



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5038

Introduced 2/10/2026, by Rep. Daniel Didech

SYNOPSIS AS INTRODUCED:

30 ILCS 500/Art. 54 heading new
30 ILCS 500/54-1 new
30 ILCS 500/54-2 new
30 ILCS 500/54-3 new
30 ILCS 500/54-4 new
30 ILCS 500/54-6 new
30 ILCS 500/54-7 new
30 ILCS 500/54-8 new
30 ILCS 500/54-9 new
30 ILCS 500/54-10 new
30 ILCS 500/54-11 new
30 ILCS 500/54-12 new
30 ILCS 500/54-13 new
30 ILCS 500/54-14 new
30 ILCS 500/54-15 new
30 ILCS 500/54-16 new
30 ILCS 500/54-17 new

Amends the Illinois Procurement Code. Creates the Deforestation-Free Illinois Law within the Code. Provides that neither the State nor any State agency shall allow any person having a contract with the State or with a State agency to purchase, at wholesale or retail, or obtain any tropical hardwood or tropical hardwood product for use in completing a contract with the State or with any State agency, subject to certain exceptions. Requires contractors who enter into contracts with the State to certify that the commodity furnished to the State was not extracted from, grown, derived, harvested, reared, or produced on land where deforestation or primary forest and old-growth forest degradation occurred. Effective immediately.

LRB104 20325 HLH 33776 b

1 AN ACT concerning State government.

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 adding Article 54 as follows:

6 (30 ILCS 500/Art. 54 heading new)

7 ARTICLE 54. DEFORESTATION-FREE ILLINOIS LAW

8 (30 ILCS 500/54-1 new)

9 Sec. 54-1. Short title. This Article 54 may be cited as the
10 Deforestation-Free Illinois Law.

11 (30 ILCS 500/54-2 new)

12 Sec. 54-2. Legislative findings.

13 (a) The General Assembly finds and declares the following:

14 (1) According to the Food and Agriculture Organization
15 of the United Nations, 31% of land on earth is covered in
16 forests, but that area is rapidly decreasing. An estimated
17 1,600,000 square miles of forest have been converted to
18 other land uses since 1990, with 42,500 square miles
19 converted annually since 2010

20 (2) Studies show that preventing deforestation is
21 among the most cost-effective climate mitigation

1 strategies with large global mitigation benefits.
2 Preventing deforestation is also one of the few large
3 mitigation options that does not risk trade-offs to
4 solving other challenges. On the contrary, it provides
5 co-benefits, such as enhanced health, clean water, and
6 sanitation.

7 (3) Cost-effective greenhouse gas emission mitigation
8 from forests and land use can provide roughly one-third of
9 the mitigation required by 2030 to hold the increase in
10 the global average temperature below 2 degrees Celsius
11 above preindustrial levels. Studies also suggest that
12 protecting existing forests and allowing them to mature
13 could potentially store 151.7 gigatons of carbon or about
14 a quarter of the excess carbon emissions since
15 industrialization.

16 (4) Deforestation and forest degradation generates
17 between 4.3 and 5.5 GtCO₂eq annually. This amount is
18 between 7% and 10% of all CO₂ equivalent emissions from all
19 sources globally. Emissions associated with deforestation
20 and forest degradation contribute most of the 13% of total
21 anthropogenic CO₂ emissions attributed to agriculture.

22 (5) The Intergovernmental Science-Policy Platform on
23 Biodiversity and Ecosystem Services found, in 2019, that
24 (i) the rate of global species extinction is accelerating
25 and is now tens to hundreds of times higher than the
26 average rate over the last 10,000,000 years, threatening

1 the loss of 1,000,000 species, and (ii) rampant land-use
2 change has an overwhelming relative impact on terrestrial
3 ecosystems.

4 (6) Most forest destruction is caused by a few
5 high-risk commodities, including, but not limited to,
6 cattle products, cocoa, coffee, soy, palm oil, paper, and
7 rubber.

8 (b) The State should endeavor to use and purchase products
9 from supply chains that do not contribute to deforestation,
10 forest degradation, and interrelated human rights abuses.

11 (30 ILCS 500/54-3 new)

12 Sec. 54-3. Definitions. As used in this Article:

13 "Contractor" means any person or entity that receives
14 grant moneys from the State or has a contract with a State
15 agency for any of the following:

16 (1) public works or improvements;

17 (2) a franchise, concession, or lease of property; or

18 (3) goods and services or supplies to be purchased at
19 the expense of the State agency or to be paid for out of
20 moneys deposited into the State treasury or out of trust
21 fund moneys that are under the control of or collected by
22 the State agency.

23 "Deforestation" means direct, human-induced conversion of
24 forest to a tree plantation or other agricultural or
25 non-forest land use.

