

1 AN ACT in relation to State purchasing.

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 30-25 as follows:

6 (30 ILCS 500/30-25)

7 Sec. 30-25. Retention of a percentage of contract price.
8 Whenever Any contract entered into by the Capital Development
9 Board a--~~construction--agency~~ for the repair, remodeling,
10 renovation, or construction of a building or structure, for
11 the construction or maintenance of a highway, as those terms
12 are defined in Article 2 of the Illinois Highway Code, or for
13 the reclamation of abandoned lands as those terms are defined
14 in Article I of the Abandoned Mined Lands and Water
15 Reclamation Act may provide ~~provides~~ for the retention of a
16 percentage not to exceed 5% of the contract price until final
17 completion and acceptance of the work. Upon the request of
18 the contractor and with the approval of the Capital
19 Development Board ~~construction--agency~~ the amount so retained
20 may be deposited under a trust agreement with an Illinois
21 bank or financial institution of the contractor's choice and
22 subject to the approval of the Capital Development Board
23 ~~construction--agency~~. The contractor shall receive any
24 interest on the deposited amount. Upon application by the
25 contractor, the trust agreement must contain, at a minimum,
26 the following provisions:

- 27 (1) the amount to be deposited subject to the
- 28 trust;
- 29 (2) the terms and conditions of payment in case of
- 30 default by the contractor;
- 31 (3) the termination of the trust agreement upon

1 completion of the contract; and
2 (4) the contractor shall be responsible for
3 obtaining the written consent of the bank trustee and for
4 any costs or service fees.

5 The trust agreement may, at the discretion of the Capital
6 Development Board construction-agency and upon request of the
7 contractor, become effective at the time of the first partial
8 payment in accordance with existing statutes and rules.

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