

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 purpose of this Act is to:

8 (1) ensure that construction projects in Illinois
9 require project labor agreements that provide access to
10 minorities, women, veterans, and persons with
11 disabilities; and

12 (2) improve access to apprenticeships and construction
13 employment for workers in rural areas and workers from
14 groups traditionally underrepresented in the construction
15 industry, including minorities, women, veterans, and
16 persons with disabilities.

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

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

1 (2) It is in the best interest of this State's
2 construction workforce to ensure that workers have equal
3 access to apprenticeships in the construction industry,
4 regardless of where they live, and to ensure that
5 employers subject to project labor agreements are making
6 efforts in good faith to use local workers on construction
7 projects.

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

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

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

19 "Collective bargaining unit" means a labor organization
20 that provides workers to a construction project.

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

22 "Demographic makeup" means the determination of the
23 demographic makeup of a county made by the Commission as set
24 forth in Section 25.

25 "Individuals with barriers to employment" means a person

1 who (i) has been released from incarceration by the Department
2 of Corrections or a county or local law enforcement authority;
3 (ii) does not have a high school diploma or equivalent; (iii)
4 demonstrates few marketable abilities or skills for
5 employment; or (iv) has no prior job-seeking skills.

6 "Labor organization" has the meaning set forth in 29
7 U.S.C. 152.

8 "Project labor agreement" means an agreement that meets
9 the content requirements set forth in Section 25 of the
10 Project Labor Agreements Act. "Project labor agreement" also
11 includes any construction project that requires the use of a
12 project labor agreement under State law.

13 Section 15. Project labor agreement requirements. Any
14 collective bargaining unit, contractor, or subcontractor
15 participating in a project labor agreement shall satisfy the
16 following requirements to promote parity statewide in
17 consideration of racial and demographic makeup, and adherence
18 to training and safety standards:

19 (1) employees performing work at the construction
20 project subject to a project labor agreement shall have
21 completed OSHA 10 Safety Training;

22 (2) any collective bargaining unit, contractor, or
23 subcontractor subject to the project labor agreement shall
24 provide or participate in a program that provides
25 pre-apprenticeship training programs exclusively for

1 Illinois residents who are individuals with barriers to
2 employment and that partners with an office of a local
3 workforce investment area designated by the Department of
4 Commerce and Economic Opportunity or a community-based
5 organization;

6 (3) any collective bargaining unit participating in a
7 project labor agreement shall, 180 days after the
8 effective date of this Act, provide at least (i) 10% of the
9 workers to the project who meet the definitions under
10 Section 2 of the Business Enterprise for Minorities,
11 Women, and Persons with Disabilities Act and Section 10 of
12 the Veterans Preference in Private Employment Act or (ii)
13 a percentage of workers to the project who reflect the
14 demographic makeup of the county where the project is
15 located based on the determination made by the Commission
16 as set forth in Section 25;

17 (4) any collective bargaining unit participating in a
18 project labor agreement, on or after January 1, 2026,
19 shall provide at least (i) 15% of the workers to the
20 project who meet the definition under Section 2 of the
21 Business Enterprise for Minorities, Women, and Persons
22 with Disabilities Act and Section 10 of the Veterans
23 Preference in Private Employment Act or (ii) a percentage
24 of workers to the project who reflect the demographic
25 makeup of the county where the project is located based on
26 the determination made by the Commission as set forth in

1 Section 25;

2 (5) any contractor or subcontractor participating in a
3 project labor agreement shall, 180 days after the
4 effective date of this Act, employ at least (i) 10% of its
5 workforce who meet the definition under Section 2 of the
6 Business Enterprise for Minorities, Women, and Persons
7 with Disabilities Act and Section 10 of the Veterans
8 Preference in Private Employment Act or (ii) a percentage
9 of its employees who reflect the demographic makeup of the
10 county where the project is located based on the
11 determination made by the Commission as set forth in
12 Section 25;

13 (6) any contractor or subcontractor participating in a
14 project labor agreement shall, on or after January 1,
15 2026, employ at least (i) 15% of its employees who meet the
16 definition under Section 2 of the Business Enterprise for
17 Minorities, Women, and Persons with Disabilities and
18 Section 10 of the Veterans Preference in Private
19 Employment Act or (ii) a percentage of its employees who
20 reflect the demographic makeup of the county where the
21 project is located based on the determination made by the
22 Commission as set forth in Section 25;

23 (7) any collective bargaining unit subject to a
24 project labor agreement shall provide to its members a
25 health and benefit plan that is in compliance with the
26 federal Employee Retirement Income Security Act of 1974

1 and that is not listed on the U.S. Department of Labor's
2 multiple employer pension plan list as critical and
3 declining status, critical status, or endangered status;
4 and

5 (8) any contractor or subcontractor subject to a
6 project labor agreement shall provide to its employees
7 health insurance and a retirement plan that is in
8 compliance with the federal Employee Retirement Income
9 Security Act of 1974 and that is not listed on the U.S.
10 Department of Labor's multiple employer pension plan list
11 as critical and declining status, critical status, or
12 endangered status.