1 "Forest degradation" means changes to forest structure
2 that results from human intervention and negatively impact
3 species composition or natural ecological functions, as
4 indicated by factors, including reductions in carbon storage
5 and other ecosystem services, abundance of native species, or
6 distribution of trees by age class.

7 "Forest-risk commodity" means:

8 (1) any commodity, including any agricultural or
9 nonagricultural commodity, whether in raw or processed
10 form, that is commonly extracted from or grown, derived,
11 harvested, reared, or produced on land where deforestation
12 or primary forest or old-growth forest degradation has
13 occurred or is likely to occur; or

14 (2) any product derived from a product described in
15 paragraph (1).

16 "Forest-risk commodity" includes: beef, cocoa, and any
17 other commodity identified as a forest-risk commodity by the
18 State Procurement Task Force in consultation with the Director
19 of Central Management Services in accordance with Section
20 54-13. "Forest-risk commodity" does not include primary,
21 secondary, or tertiary packaging used for the purpose of
22 containment, protection, handling, delivery, transport,
23 distribution, or presentation of a covered product, nor does
24 it include a product made entirely from recycled or reused
25 material, including recovered fiber. For any product made
26 partially from recovered or reused material, the contractor

1 must confirm only that the components that were not derived
2 from recycled or reused materials were not extracted from,
3 grown, derived, harvested, reared, or produced on land where
4 deforestation or primary forest or old-growth forest
5 degradation occurred upon the issuance of rules as described
6 in Section 54-13.

7 "Free, prior, and informed consent" means an authorization
8 that embodies the principle that a community has the right to
9 give or withhold its approval of a proposed development that
10 may affect the land and waters it legally or customarily owns,
11 occupies, or otherwise uses, as described in the United
12 Nations Declaration on the Rights of Indigenous Peoples, the
13 Indigenous and Tribal Peoples Convention of 1989, and other
14 international instruments. "Free, prior, and informed consent"
15 includes informed, noncoercive negotiations between investors,
16 companies, or governments and indigenous peoples prior to
17 project development, and the formalized ability for impacted
18 indigenous peoples to say no if projects do not meet their
19 needs and, where the risk of harm to indigenous peoples'
20 rights is significant, projects should not proceed without the
21 affected people's consent.

22 "Illinois State product" means:

23 (1) a product that is grown, harvested, or produced in
24 this State; or

25 (2) a product that is processed inside or outside of
26 this State comprising over 51%, by weight or volume, raw

1 materials that are grown, harvested, or produced in this
2 State.

3 "Industrial development" means the processes and
4 operations involved in the large-scale production of goods,
5 including, but not limited to, manufacturing, processing,
6 warehousing, transporting, or repairing. "Industrial
7 development" also means the creation of facilities and
8 transportation infrastructure for these activities, such as
9 power generation, ship building, road development, and waste
10 storage and treatment.

11 "Large contractor" means any contractor whose annual
12 revenue, or that of its parent company, is equal to or greater
13 than \$100,000,000.

14 "Master contract" has the meaning given to that term in
15 Section 1-15.47.

16 "Medium-sized business" means a business that operates in
17 this State, is independently owned and operated, not dominant
18 in its field, and employs between 100 and 500 persons.

19 "Minority-owned business" has the meaning given to that
20 term in Section 2 of the Business Enterprise for Minorities,
21 Women, and Persons with Disabilities Act.

22 "Old-growth forest" means a forest ecosystem distinguished
23 by old trees and related structural attributes, encompassing
24 the later stages of stand development that typically differ
25 from earlier stages in a variety of characteristics, which may
26 include advanced tree size, accumulations of large dead woody

1 material, multiple canopy layers, later successional species
2 composition, and ecosystem function. In the United States, the
3 attributes of old-growth forests vary depending on forest
4 type, geography and history, but typically contain trees over
5 120 years of age and least 40 centimeters in diameter.

6 "Peat" means a soil that is rich in organic matter
7 composed of partially decomposed and decaying plant materials,
8 and comprises 40 centimeters of the top 100 centimeters of the
9 soil profile.

10 "Peatlands" means wetlands with a layer of peat.
11 "Peatlands" includes moors, bogs, mires, peat swamp forests,
12 and permafrost tundra.

13 "Primary forest" or "pre-industrial forest" means a forest
14 that has never been disturbed by industrial development or
15 large-scale harvesting and has developed following natural
16 disturbances and under natural processes, regardless of its
17 age. "Primary forest" includes a forest in any geography that
18 has experienced nonindustrial-scale human impacts, including
19 traditional or subsistence activities carried out by
20 indigenous communities.

