

AN ACT concerning government.

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

Section 5. The Illinois Procurement Code is amended by changing Section 40-25 as follows:

(30 ILCS 500/40-25)

Sec. 40-25. Length of leases.

(a) Maximum term. Except as otherwise provided under subsection (a-5), leases ~~Leases~~ shall be for a term not to exceed 10 years inclusive, beginning January, 1, 2010, of proposed contract renewals and shall include a termination option in favor of the State after 5 years. The length of energy conservation program contracts or energy savings contracts or leases shall be in accordance with the provisions of Section 25-45.

(a-5) Extended term. A lease for real property owned by the University of Illinois to be used by the University of Illinois at Chicago for an ambulatory surgical center, which would include both clinical services and retail space, may exceed 10 years in length where: (i) the lease requires the lessor to make capital improvements in excess of \$100,000; and (ii) the Board of Trustees of the University of Illinois determines a term of more than 10 years is necessary and is in the best

interest of the University. A lease under this subsection (a-5) may not exceed 30 years in length.

(b) Renewal. Leases may include a renewal option. An option to renew may be exercised only when a State purchasing officer determines in writing that renewal is in the best interest of the State and notice of the exercise of the option is published in the appropriate volume of the Procurement Bulletin at least 60 calendar days prior to the exercise of the option.

(c) Subject to appropriation. All leases shall recite that they are subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation to make payments under the terms of the lease.

(d) Holdover. Beginning January 1, 2010, no lease may continue on a month-to-month or other holdover basis for a total of more than 6 months. Beginning July 1, 2010, the Comptroller shall withhold payment of leases beyond this holdover period.

(Source: P.A. 100-23, eff. 7-6-17.)