



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB5505

by Rep. Michael Halpin

#### SYNOPSIS AS INTRODUCED:

820 ILCS 405/604

from Ch. 48, par. 434

Amends the Unemployment Insurance Act. Provides that an individual is not disqualified from obtaining benefits during a period of unemployment caused by a labor dispute if the labor dispute is caused by the failure or refusal of the employer to comply with an agreement or contract between the employer and the claimant, including a collective bargaining agreement with a union representing the claimant, or a State or federal law pertaining to hours, wages, or other conditions of work. Provides that an individual is not disqualified from obtaining benefits caused by a labor dispute, including a strike or other concerted activities of employees at the claimant's workplace, whether or not authorized or sanctioned by a union representing the claimant, but not including a dispute caused by the failure of the employer to comply with an agreement or law pertaining to wages, hour, or conditions of work, after the period of the first 30 days following the commencement of the unemployment caused by the labor dispute. Provides that the period without benefits does not apply if the employer hires a permanent replacement worker for the claimant's position. Effective immediately.

LRB101 19024 JLS 68484 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning employment.

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

4 Section 5. The Unemployment Insurance Act is amended by  
5 changing Section 604 as follows:

6 (820 ILCS 405/604) (from Ch. 48, par. 434)

7 Sec. 604. Labor dispute. An individual shall be ineligible  
8 for benefits for any week with respect to which it is found  
9 that his total or partial unemployment is due to a stoppage of  
10 work which exists because of a labor dispute at the factory,  
11 establishment, or other premises at which he is or was last  
12 employed. The term "labor dispute" does not include an  
13 individual's refusal to work because of his employer's failure  
14 to pay accrued earned wages within 10 working days from the  
15 date due, or to pay any other uncontested accrued obligation  
16 arising out of his employment within 10 working days from the  
17 date due.

18 For the purpose of disqualification under this Section the  
19 term "labor dispute" does not include a lockout by an employer,  
20 and no individual shall be denied benefits by reason of a  
21 lockout, provided that no individual shall be eligible for  
22 benefits during a lockout who is ineligible for benefits under  
23 another Section of this Act, and provided further that no

1 individual locked out by an employer shall be eligible for  
2 benefits for any week during which (1) the recognized or  
3 certified collective bargaining representative of the locked  
4 out employees refuses to meet under reasonable conditions with  
5 the employer to discuss the issues giving rise to the lockout  
6 or (2) there is a final adjudication under the National Labor  
7 Relations Act that during the period of the lockout the  
8 recognized or certified collective bargaining representative  
9 of the locked-out employees has refused to bargain in good  
10 faith with the employer over issues giving rise to the lockout,  
11 or (3) the lockout has resulted as a direct consequence of a  
12 violation by the recognized or certified collective bargaining  
13 representative of the locked out employees of the provisions of  
14 an existing collective bargaining agreement. An individual's  
15 total or partial unemployment resulting from any reduction in  
16 operations or reduction of force or layoff of employees by an  
17 employer made in the course of or in anticipation of collective  
18 bargaining negotiations between a labor organization and such  
19 employer, is not due to a stoppage of work which exists because  
20 of a labor dispute until the date of actual commencement of a  
21 strike or lockout.

22 This Section shall not apply if it is shown that (A) the  
23 individual is not participating in or financing or directly  
24 interested in the labor dispute which caused the stoppage of  
25 work and (B) he does not belong to a grade or class of workers  
26 of which immediately before the commencement of the stoppage

1 there were members employed at the premises at which the  
2 stoppage occurs, any of whom are participating in or financing  
3 or directly interested in the dispute; provided, that a lockout  
4 by the employer or an individual's failure to cross a picket  
5 line at such factory, establishment, or other premises shall  
6 not, in itself, be deemed to be participation by him in the  
7 labor dispute. If in any case, separate branches of work which  
8 are commonly conducted as separate businesses in separate  
9 premises are conducted in separate departments of the same  
10 premises, each such department shall, for the purpose of this  
11 Section, be deemed to be a separate factory, establishment, or  
12 other premises.

13 For any claim for a period of unemployment commencing on or  
14 after the effective date of this amendatory Act of the 101st  
15 General Assembly, no disqualification under this Section shall  
16 apply if the labor dispute is caused by the failure or refusal  
17 of the employer to comply with an agreement or contract between  
18 the employer and the claimant, including a collective  
19 bargaining agreement with a union representing the claimant, or  
20 a State or federal law pertaining to hours, wages, or other  
21 conditions of work.

22 For any claim for a period of unemployment commencing on or  
23 after the effective date of this amendatory Act of the 101st  
24 General Assembly, if the unemployment is caused by a labor  
25 dispute, including a strike or other concerted activities of  
26 employees at the claimant's workplace, whether or not

1 authorized or sanctioned by a union representing the claimant,  
2 but not including a dispute during which benefits are otherwise  
3 available under this Section, the claimant shall not be  
4 provided benefits for a period of the first 30 days following  
5 the commencement of the unemployment caused by the labor  
6 dispute, except that the period without benefits shall not  
7 apply if the employer hires a permanent replacement worker for  
8 the claimant's position. A replacement worker shall be presumed  
9 to be permanent unless the employer certifies in writing that  
10 the claimant will be permitted to return to his or her prior  
11 position upon conclusion of the dispute. If the employer does  
12 not permit the return, the claimant shall be entitled to  
13 recover any benefits lost as a result of the 30-day waiting  
14 period before receiving benefits, and the Department may impose  
15 a penalty upon the employer of up to \$750 per employee per week  
16 of benefits lost. The penalty collected shall be paid into the  
17 Special Administrative Account.

18 Whenever any claim involves the provisions of this Section,  
19 the claims adjudicator referred to in Section 702 shall make a  
20 separate determination as to the eligibility or ineligibility  
21 of the claimant with respect to the provisions of this Section.  
22 This separate determination may be appealed to the Director in  
23 the manner prescribed by Section 800.

24 (Source: P.A. 93-1088, eff. 1-1-06.)

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