21 "Recovered fiber" means postconsumer fiber such as paper,
22 paperboard, and fibrous materials from places including retail
23 stores, office buildings, and homes, after having passed
24 through its end usage, including used corrugated boxes, old
25 newspapers, old magazines, mixed waste paper, tabulating
26 cards, and used cordage, and all paper, paperboard, and

1 fibrous materials that enter and are collected from municipal
2 solid waste, and manufacturing wastes such as dry paper and
3 paperboard waste generated after completion of the papermaking
4 process, including envelope cuttings, bindery trimmings, and
5 other paper and paperboard waste resulting from printing,
6 cutting, forming, and other converting operations, bag, box,
7 and carton manufacturing wastes, and butt rolls, mill
8 wrappers, and rejected unused stock, and repulped finished
9 paper and paperboard from obsolete inventories of paper and
10 paperboard manufacturers, merchants, wholesalers, dealers,
11 printers, converters, and others.

12 "Small business" has the meaning given to that term in
13 Section 45-45.

14 "Tropical forest" means a natural ecosystem within the
15 tropical regions, approximately bounded geographically by the
16 tropics of Cancer and Capricorn, but possibly affected by
17 other factors such as prevailing winds, containing native
18 species composition, structure, and ecological function, with
19 a tree canopy cover of more than 10% over an area of at least
20 0.5 hectares. "Tropical forest" includes all of the following:
21 (i) human-managed tropical forests or partially degraded
22 tropical forests that are regenerating; and (ii) tropical
23 forests identified by multi-objective conservation-based
24 assessment methodologies, such as High Conservation Value
25 areas (HCV), as defined by the HCV Resource Network, or High
26 Carbon Stock Forests, as defined by the High Carbon Stock

1 Approach, or by another methodology with equivalent or higher
2 standards that includes primary forests and tropical peatlands
3 of any depth. "Tropical forest" does not include plantations
4 of any type.

5 "Tropical hardwood" means any and all hardwood,
6 specifically classified as angiosperm, that grows in any
7 tropical forest. "Tropical hardwood" includes, but is not
8 limited to, the following species:

9 (1) Prunus Africana (African cherry, red stinkwood);

10 (2) Caryocar Costaricense (garlic tree);

11 (3) Calophyllum species (bintangor);

12 (4) Cedrela species (cedar, Spanish cedar, South
13 American cedar);

14 (5) Neobalanocarpus Heimii (chengal);

15 (6) Octomeles Sumatrana (Benuang);

16 (7) Myroxylon Balsamum (balsamo);

17 (8) Apuleia Leiocarpa (garapa);

18 (9) Parastemon Urophyllus (malas);

19 (10) Spicatus Ridley Hopea species (merawan);

20 (11) Araucaria Araucana (monkey puzzle, Chilean pine);

21 (12) Senna Siamea (Siamese cassia);

22 (13) Pometia Pinnata (taun);

23 (14) Millettia Leucantha, Millettia Stuhlmannii,
24 Millettia Laurentii (sathon, panga panga, wenge);

25 (15) Bulnesia Arborea, Bulnesia Sarmientoi (verawood,
26 Argentine lignum vitae);

- 1 (16) Tristaniopsis Laurina (water gum);
2 (17) Terminalia species (limba, afara, ofram, idigbo,
3 framire, black afara, amarillo, nargusta);
4 (18) Homalium Foetidum (malas);
5 (19) Dillenia Papuana (dillenia);
6 (20) Canarium species (red canarium, grey canarium);
7 (21) Burkrella Macropoda (rang rang);
8 (22) Dracontomelon Dao (New Guinea walnut);
9 (23) Planchonella species (white planchonella, red
10 planchonella);
11 (24) Lophopetalum species (perupok);
12 (25) Cariniana Pyriformis (Colombian mahogany, abarco,
13 jequitiba);
14 (26) Mitragyna Ciliata (abura);
15 (27) Vouacapoua Americana (acapu);
16 (28) Amburana Cearensis (amburana, cerejeira, cumare);
17 (29) Looea species (African walnut, tigerwood);
18 (30) Pericopsis Elata (afroformosa);
19 (31) Peltogyne species (amaranth, purpleheart);
20 (32) Pterogyne Nitens (amendoim);
21 (33) Carapa Guianensis, Dicorynia Guianensis, Bagassa
22 Guianensis, Couratari Guianensis (andiroba, angelique,
23 tatajuba, bagasse);
24 (34) Aningeria species (aningeria, anegre, anigre);
25 (35) Dipterocarpus species (apitong, keruing);
26 (36) Centrolobium species (arariba);

