



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB2961

Introduced 2/6/2025, by Rep. William "Will" Davis

SYNOPSIS AS INTRODUCED:

New Act
30 ILCS 105/5.1030 new
30 ILCS 571/35
30 ILCS 574/40-10

Creates the Best Interest of the State Act. Provides that any collective bargaining unit, contractor, or subcontractor participating in a project labor agreement shall satisfy specified requirements to promote racial inclusion, diversity, and equity. Contains provisions concerning prequalification of collective bargaining units, contractors, and subcontractors; the determination of the demographic make-up of counties; complaints to the Commission on Equity and Inclusion; and penalties. Amends the State Finance Act to create the Local Construction Training and Development Fund. Amends the Project Labor Agreements Act and the Commission on Equity and Inclusion Act to make conforming changes. Effective immediately.

LRB104 09927 SPS 19997 b

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 1. Short title. This Act may be cited as the Best
5 Interest of the State Act.

6 Section 5. Findings and Purpose.

7 (a) The purposes of this Act are to ensure that
8 construction projects in Illinois require project labor
9 agreements that provide access to minorities, women, veterans,
10 and persons with disabilities and to improve access to
11 apprenticeships and construction employment for workers in
12 rural geographic areas and workers from groups traditionally
13 underrepresented in the construction industry, including
14 minorities, women, veterans, and persons with disabilities.

15 (b) The General Assembly finds and declares the following:

16 (1) Construction workers are highly skilled
17 professionals and should be afforded all the tenants of a
18 high-quality job, including competitive pay, job security,
19 advancement opportunities, and fully funded benefits,
20 including healthcare, work-family, and retirement
21 benefits.

22 (2) It is in the best interest of this State's
23 construction workforce to ensure that workers have equal

1 access to apprenticeships in the construction industry,
2 regardless of where they live, and to ensure that
3 employers subject to project labor agreement are making
4 efforts in good faith to use local workers on construction
5 projects.

6 (3) It is in the best interest of this State's
7 construction workforce, including current and future
8 apprentices, for workers employed on public works projects
9 to reflect the demographic makeup of the community in
10 which the project is taking place.

11 (4) It is in the best interest of this State and all of
12 the residents of this State for the General Assembly to
13 adopt policies that provide opportunity for all workers,
14 regardless of race, geographic region, creed, or gender to
15 participate in the construction workforce.

16 Section 10. Definitions. As used in this Act:

17 "Barriers to employment" means conditions that impede an
18 individuals ability to work in the construction industry,
19 including (i) release from incarceration by the Department of
20 Corrections or a county or local law enforcement authority;
21 (ii) no high school diploma or equivalent; (iii) few
22 marketable abilities or skills for employment; or (iv) no
23 prior job-seeking skills.

24 "Collective bargaining unit" means a labor organization
25 that provides workers to a construction project.

1 "Commission" means the Commission on Equity and Inclusion.

2 "Labor organization" has the meaning set forth in 29
3 U.S.C. 152.

4 "Project labor agreement" means an agreement that meets
5 the contents of a construction agreement as provided in
6 Section 25 of the Project Labor Agreements Act. "Project labor
7 agreement" also includes any construction project that
8 requires the use of a project labor agreement under State law.

9 Section 15. Project labor agreement requirements. Any
10 collective bargaining unit, contractor, or subcontractor
11 participating in a project labor agreement shall satisfy the
12 following requirements to promote racial inclusion, diversity,
13 and equity:

14 (1) employees performing work at the construction
15 project subject to a project labor agreement shall have
16 completed OSHA 101 safety training;

17 (2) any collective bargaining unit, contractor, or
18 subcontractor subject to the project labor agreement shall
19 provide or participate in a program that provides
20 pre-apprenticeship training programs exclusively for
21 Illinois residents who are individuals with barriers to
22 employment and that partners with an office of a local
23 workforce investment area designated by the Department of
24 Commerce and Economic Opportunity or a community-based
25 organization;

1 (3) any collective bargaining unit participating in a
2 project labor agreement shall, 180 days after the
3 effective date of this Act, provide at least (i) 10% of the
4 workers to the project who meet the definitions under
5 Section 2 of the Business Enterprise for Minorities,
6 Women, and Persons with Disabilities Act and Section 10 of
7 the Veterans Preference in Private Employment Act or (ii)
8 a percentage of workers to the project who reflect the
9 demographic make-up of the county where the project is
10 located;