13 Section 20. Prequalification.

14 (a) Any collective bargaining unit, contractor, and
15 subcontractor may prequalify with the Commission by indicating
16 in writing that the collective bargaining, contractor, or
17 subcontractor meets all the requirements of Section 15 and is
18 not currently debarred under the Prevailing Wage Act. A
19 prequalified collective bargaining unit, contractor, or
20 subcontractor shall:

21 (1) be allowed to provide and hire its own workers for
22 the project;

23 (2) be allowed to fund its own health and welfare
24 benefits of its employees and shall only be liable for any
25 health and welfare benefits required by a collective

1 bargaining unit for members of the collective bargaining
2 unit used by the contractor or subcontractor under the
3 project labor agreement; and

4 (3) only be required to meet the terms of the project
5 labor agreement during the project and not held signatory
6 to a collective bargaining agreement once the contractor
7 or subcontractor has completed its work on the project.

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

11 Section 25. Determination of demographic makeup.

12 (a) The Commission shall determine for each county in this
13 State the demographic makeup of each county by using the most
14 recent federal census data. The Commission shall post on its
15 website its determination of the demographic makeup of each
16 county of this State.

17 (b) The Commission shall include in its determination of
18 the demographic makeup of each county (i) minority persons, as
19 that term is defined in the Business Enterprise for
20 Minorities, Women, and Persons with Disabilities Act; (ii)
21 veterans, as that term is defined in the Veterans Preference
22 in Private Employment Act; and (iii) persons who are located
23 in rural or similarly situated geographic regions of this
24 State.

1 Section 30. Complaints and appeals.

2 (a) A collective bargaining unit, contractor, or
3 subcontractor that believes a collective bargaining unit,
4 contractor, or subcontractor subject to a project labor
5 agreement does not satisfy the requirements of Section 15 may
6 file a complaint with the Commission.

7 (b) A collective bargaining unit, contractor, or
8 subcontractor that the Commission determines has not satisfied
9 the requirements set forth in Section 15 may file an appeal of
10 the determination with the Commission.

11 (c) Any collective bargaining unit, contractor, or
12 subcontractor determined to not be in compliance with this Act
13 shall be prohibited from participating in a project labor
14 agreement until it shows by a preponderance of the evidence
15 that it is in compliance with this Act.

16 Section 35. Remediation fee.

17 (a) A collective bargaining unit, contractor, or
18 subcontractor determined to not be in compliance with
19 paragraphs (3), (4), (5), or (6) of subsection (b) of Section
20 15 shall pay to the Commission a remediation fee equal to the
21 number of hours worked that failed to meet the employment
22 guideline times the prevailing wage of the trade or trades.
23 The Commission shall determine the remediation fee amount by
24 using the certified payroll filed with the Department of Labor
25 for the project.

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

6 (c) Any funds collected by the Commission under this Act
7 shall be deposited into the Local Construction Training and
8 Development Fund.

9 Section 40. The Local Construction Training and
10 Development Fund. The Local Construction Training and
11 Development Fund is created as a special fund in the State
12 treasury for the purpose of receiving moneys in accordance
13 with subsection (c) of Section 35. Moneys in the fund shall be
14 used by the Commission to:

15 (1) implement and enforce this Act; and

16 (2) award grants to support:

17 (A) local construction workforce training programs
18 that are approved and registered by the U.S.
19 Department of Labor and are recognized by the
20 Department of Commerce and Economic Opportunity; and

21 (B) construction projects aimed at repurposing,
22 redeveloping, or revitalizing nonperforming or
23 underutilized real estate assets for the purpose of
24 creating affordable workforce housing.

1 Section 45. Rulemaking. The Commission shall adopt any
2 rules necessary for the implementation and enforcement of this
3 Act, including procedures for hearings on issues of compliance
4 with this Act.

5 Section 90. The State Finance Act is amended by adding
6 Section 5.1030 as follows:

7 (30 ILCS 105/5.1030 new)

8 Sec. 5.1030. The Local Construction Training and
9 Development Fund.

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

12 (30 ILCS 571/35)

13 Sec. 35. Compliance. All State departments, agencies,
14 authorities, boards, and instrumentalities shall ensure that
15 all public works projects are implemented in a manner
16 consistent with the terms of this Act and are in full
17 compliance with all statutes, regulations, and Executive
18 Orders, including the Best Interest of the State Act.

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

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

1 (30 ILCS 574/40-10)

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

3 Sec. 40-10. Powers and duties. In addition to the other
4 powers and duties which may be prescribed in this Act or
5 elsewhere, the Commission shall have the following powers and
6 duties:

7 (1) The Commission shall have a role in all State and
8 university procurement by facilitating and streamlining
9 communications between the Business Enterprise Council for
10 Minorities, Women, and Persons with Disabilities, the
11 purchasing entities, the Chief Procurement Officers, and
12 others.