- 1 (37) Brosimum Utile, Brosimum Alicastrum (baco,
2 breadnut);
- 3 (38) Ochroma Lagopus, Ochroma Pyramidale (balsa);
- 4 (39) Berlinia species (berlinia, rose zebrano);
- 5 (40) Symphonia Globulifera (boarwood);
- 6 (41) Detarium Senegalense (boire);
- 7 (42) Caesalpinia Echinata, Paubrasilia Echinata
8 (Brazilwood, pernambuco);
- 9 (43) Bertholletia Excelsa (Brazil nut, mora)
- 10 (44) Guibourtia species (bubinga, African rosewood,
11 kevazingo, amazique);
- 12 (45) Toona Calantas (calantas);
- 13 (46) Prioria copaifera (cativo);
- 14 (47) Ceiba Pentandra (ceiba);
- 15 (48) Antiaris africana (chechen, antiaris);
- 16 (49) Tabebuia Donnell-Smithii (copal);
- 17 (50) Daniellia species (daniellia);
- 18 (51) Cordia species (cordia wood, bocote, ziricote,
19 louro, freijo);
- 20 (52) Hymenaea Courbaril (courbaril, West Indian
21 locust, brazilian cherry);
- 22 (53) Dipteryx Odorata (cumaru, Brazilian teak);
- 23 (54) Piptadeniastrum Africanum (dahoma);
- 24 (55) Calycophyllum Candidissimum (dagame, lemonwood);
- 25 (56) Afzelia species (doussie);
- 26 (57) Diospyros species (ebony, ceylon ebony,

- 1 marblewood);
- 2 (58) Lophira Alata (ekki, azobe, red ironwood);
- 3 (59) Combretodendron Macrocarpum (esia);
- 4 (60) Chlorophora Tinctoria, Chlorophora Excelsa
5 (fustic, iroko, African teak);
- 6 (61) Aucoumea Klaineana (gaboon, okoume);
- 7 (62) Astronium species (goncalo alves, tigerwood);
- 8 (63) Ocotea Rodiei (greenheart);
- 9 (64) Enterolobium Cyclocarpum (guanacaste,
10 elephant-ear tree);
- 11 (65) Guarea species (guarea, bosse);
- 12 (66) Phoebe Porosa (imbuia, Brazilian walnut);
- 13 (67) Handroanthus species (ipe, pau d'arco, lapacho);
- 14 (68) Jacaranda Copaia (jacaranda);
- 15 (69) Machaerium Villosum (jacaranda pardo);
- 16 (70) Dyera Costulata (jelutong);
- 17 (71) Dryobalanops species (kapur, keladan);
- 18 (72) Koompassia Malaccensis (kempas);
- 19 (73) Acacia Koa (koa);
- 20 (74) Pterygota Macrocarpa (koto, African pterygota);
- 21 (75) Oxandra Lanceolata (lancewood);
- 22 (76) Shorea species (lauan, luan, lawaan, meranti,
23 seraya, Philippine mahogany, balau);
- 24 (77) Nothofagus Pumilio, Nothofagus Obliqua (lenga
25 beech, roble);
- 26 (78) Guaiacum Officinale (roughbark lignum-vitae);

- 1 (79) Aniba Rosaeodora, Aniba Duckei (pau rosa);
2 (80) Nectandra species (louro preto);
3 (81) Khaya species (African mahogany);
4 (82) Swietenia species (mahogany, West Indian
5 mahogany, Honduran mahogany, Cuban mahogany, big-leaf
6 mahogany);
7 (83) Tieghemella Heckelii (makora);
8 (84) Intsia Bijuga, Intsia Palembanica (Borneo teak,
9 merbau);
10 (85) Anisoptera species (mersawa, krabak, palosapis);
11 (86) Distemonanthus Benthamianus (movingui, ayan);
12 (87) Pterocarpus species (narra, amboyna, Papua New
13 Guinea rosewood, mukula, kosso, zitan, hongmu, padauk,
14 vermillion wood);
15 (88) Palaquium species (nyatoh);
16 (89) Triplochiton Scleroxylon (African whitewood,
17 obeche, sambawawa);
18 (90) Nauclea Diderrichii (opepe);
19 (91) Balfourodendron Riedelianum (marfim);
20 (92) Aspidosperma species (peroba rosa);
21 (93) Paratecoma Peroba (peroba branca);
22 (94) Gonystylus species (ramin);
23 (95) Melanorrhoea Curtisii (rengas, Borneo rosewood);
24 (96) Hevea Brasiliensis (rubber tree);
25 (97) Dalbergia species (rosewood, Indian rosewood,
26 Honduras rosewood, cocobolo, granadillo, pinkwood,

1 tulipwood, African blackwood);

2 (98) Entandrophragma cylindricum, Entandrophragma
3 Candollei, Entandrophragma Utile (sapele, sapelli, kosipo,
4 omu, utile, sipo);

5 (99) Acanthopanax Ricinofolius (sen);

6 (100) Brosimum Aubletti, Piratinera (snakewood,
7 letterwood, leopardwood);

8 (101) Juglans species (South American walnut, Peruvian
9 walnut);

10 (102) Sterculia Rhinopetalia (sterculia);

11 (103) Tectona Grandis (teak);

12 (104) Virola species (virola, cumala);

13 (105) Pentacme Contorta (white lauan);

14 (106) Microberlinia species (zebrawood, zingana);

15 "Tropical hardwood" does not include wood grown in a tree
16 plantation.