11 (4) any collective bargaining unit participating in a
12 project labor agreement, on or after January 1, 2026,
13 shall provide at least (i) 15% of the workers to the
14 project who meet the definition under Section 2 of the
15 Business Enterprise for Minorities, Women, and Persons
16 with Disabilities Act and Section 10 of the Veterans
17 Preference in Private Employment Act or (ii) a percentage
18 of workers to the project who reflect the demographic
19 make-up of the county where the project is located;

20 (5) any contractor or subcontractor participating in a
21 project labor agreement shall, 180 days after the
22 effective date of this Act, employ at least (i) 10% of its
23 workforce who meet the definition under Section 2 of the
24 Business Enterprise for Minorities, Women, and Persons
25 with Disabilities Act and Section 10 of the Veterans
26 Preference in Private Employment Act or (ii) a percentage

1 of its employees who reflect the demographic make-up of
2 the county where the project is located;

3 (6) any contractor or subcontractor participating in a
4 project labor agreement shall, on or after January 1,
5 2026, employ at least (i) 15% of its employees who meet the
6 definition under Section 2 of the Business Enterprise for
7 Minorities, Women, and Persons with Disabilities and
8 Section 10 of the Veterans Preference in Private
9 Employment Act or (ii) a percentage of its employees who
10 reflect the demographic make-up of the county where the
11 project is located;

12 (7) any collective bargaining unit subject to a
13 project labor agreement shall provide to its members a
14 health and benefit plan that is in compliance with the
15 federal Employee Retirement Income Security Act of 1974
16 and that is not listed on the U.S. Department of Labor's
17 multiple employer pension plan list as critical and
18 declining status, critical status, or endangered status;
19 and

20 (8) any contractor or subcontractor subject to a
21 project labor agreement shall provide to its employees
22 health insurance and a retirement plan that is in
23 compliance with the federal Employee Retirement Income
24 Security Act of 1974 and that is not listed on the U.S.
25 Department of Labor's multiple employer pension plan list
26 as critical and declining status, critical status, or

1 endangered status.

2 Section 20. Prequalification.

3 (a) Any collective bargaining unit, contractor, and
4 subcontractor may prequalify with the Commission, indicating
5 that the contractor or subcontractor meets all the
6 requirements of Section 15. A prequalified collective
7 bargaining unit, contractor, or subcontractor shall:

8 (1) not be disbarred from public works projects;

9 (2) be allowed to provide and hire its own workers for
10 the project;

11 (3) be allowed to fund its own health and welfare
12 benefits of its employees and shall only be liable for any
13 health and welfare benefits required by a collective
14 bargaining unit for members of the collective bargaining
15 unit used by the contractor or subcontractor under the
16 project labor agreement; and

17 (4) only be required to the terms of the project labor
18 agreement during the project and not held signatory to a
19 collective bargaining agreement once the contractor or
20 subcontractor has completed its work on the project.

21 (b) A collective bargaining unit, contractor, or
22 subcontractor shall remain prequalified for a period of one
23 year after the date of approval by the Commission.

24 Section 25. Determination of demographic make-up. The

1 Commission shall determine for each county in this State the
2 demographic make-up of each county by use the most recent
3 federal census data. The Commission shall include in its
4 determination (i) minority persons, as that term is defined in
5 the Business Enterprise for Minorities, Women, and Persons
6 with Disabilities Act, (ii) veterans, as that term is defined
7 in the Veterans Preference in Private Employment Act, and
8 (iii) persons who are located in rural or similarly situated
9 geographic regions of this State. The Commission shall post on
10 its website its determination of the demographic make-up of
11 each county of this State.

12 Section 30. Complaints.

13 (a) A collective bargaining unit, contractor, or
14 subcontractor who believes an entity subject to a project
15 labor agreement does not satisfy the requirements of Section
16 15 may file a complaint with the Commission.

17 (b) The Commission shall administer and enforce the
18 provisions of this Act. In order to accomplish the objectives
19 of this Act and to carry out the duties prescribed by this Act,
20 the Commission shall, within 180 days after the effective date
21 of this Act, adopt rules necessary to administer and enforce
22 the provisions of this Act, including the procedures that
23 shall be followed for hearings on issues of compliance with
24 this Act.