13 (2) The Commission may create a scoring evaluation for
14 State agency directors, public university presidents and
15 chancellors, and public community college presidents. The
16 scoring shall be based on the following 3 principles: (i)
17 increasing capacity; (ii) growing revenue; and (iii)
18 enhancing credentials. These principles should be the
19 foundation of the agency compliance plan required under
20 Section 6 of the Business Enterprise for Minorities,
21 Women, and Persons with Disabilities Act.

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

25 (4) The Commission, working with State agencies, shall

1 provide support for diversity in State hiring.

2 (5) The Commission shall supervise the implementation
3 and effectiveness of supplier diversity training of the
4 State procurement workforce.

5 (6) Each January, and as otherwise frequently as may
6 be deemed necessary and appropriate by the Commission, the
7 Commission shall propose and submit to the Governor and
8 the General Assembly legislative changes to increase
9 inclusion and diversity in State government.

10 (7) The Commission shall have oversight over the
11 following entities:

12 (A) the Illinois African-American Family
13 Commission;

14 (B) the Illinois Latino Family Commission;

15 (C) the Asian American Family Commission;

16 (D) the Illinois Muslim American Advisory Council;

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

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

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

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

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

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

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

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

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

14 (1) The Commission shall have a role in all State and
15 university procurement by facilitating and streamlining
16 communications between the Business Enterprise Council for
17 Minorities, Women, and Persons with Disabilities, the
18 purchasing entities, the Chief Procurement Officers, and
19 others.

20 (2) The Commission may create a scoring evaluation for
21 State agency directors, public university presidents and
22 chancellors, and public community college presidents. The
23 scoring shall be based on the following 3 principles: (i)
24 increasing capacity; (ii) growing revenue; and (iii)
25 enhancing credentials. These principles should be the

1 foundation of the agency compliance plan required under
2 Section 6 of the Business Enterprise for Minorities,
3 Women, and Persons with Disabilities Act.

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

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

9 (5) The Commission shall supervise the implementation
10 and effectiveness of supplier diversity training of the
11 State procurement workforce.

12 (6) Each January, and as otherwise frequently as may
13 be deemed necessary and appropriate by the Commission, the
14 Commission shall propose and submit to the Governor and
15 the General Assembly legislative changes to increase
16 inclusion and diversity in State government.

17 (7) The Commission shall have oversight over the
18 following entities:

19 (A) the Illinois African-American Family
20 Commission;

21 (B) the Illinois Latino Family Commission;

22 (C) the Asian American Family Commission;

23 (D) the Illinois Muslim American Advisory Council;

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

26 (F) the Business Enterprise Council for

1 Minorities, Women, and Persons with Disabilities.

2 (7.5) The Commission shall have oversight over the
3 collection of supplier diversity reports by State agencies
4 to the extent that those agencies are required to collect
5 supplier diversity reports. This oversight shall include
6 publishing, on the Commission's website, a copy of each
7 such supplier diversity report submitted to a State agency
8 and may include conducting an annual hearing with each
9 State agency to discuss ongoing compliance with supplier
10 diversity reporting requirements. The Commission is not
11 responsible for ensuring compliance by the filers of
12 supplier diversity reports to their respective agencies.
13 The agencies subject to oversight by the Commission and
14 the relevant voluntary supplier diversity reports include
15 the following:

16 (A) the Health Facilities and Services Review
17 Board for hospitals;

18 (B) the Department of Commerce and Economic
19 Opportunity for tax credit recipients under the
20 Economic Development for a Growing Economy Tax Credit
21 Act;

22 (C) the Illinois Commerce Commission for utilities
23 and railroads;

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

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

26 (7.6) The Commission may hold public workshops focused

1 on specific industries and reports to collaboratively
2 connect diverse enterprises with entities that manage
3 supplier diversity programs. These workshops may be
4 modeled after Illinois Commerce Commission hearings for
5 utilities and railroads that include a collaborative
6 discussion of filed supplier diversity reports.

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

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

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

16 (11) The Commission shall exercise the authority and
17 duties provided to it under the Best Interest of the State
18 Act.

19 (Source: P.A. 102-29, eff. 6-25-21; 102-671, eff. 11-30-21;
20 103-865, eff. 1-1-25; 103-959, eff. 1-1-25; 103-961, eff.
21 7-1-25; revised 11-26-24.)

22 Section 995. No acceleration or delay. Where this Act
23 makes changes in a statute that is represented in this Act by
24 text that is not yet or no longer in effect (for example, a
25 Section represented by multiple versions), the use of that

1 text does not accelerate or delay the taking effect of (i) the
2 changes made by this Act or (ii) provisions derived from any
3 other Public Act.

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

6 Section 999. Effective date. This Act takes effect January
7 1, 2026.