17 "Tropical hardwood product" means any product that
18 contains tropical hardwood, regardless of whether it is sold
19 at wholesale or retail, including, but not limited to,
20 plywood, veneer, furniture, cabinets, paneling, siding,
21 moldings, doors, doorskins, joinery, flooring, or sawnwood.

22 "Tropical peatland" means tropical wetlands with a layer
23 of peat. "Tropical peatland" includes moors, bogs, mires, and
24 peat swamp forests.

25 "Wholly or in part" shall have the meaning given to that
26 term by rule, as described in Section 54-13. The term shall be

1 defined in a manner designed to limit the administrative
2 burden on the State while maximizing this Article's
3 effectiveness at preventing deforestation and primary forest
4 and old-growth forest degradation.

5 "Women-owned business" has the meaning given to that term
6 in Section 2 of the Business Enterprise for Minorities, Women,
7 and Persons with Disabilities Act.

8 (30 ILCS 500/54-4 new)

9 Sec. 54-4. Purchase of tropical hardwoods prohibited.

10 (a) Except as otherwise provided in this Code, on and
11 after January 1, 2028, neither the State nor any State agency
12 shall allow any person having a contract with the State or with
13 a State agency to purchase, at wholesale or retail, or obtain
14 any tropical hardwood or tropical hardwood product for use in
15 completing a contract with the State or with any State agency.

16 (b) Subsection (a) shall not apply to:

17 (1) any binding contractual obligation for the
18 purchase of commodities entered into before the adoption
19 of rules under Section 54-13; or

20 (2) any grant, subvention, or contract with an agency
21 of the United States, or any instruction of an authorized
22 representative of an agency of the United States, if the
23 application of subsection (a) violates or is inconsistent
24 with the terms or conditions of the grant, subvention,
25 contract, or instruction.

1 (c) Tropical hardwood or tropical hardwood products
2 sourced via a small-scale harvesting operation by indigenous
3 communities on their traditional lands, may be exempted from
4 this Section and Section 54-6 if the extraction rates are
5 demonstrated to be ecologically sustainable. Any exemptions
6 and associated justifications under this subsection (c) shall
7 be posted publicly on the Illinois eProcurement BidBuy
8 website.

9 (30 ILCS 500/54-6 new)

10 Sec. 54-6. Phase-in of forest-risk commodity procurement.

11 (a) One year after the adoption of rules under Section
12 54-13, every master contract entered into by the Department of
13 Central Management Services that includes the procurement of
14 any covered product made, in whole or in part, of a covered
15 forest-risk commodity shall require the contractor to certify
16 that the product furnished to the State under the contract was
17 not extracted from, grown, derived, harvested, reared, or
18 produced on land where deforestation or primary forest or
19 old-growth forest degradation occurred. The contractor shall
20 agree to comply with this provision of the contract.

21 (b) Two years after the adoption of rules under Section
22 54-13 of this Article, every contract entered into by a State
23 agency that includes the procurement of any product that
24 consists, in whole or in part, of a forest-risk commodity
25 shall require the contractor to confirm that the commodity

1 furnished to the State under the contract was not extracted
2 from, grown, derived, harvested, reared, or produced on land
3 where deforestation or primary forest or old-growth forest
4 degradation occurred on or after the adoption of rules
5 described in Section 54-13. The contractor shall agree to
6 comply with this provision of the contract.

7 (c) This Section does not apply to any grant, subvention,
8 or contract with an agency of the United States, or to any
9 instruction of an authorized representative of an agency of
10 the United States, if the application of subsection (a)
11 violates or is inconsistent with the terms or conditions of
12 the grant, subvention, contract, or instruction.

13 (30 ILCS 500/54-7 new)

14 Sec. 54-7. Compliance.

15 (a) Every bid and resulting contract award shall specify
16 that the contractor is required to cooperate fully in
17 providing access to the contractor's records, documents,
18 agents, employees, or premises if required by authorized
19 officials of the contracting State agency, the Department of
20 Central Management Services, or the Office of the Attorney
21 General to determine the contractor's compliance with the
22 requirements of this Article.

23 (b) Contractors shall exercise due diligence in ensuring
24 that their subcontractors comply with Section 54-6.
25 Contractors shall require each subcontractor to certify in

1 writing that the subcontractor complies with this Article.

