



EXECUTIVE ORDER

2016-08

**EXECUTIVE ORDER TO ENSURE EQUAL OPPORTUNITY
IS PROVIDED TO ALL ILLINOIS BUSINESSES**

WHEREAS, Illinois benefits from a diverse, multi-ethnic population, which contributes to the success of our economy and the character of our community; and

WHEREAS, it is the public policy of the State of Illinois to promote and encourage the continuing economic development of businesses owned by minority persons, women, and persons with disabilities; and

WHEREAS, the State of Illinois 2015 Disparity and Availability Study found that disparities exist between the availability of minority-owned and female-owned businesses and their utilization on State contracts and associated subcontracts, as well as throughout the wider Illinois economy; and

WHEREAS, the State's Chief Procurement Officer for General Services oversees the competitive bid process by which goods and services for the State are procured, and the Department of Central Management Services through its Business Enterprise Program works closely with the Chief Procurement Officer on procurements for agencies under the purview of the Office of the Governor; and

WHEREAS, ensuring that business opportunities are open to all persons and businesses, including in particular those of diverse backgrounds, and alleviating any discrimination and disparities in business opportunities, are critical to ensuring that Illinois's economy grows and our community strengthens;

THEREFORE, I, Bruce Rauner, Governor of Illinois, by virtue of the executive authority vested in me by Section 8 of Article V of the Constitution of the State of Illinois, do hereby order as follows:

I. DEFINITIONS

As used in this Executive Order:

"BEP" means the State of Illinois Business Enterprise Program.

"CMS" means the Illinois Department of Central Management Services.

"CPO" means the Chief Procurement Officer for General Services.

"Disparity Study" means the State of Illinois 2015 Disparity and Availability Study.

"Female Owned Business" has the meaning provided by Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575/2).

"Minority Owned Business" has the meaning provided by Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575/2).

"Minority Person" has the meaning provided by Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575/2).

"Sheltered Market" has the meaning provided by Section 8b of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575/8b).

"State contracts" has the meaning provided by Section 2 of the Business Enterprise for Minorities, Females, and Persons with Disabilities Act (30 ILCS 575/2).

II. IMPLEMENTATION OF DISPARITY STUDY RECOMMENDATIONS

While CMS, the Governor's Office, and the CPO already aim to eliminate barriers in State contracting to minority and female owned businesses and to increase access to State contracting information for these market players through the State's Business Enterprise Program housed at CMS, the 2015 Disparity and Availability Study reveals the State can do much more to advance the principle of fair contracting. CMS, in partnership with the Office of the Governor, shall implement the following reform programs within various agencies under the jurisdiction of the Governor:

Mentor/Protégé Program: CMS shall develop a Mentor/Protégé program to foster the development and mentoring of minority and female owned businesses. This program will pair BEP businesses with more experienced businesses to create mutually beneficial relationships. Protégés may receive financial, technical, or management assistance in obtaining and performing State contracts, while mentors may receive credit toward BEP goals that have been placed on their contracts in addition to other incentives.

Electronic Contracting: CMS shall implement an electronic contract data collection and monitoring system to track certain data included in State contracts relating to the utilization of BEP firms. This will increase transparency and access for vendors and ensure that the program meets best practices.

Financial Assistance: Access to bonding and working capital are the two largest barriers to the development and success of minority businesses. CMS shall take steps to enhance access to the current State-sponsored bonding and financial assistance programs. The State may allocate more resources to such programs to permit larger loans and bonds, helping to increase the capacity of BEP businesses.

Goal Setting: CMS shall review the process for placing BEP goals on State contracts using the availability estimates in the 2015 Disparity Study. CMS shall reform its goal-setting procedures accordingly and implement recommendations included in the Disparity Study to improve the process.

Procurement Forecasting: The ability to plan ahead is critical for small firms, which often lack the resources to respond quickly to new opportunities. CMS shall implement procurement forecasts, whereby State agencies project what they will spend at the general industry level or on specific projects, in order to increase BEP businesses' access to State contracting information.

Increased Information: CMS shall conduct a review of the time it takes to put bid solicitations out to the public and the period of time in which bidders are required to submit their responses, to find ways to give prime and subcontractors an opportunity to identify partners when bidding on State contracts.

Remove Barriers: CMS shall conduct a review of barriers to BEP businesses seeking State contracts, such as current experience requirements and location requirements, in an effort to address unequal access to contracting opportunities created by unnecessary or burdensome standards.

CMS shall report on its findings and its progress to the Office of the Governor and the CPO by July 1 of each year, beginning on July 1, 2017. This Section II shall not be construed to diminish the procuring authority or statutory responsibility of the CPO.

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IN THE OFFICE OF
SECRETARY OF STATE

III. SHELTERED MARKET INITIATIVE

Sheltered markets are a procurement procedure in which certain State contracts are selected and specifically set aside for businesses owned and controlled by minorities, females, and persons with disabilities through competitive solicitations. Through this process, sheltered markets initiatives work to advance parity in State contracting for these groups. In the spirit of these initiatives, CMS shall review the findings of the 2015 Disparity and Availability Study, which examined disparities across different categories of spending. Where sheltered markets could be an appropriate solution to identified disparities in industry-specific areas, CMS shall take appropriate steps for the establishment of sheltered markets pursuant to the Business Enterprise for Minorities, Females, and Persons with Disabilities Act, the Illinois Procurement Code, and other applicable law.

CMS shall report on its findings and its progress to the Office of the Governor and the CPO by July 1 of each year, beginning on July 1, 2017. This Section III shall not be construed to diminish the procuring authority or statutory responsibility of the CPO.

IV. SAVINGS CLAUSE

This Executive Order does not contravene, and shall not be construed to contravene, any federal law, State statute, or collective bargaining agreement.

V. PRIOR EXECUTIVE ORDERS

This Executive Order supersedes any contrary provision of any other prior Executive Order.

VI. SEVERABILITY CLAUSE

If any part of this Executive Order is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect. The provisions of this Executive Order are severable.

VII. EFFECTIVE DATE

This Executive Order shall take effect immediately upon filing with the Secretary of State.


Bruce Rauner, Governor

Issued by Governor: July 13, 2016
Filed with Secretary of State: July 13, 2016

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