25 (c) Any collective bargaining unit, contractor, or

1 subcontractor determined to not be in compliance with this Act
2 shall be prohibited from participating in a project labor
3 agreement until it shows by a preponderance of the evidence
4 that it is in compliance with this Act.

5 Section 35. Penalties.

6 (a) A collective bargaining unit, contractor, or
7 subcontractor determined to not be in compliance with
8 paragraphs (3), (4), (5), or (6) of subsection (b) of Section
9 15 shall pay to the Commission a civil penalty equal to the
10 number of hours worked that failed to meet the employment
11 guideline times the prevailing wage of the trade or trades.
12 The Commission shall determine the penalty amount by utilizing
13 the certified payroll filed with the Department of Labor for
14 the project.

15 (b) A collective bargaining unit, contractor or
16 subcontractor determined not to be in compliance with
17 paragraphs (3), (4), (5), or (6) of subsection (b) of Section
18 15 shall pay to the Commission a civil penalty, not to exceed
19 \$5,000 for each violation for each employee affected.

20 (c) Any funds collected by the Commission under this Act
21 shall be deposited into the Local Construction Training and
22 Development Fund.

23 Section 40. The Local Construction Training and
24 Development Fund. The Local Construction Training and

1 Development Fund is created as a special fund in the State
2 treasury for the purpose of receiving moneys in accordance
3 with subsection (c) of Section 35. Moneys in the fund shall be
4 used by the Commission to:

5 (1) implement and enforce this Act; and

6 (2) award grants to local units of government to
7 support:

8 (A) local construction workforce training programs
9 that are approved and registered by the U.S.
10 Department of Labor or are recognized by the
11 Department of Commerce and Economic Opportunity; and

12 (B) construction projects aimed at repurposing,
13 redeveloping, or revitalizing nonperforming or
14 underutilized real estate assets for the purpose of
15 creating affordable workforce housing.

16 Section 45. Rulemaking. The Commission shall adopt any
17 rules necessary for implementation and enforcement of this
18 Act.

19 Section 90. The State Finance Act is amended by adding
20 Section 5.1030 as follows:

21 (30 ILCS 105/5.1030 new)

22 Sec. 5.1030. The Local Construction Training and
23 Development Fund.

1 Section 95. The Project Labor Agreements Act is amended by
2 changing Section 35 as follows:

3 (30 ILCS 571/35)

4 Sec. 35. Compliance. All State departments, agencies,
5 authorities, boards, and instrumentalities shall ensure that
6 all public works projects are implemented in a manner
7 consistent with the terms of this Act and are in full
8 compliance with all statutes, regulations, and Executive
9 Orders, including the Best Interest of the State Act.

10 (Source: P.A. 97-199, eff. 7-27-11.)

11 Section 100. The Commission on Equity and Inclusion Act is
12 amended by changing Section 40-10 as follows:

13 (30 ILCS 574/40-10)

14 (Text of Section before amendment by P.A. 103-961)

15 Sec. 40-10. Powers and duties. In addition to the other
16 powers and duties which may be prescribed in this Act or
17 elsewhere, the Commission shall have the following powers and
18 duties:

19 (1) The Commission shall have a role in all State and
20 university procurement by facilitating and streamlining
21 communications between the Business Enterprise Council for
22 Minorities, Women, and Persons with Disabilities, the

1 purchasing entities, the Chief Procurement Officers, and
2 others.

3 (2) The Commission may create a scoring evaluation for
4 State agency directors, public university presidents and
5 chancellors, and public community college presidents. The
6 scoring shall be based on the following 3 principles: (i)
7 increasing capacity; (ii) growing revenue; and (iii)
8 enhancing credentials. These principles should be the
9 foundation of the agency compliance plan required under
10 Section 6 of the Business Enterprise for Minorities,
11 Women, and Persons with Disabilities Act.

12 (3) The Commission shall exercise the authority and
13 duties provided to it under Section 5-7 of the Illinois
14 Procurement Code.

15 (4) The Commission, working with State agencies, shall
16 provide support for diversity in State hiring.

17 (5) The Commission shall supervise the implementation
18 and effectiveness of supplier diversity training of the
19 State procurement workforce.

20 (6) Each January, and as otherwise frequently as may
21 be deemed necessary and appropriate by the Commission, the
22 Commission shall propose and submit to the Governor and
23 the General Assembly legislative changes to increase
24 inclusion and diversity in State government.