2 (30 ILCS 500/54-8 new)

3 Sec. 54-8. Required forest policies. In addition to the
4 requirements of Sections 54-6 and 54-7, large contractors that
5 are subject to Section 54-6 must confirm that they have
6 adopted a forest policy that includes, at a minimum, the
7 following for each product covered by this Article:

8 (1) procedures for identifying and mitigating the risk
9 of deforestation and primary forest and old-growth forest
10 degradation in forest-risk commodity supply chains; and

11 (2) procedures to ensure compliance with source
12 country laws regarding forest-risk commodity supply chains
13 and respect for national and international human rights
14 standards, including recognized rights of indigenous
15 peoples and local communities; the principle of Free,
16 Prior and Informed Consent; the rights and safety of local
17 environmental and human rights defenders; and the rights
18 of workers.

19 The forest policy shall be published on the bid in
20 addition to information demonstrating implementation of the
21 policy, disaggregated by product and updated at least
22 annually, as well as publicly on the Illinois eProcurement
23 BidBuy website when a large contractor has received a contract
24 award.

1 (30 ILCS 500/54-9 new)

2 Sec. 54-9. Stakeholder advisory group. As needed
3 throughout the rulemaking process and throughout the process
4 of implementing this Article, including during the
5 investigation of violations as outlined in Section 54-11, the
6 State Procurement Task Force shall consult with a stakeholder
7 advisory group and the Director of Central Management Services
8 on the adoption of rules for the implementation of this
9 Article. Members of the advisory group shall be selected by
10 the Director of Central Management Services and shall consist
11 of at least:

12 (1) representatives of current or former contractors
13 dealing in each of the forest-risk commodities, with an
14 emphasis on small and medium-sized businesses;

15 (2) representatives from civil society with relevant
16 expertise in supply chain traceability, forest
17 sustainability, biodiversity, forest carbon dynamics,
18 natural history, climate science, human and labor rights,
19 and indigenous rights; members selected under this
20 paragraph should be of at least equal number to members
21 selected under paragraph (1); and

22 (3) a minimum of 2 additional representatives from
23 indigenous communities residing within forests covered by
24 this Article.

25 The advisory group shall meet virtually. Membership in the
26 group shall be voluntary, and members shall receive no salary

1 or compensation for participation in the advisory group.

2 (30 ILCS 500/54-10 new)

3 Sec. 54-10. Violations and sanctions.

4 (a) If it is determined that any contractor contracting
5 with the State knew or should have known that a product made,
6 wholly or in part, of a forest-risk commodity was furnished to
7 the State in violation of Sections 54-4, 54-5, 54-6, 54-7, or
8 54-8, the contracting State agency shall issue a written
9 notice of violation and provide an opportunity for the
10 contractor to come into compliance with the Act. If, after
11 such notice, a contractor fails to come into compliance within
12 a timeframe established by the Department of Central
13 Management Services and the Capital Development Board, the
14 contractor may have either one or both of the following
15 sanctions imposed:

16 (1) the contract under which the prohibited
17 forest-risk commodity was furnished may be voided at the
18 option of the State agency to which the commodity was
19 furnished; or

20 (2) the contractor may be assessed a penalty that
21 shall be the greater of \$1,000 or an amount equaling 20% of
22 the value of the product that the State agency
23 demonstrates was made, wholly or in part, of a forest-risk
24 commodity and furnished to the State in violation of
25 Sections 54-4, 54-5, 54-6, 54-7, and 54-8.

1 A hearing or opportunity to be heard shall be provided
2 prior to the assessment of any penalty.

3 (b) Notwithstanding subsection (a), a contractor that
4 complies with Section 54-7 shall not be subject to sanctions
5 for violations if the contractor had no knowledge of the
6 requirements of Sections 54-4, 54-5, 54-6, 54-7, and 54-8, and
7 if the violations were committed solely by a subcontractor. In
8 that case, the sanctions described under subsection (a) shall
9 instead be imposed on the subcontractor that committed the
10 violation.

11 (30 ILCS 500/54-11 new)

12 Sec. 54-11. Investigation of violations.

13 (a) Any State agency that investigates a complaint against
14 a contractor or subcontractor for a violation of this Article
15 may limit its investigation to evaluating the information
16 provided by the person or entity submitting the complaint and
17 the information provided by the contractor or subcontractor.

18 (b) Whenever a contracting officer of the contracting
19 State agency has reason to believe that the contractor failed
20 to comply with Sections 54-4, 54-5, 54-6, 54-7, and 54-8, the
21 State agency shall refer the matter for investigation to the
22 head of the State agency and, if the head of the State agency
23 determines appropriate, in consultation with the stakeholder
24 advisory group established under Section 54-9, to the Office
25 of the Attorney General, who may consult with the stakeholder

1 advisory group established under Section 54-9.

