Board to retain a person or entity to  
9 assist the Capital Development Board with its duties related to  
10 the determination of costs of a clean coal SNG brownfield  
11 facility, as defined by Section 1-10 of the Illinois Power  
12 Agency Act, as required in subsection (h-3) of Section 9-220 of  
13 the Public Utilities Act, including calculating the range of  
14 capital costs, the range of operating and maintenance costs, or  
15 the sequestration costs or monitoring the construction of clean  
16 coal SNG brownfield facility for the full duration of  
17 construction.

18 (f) This Code does not apply to the process used by the  
19 Illinois Power Agency to retain a mediator to mediate sourcing  
20 agreement disputes between gas utilities and the clean coal SNG  
21 brownfield facility, as defined in Section 1-10 of the Illinois  
22 Power Agency Act, as required under subsection (h-1) of Section  
23 9-220 of the Public Utilities Act.

24 (g) This Code does not apply to the processes used by the  
25 Illinois Power Agency to retain a mediator to mediate contract  
26 disputes between gas utilities and the clean coal SNG facility

1 and to retain an expert to assist in the review of contracts  
2 under subsection (h) of Section 9-220 of the Public Utilities  
3 Act. This Code does not apply to the process used by the  
4 Illinois Commerce Commission to retain an expert to assist in  
5 determining the actual incurred costs of the clean coal SNG  
6 facility and the reasonableness of those costs as required  
7 under subsection (h) of Section 9-220 of the Public Utilities  
8 Act.

9 (h) This Code does not apply to the process to procure or  
10 contracts entered into in accordance with Sections 11-5.2 and  
11 11-5.3 of the Illinois Public Aid Code.

12 (i) Each chief procurement officer may access records  
13 necessary to review whether a contract, purchase, or other  
14 expenditure is or is not subject to the provisions of this  
15 Code, unless such records would be subject to attorney-client  
16 privilege.

17 (j) This Code does not apply to the process used by the  
18 Capital Development Board to retain an artist or work or works  
19 of art as required in Section 14 of the Capital Development  
20 Board Act.

21 (Source: P.A. 97-96, eff. 7-13-11; 97-239, eff. 8-2-11; 97-502,  
22 eff. 8-23-11; 97-689, eff. 6-14-12; 97-813, eff. 7-13-12;  
23 97-895, eff. 8-3-12; 98-90, eff. 7-15-13; 98-463, eff. 8-16-13;  
24 98-572, eff. 1-1-14; revised 9-9-13.)

25 Section 99. Effective date. This Act takes effect upon  
26 becoming law.