25 (7) The Commission shall have oversight over the
26 following entities:

1 (A) the Illinois African-American Family
2 Commission;

3 (B) the Illinois Latino Family Commission;

4 (C) the Asian American Family Commission;

5 (D) the Illinois Muslim American Advisory Council;

6 (E) the Illinois African-American Fair Contracting
7 Commission created under Executive Order 2018-07; and

8 (F) the Business Enterprise Council for
9 Minorities, Women, and Persons with Disabilities.

10 (8) The Commission shall adopt any rules necessary for
11 the implementation and administration of the requirements
12 of this Act.

13 (9) The Commission shall exercise the authority and
14 duties provided to it under Section 45-57 of the Illinois
15 Procurement Code.

16 (10) The Commission is responsible for completing
17 studies as required by Section 35-15 of the Illinois
18 Community Reinvestment Act.

19 (11) The Commission shall exercise the authority and
20 duties provided to it under the Best Interest of the State
21 Act.

22 (Source: P.A. 102-29, eff. 6-25-21; 102-671, eff. 11-30-21;
23 103-865, eff. 1-1-25; 103-959, eff. 1-1-25; revised 11-26-24.)

24 (Text of Section after amendment by P.A. 103-961)

25 Sec. 40-10. Powers and duties. In addition to the other

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2 elsewhere, the Commission shall have the following powers and
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13 (E) the Illinois African-American Fair Contracting
14 Commission created under Executive Order 2018-07; and

15 (F) the Business Enterprise Council for
16 Minorities, Women, and Persons with Disabilities.

17 (7.5) The Commission shall have oversight over the
18 collection of supplier diversity reports by State agencies
19 to the extent that those agencies are required to collect
20 supplier diversity reports. This oversight shall include
21 publishing, on the Commission's website, a copy of each
22 such supplier diversity report submitted to a State agency
23 and may include conducting an annual hearing with each
24 State agency to discuss ongoing compliance with supplier
25 diversity reporting requirements. The Commission is not
26 responsible for ensuring compliance by the filers of

1 supplier diversity reports to their respective agencies.
2 The agencies subject to oversight by the Commission and
3 the relevant voluntary supplier diversity reports include
4 the following:

5 (A) the Health Facilities and Services Review
6 Board for hospitals;

7 (B) the Department of Commerce and Economic
8 Opportunity for tax credit recipients under the
9 Economic Development for a Growing Economy Tax Credit
10 Act;

11 (C) the Illinois Commerce Commission for utilities
12 and railroads;

13 (D) the Illinois Gaming Board for casinos; and

14 (E) the Illinois Racing Board for race tracks.

15 (7.6) The Commission may hold public workshops focused
16 on specific industries and reports to collaboratively
17 connect diverse enterprises with entities that manage
18 supplier diversity programs. These workshops may be
19 modeled after Illinois Commerce Commission hearings for
20 utilities and railroads that include a collaborative
21 discussion of filed supplier diversity reports.

22 (8) The Commission shall adopt any rules necessary for
23 the implementation and administration of the requirements
24 of this Act.

25 (9) The Commission shall exercise the authority and
26 duties provided to it under Section 45-57 of the Illinois

1 Procurement Code.

2 (10) The Commission is responsible for completing
3 studies as required by Section 35-15 of the Illinois
4 Community Reinvestment Act.

5 (11) The Commission shall exercise the authority and
6 duties provided to it under the Best Interest of the State
7 Act.

8 (Source: P.A. 102-29, eff. 6-25-21; 102-671, eff. 11-30-21;
9 103-865, eff. 1-1-25; 103-959, eff. 1-1-25; 103-961, eff.
10 7-1-25; revised 11-26-24.)

11 Section 995. No acceleration or delay. Where this Act
12 makes changes in a statute that is represented in this Act by
13 text that is not yet or no longer in effect (for example, a
14 Section represented by multiple versions), the use of that
15 text does not accelerate or delay the taking effect of (i) the
16 changes made by this Act or (ii) provisions derived from any
17 other Public Act.

18 Section 997. Severability. The provisions of this Act are
19 severable under Section 1.31 of the Statute on Statutes.

20 Section 999. Effective date. This Act takes effect upon
21 becoming law.