2 (30 ILCS 500/54-12 new)

3 Sec. 54-12. Preference for Illinois State products.

4 (a) If a contract for the purchase of a commodity or
5 product covered by this Article is to be awarded to the lowest
6 responsible bidder, an otherwise qualified bidder who is a
7 small business, medium-sized business, minority-owned
8 business, women-owned business, or who will fulfill the
9 contract through the use of Illinois State products may be
10 given preference over other bidders, as long as (i) the
11 product does not contribute to deforestation or primary forest
12 or old-growth forest degradation and (ii) the cost included in
13 the bid is not more than 10% greater than the cost included in
14 a bid that is not from a small business, medium-sized
15 business, minority-owned business, women-owned business, or
16 fulfilled through the use of Illinois State products.

17 (b) This Section shall not apply if the head of the
18 contracting State agency purchasing the products determines
19 that giving preference to bidders under this Section:

20 (1) would be against the public interest;

21 (2) would increase the cost of the contract by an
22 unreasonable amount; or

23 (3) would be impracticable because Illinois products
24 cannot be obtained in sufficient and reasonable available
25 quantities and of satisfactory quality to meet the

1 contracting State agency's requirements.

2 (c) Nothing in this Section shall be construed to conflict
3 with or otherwise limit the goals and requirements set forth
4 by Article 45 of the Illinois Procurement Code or the Business
5 Enterprise for Minorities, Women, and Persons with
6 Disabilities Act.

7 (30 ILCS 500/54-13 new)

8 Sec. 54-13. Rules.

9 (a) On or before July 1, 2026, the Department of Central
10 Management Services shall adopt rules for the implementation
11 of this Article. The rules shall be developed in consultation
12 with the stakeholder advisory group established under Section
13 54-9 and shall allow for public input. The rules shall
14 include, but shall not be limited to, all of the following:

15 (1) Rules establishing a list of products that are
16 made in whole or in part from forest-risk commodities that
17 are furnished to the State or used by State contractors
18 and that are subject to the requirements of this Article,
19 designed in a manner to limit the administrative burden of
20 the State while deterring deforestation and primary forest
21 and old-growth forest degradation.

22 (2) Rules establishing what certifications or other
23 standards are sufficient or necessary for contractors to
24 supply products that meet the requirements of this
25 Article.

1 (3) Rules establishing review of and additions to the
2 list of covered forest-risk commodities and products made
3 in whole or in part of those forest-risk commodities,
4 which shall occur no less often than every 2 years. When
5 evaluating the inclusion of additional commodities in the
6 list, the State Procurement Task Force, in consultation
7 with a stakeholder advisory group and the Director of
8 Central Management Services, shall consider (i) the impact
9 of the commodity as a driver of deforestation or primary
10 forest or old-growth forest degradation, (ii) the state of
11 existing supply chain transparency and traceability
12 systems for the commodity across all the regions from
13 which it is sourced, and (iii) the feasibility of
14 including the commodity in the requirements of Section
15 54-6. Rules adopted under this item (3) shall not be made
16 to weaken existing deforestation-free procurement
17 provisions. The first review of the list of covered
18 forest-risk commodities shall include, but not be limited
19 to, the addition of palm oil, coffee, avocados, and all
20 wood products, including pulp and paper, that are not
21 currently covered by the regulation.

22 (4) Rules establishing guidance to assist contractors
23 in identifying covered forest-risk commodities supplied to
24 the State, performing necessary risk-based supply chain
25 due diligence to meet the requirements of this Division,
26 and certifying that the commodity did not contribute to

1 deforestation or primary forest or old-growth forest
2 degradation. For any product made wholly or in part of
3 beef that was produced on land in a country where the
4 production of beef is not a direct cause of deforestation
5 or primary or old growth forest degradation, according to
6 scientific assessments of recent land use trends, the
7 contractor shall be required only to demonstrate that the
8 beef originated in that country.

9 (5) Rules establishing the full set of requirements
10 for a large contractor's forest policy under Section 54-8,
11 including parameters around what information must be
12 publicly disclosed in compliance with the regulations of
13 this Article.

14 (6) Rules establishing a process to ensure that
15 details of certified contracts are made available for
16 public inspection on the website of the Department of
17 Central Management Services after approval of the
18 contract, including the specific covered products included
19 in the contract and the basis for its certification.

20 (7) Rules establishing an easily accessible system
21 through which members of the public may make complaints
22 and submit information regarding violations of this
23 Article.

24 (8) Rules establishing an information-sharing system
25 between State Agencies purchasing products subject to the
26 regulations under this Article and the Department of

1 Central Management Services regarding contracts involving
2 purchases of tropical hardwoods and forest-risk
3 commodities after the effective date of this Article.

4 (9) Rules establishing any information-sharing systems
5 with external partners implementing regulations comparable
6 to this Article.

7 (10) Rules detailing information provided in
8 accordance with Section 54-17.

9 (b) The Director of Central Management Services may
10 establish a voluntary certification process for current or
11 aspiring contractors to be recognized as supplying
12 deforestation-free products as a part of the rulemaking
13 process if the Director of Central Management Services, in
14 consultation with the stakeholder advisory group established
15 under Section 54-9, deems it would be advantageous to the
16 ongoing implementation of this Article. If the Director of
17 Central Management Services, in consultation with the
18 stakeholder advisory group established under Section 54-9,
19 deems it would be advantageous to establish a voluntary
20 certification process for current or aspiring contractors to
21 be recognized as supplying deforestation-free products,
22 certification shall include the following purchase
23 restrictions:

24 (1) that the certification requirements set forth in
25 this Article shall not apply to a purchase of goods of
26 \$2,500 or less; and

1 (2) that the total amount of goods exempted under
2 paragraph (1) shall not exceed \$7,500 per year for each
3 contractor from which a State agency is purchasing goods.
4 It shall be the responsibility of each State agency to
5 monitor the use of this exemption and adhere to these
6 restrictions on these purchases.

7 (30 ILCS 500/54-14 new)

8 Sec. 54-14. Assessment. All work products produced under
9 Section 54-6 shall be made available to the public on the
10 Illinois eProcurement BidBuy website.

11 (30 ILCS 500/54-15 new)

12 Sec. 54-15. The supply chain transparency assistance
13 program.

14 (a) As used in this Section, "eligible business" means a
15 small business, medium-sized business, minority-owned
16 business, or woman-owned business seeking to comply with the
17 requirements of this Article.

18 (b) In partnership with the Chief Procurement Officer for
19 General Services, the Business Enterprise Program, and the
20 Department of Central Management Services, the stakeholder
21 advisory group established under Section 54-9 of this Article
22 is hereby authorized and directed, within one year after the
23 effective date of this amendatory Act of the 104th General
24 Assembly, to establish, develop, and issue, within available

1 appropriations, a supply chain transparency assistance program
2 to assist small businesses, medium-sized businesses, and
3 minority-owned and women-owned businesses in achieving supply
4 chains that comply with the requirements of this Article.

5 (c) The purpose of the program developed under this
6 Section is to compile and share resources that:

7 (1) help participating eligible businesses with
8 compliance with supply chain related regulations,
9 procurement standards, or contracting requirements
10 established under this Article; and

11 (2) identify funding streams, grant moneys, financial
12 assistance and other resources that may be available to
13 help participating eligible businesses achieve
14 transparent, traceable, ethical, and sustainable supply
15 chains as it pertains to this Article.

16 (d) The Chief Procurement Officer for General Services,
17 the Business Enterprise Program, and the Department of Central
18 Management Services are responsible for publishing the
19 resources compiled by this Article the stakeholder advisory
20 group and facilitating communications between eligible
21 businesses and the stakeholder advisory group.

22 (30 ILCS 500/54-16 new)

23 Sec. 54-16. Report. Beginning 2 years after the effective
24 date of this amendatory Act of the 104th General Assembly and
25 biennially thereafter, the Director of Central Management

1 Services and the Director of the Capital Development Board
2 shall issue a report to the State Procurement Task Force, the
3 Governor, and the General Assembly on the implementation of
4 this Article.

5 (30 ILCS 500/54-17 new)

6 Sec. 54-17. Applicability.

7 (a) This Act shall apply to all contracts entered into,
8 extended, or renewed on or after the adoption of rules as
9 described in Section 54-13.

10 (b) If the Governor or the Director of the Department of
11 Public Health has issued a disaster declaration because of a
12 disaster as defined in Section 4 of the Illinois Emergency
13 Management Act and compliance with all the terms of this
14 Article would be impracticable because critical commodities
15 cannot be obtained in sufficient and reasonable available
16 quantities and of satisfactory quality to meet the contracting
17 State agency's requirements, then the comprehensive
18 requirements of this Article shall be suspended for a period
19 of 60 days beginning the day the disaster declaration, in
20 accordance with which critical commodities regulated by this
21 Article cannot be obtained in sufficient and reasonable
22 available quantities and of satisfactory quality to meet the
23 contracting State agency's requirements.

24 (b) Ongoing suspension of the comprehensive requirements
25 of this Article for terms beyond the initial 60 days must be

1 formally renewed by the Department of Central Management
2 Services and

3 (1) must be dependent upon the existence of an ongoing
4 disaster declaration as defined in Section 4 of the
5 Illinois Emergency Management Act, and

6 (2) a reality where compliance with all of the terms
7 of this Article would be impracticable because critical
8 commodities cannot be obtained in sufficient and
9 reasonable available quantities and of satisfactory
10 quality to meet the contracting State agency's
11 requirements.

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.