



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB1691

Introduced 2/5/2025, by Sen. David Koehler

#### SYNOPSIS AS INTRODUCED:

30 ILCS 559/20-10  
30 ILCS 559/20-15  
30 ILCS 559/20-20  
30 ILCS 559/20-25

Amends the Illinois Works Jobs Program Act. Provides that the term "community-based organization" includes a high-school based program. Provides that funding from the Illinois Works Fund shall be categorized based on Illinois Department of Transportation regions. Adds a member to the Illinois Works Review panel who shall be a representative of a community-based organization that addresses high school-based workforce programs. Makes other changes.

LRB104 09975 HLH 20045 b

1 AN ACT concerning finance.

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

4 Section 5. The Illinois Works Jobs Program Act is amended  
5 by changing Sections 20-10, 20-15, 20-20, and 20-25 as  
6 follows:

7 (30 ILCS 559/20-10)

8 Sec. 20-10. Definitions.

9 "Apprentice" means a participant in an apprenticeship  
10 program approved by and registered with the United States  
11 Department of Labor's Bureau of Apprenticeship and Training.  
12 For purposes of bid credit eligibility pursuant to Section  
13 20-15 of this Act, "apprentice" means an individual who (i)  
14 has completed the Illinois Works Preapprenticeship Program,  
15 (ii) is working in a construction and building trade, and  
16 (iii) has certification approved by the Department that the  
17 individual is anticipated to be a participant in an  
18 apprenticeship program approved by and registered with the  
19 United States Department of Labor's Bureau of Apprenticeship  
20 and Training within 12 months after completing the Illinois  
21 Works Preapprenticeship Program.

22 "Apprenticeship program" means an apprenticeship and  
23 training program approved by and registered with the United

1 States Department of Labor's Bureau of Apprenticeship and  
2 Training.

3 "Bid credit" means a virtual dollar for a contractor or  
4 subcontractor to use toward future bids on contracts with the  
5 State for public works projects.

6 "Community-based organization" means a nonprofit  
7 organization, including an accredited public college or  
8 university or a high school-based program, selected by the  
9 Department to participate in the Illinois Works  
10 Preapprenticeship Program. To qualify as a "community-based  
11 organization", the organization must demonstrate the  
12 following:

13 (1) the ability to effectively serve diverse and  
14 underrepresented populations, including by providing  
15 employment services to such populations;

16 (2) knowledge of the construction and building trades;

17 (3) the ability to recruit, prescreen, and provide  
18 preapprenticeship training to prepare workers for  
19 employment in the construction and building trades; and

20 (4) a plan to provide the following:

21 (A) preparatory classes;

22 (B) workplace readiness skills, such as resume  
23 preparation and interviewing techniques;

24 (C) strategies for overcoming barriers to entry  
25 and completion of an apprenticeship program; and

26 (D) any prerequisites for acceptance into an

1           apprenticeship program.

2           "Contractor" means a person, corporation, partnership,  
3           limited liability company, or joint venture entering into a  
4           contract to construct a public work.

5           "Department" means the Department of Commerce and Economic  
6           Opportunity.

7           "Labor hours" means the total hours for workers who are  
8           receiving an hourly wage and who are directly employed for the  
9           public works project. "Labor hours" includes hours performed  
10          by workers employed by the contractor and subcontractors on  
11          the public works project. "Labor hours" does not include hours  
12          worked by the forepersons, superintendents, owners, and  
13          workers who are not subject to prevailing wage requirements.

14          "Minorities" means minority persons as defined in the  
15          Business Enterprise for Minorities, Women, and Persons with  
16          Disabilities Act.

17          "Public works" means all projects, contracted or funded by  
18          the State or any agency of the State, in whole or in part, from  
19          appropriated capital funds, that constitute public works under  
20          the Prevailing Wage Act.

21          "Subcontractor" means a person, corporation, partnership,  
22          limited liability company, or joint venture that has  
23          contracted with the contractor to perform all or part of the  
24          work to construct a public work by a contractor.

25          "Underrepresented populations" means populations  
26          identified by the Department that historically have had

1 barriers to entry or advancement in the workforce.  
2 "Underrepresented populations" includes, but is not limited  
3 to, minorities, women, and veterans.  
4 (Source: P.A. 101-31, eff. 6-28-19; 101-601, eff. 12-10-19.)

5 (30 ILCS 559/20-15)

6 Sec. 20-15. Illinois Works Preapprenticeship Program;  
7 Illinois Works Bid Credit Program.

8 (a) The Illinois Works Preapprenticeship Program is  
9 established and shall be administered by the Department. The  
10 goal of the Illinois Works Preapprenticeship Program is to  
11 create a network of community-based organizations throughout  
12 the State that will recruit, prescreen, and provide  
13 preapprenticeship skills training, for which participants may  
14 attend free of charge and receive a stipend, to create a  
15 qualified, diverse pipeline of workers who are prepared for  
16 careers in the construction and building trades. Upon  
17 completion of the Illinois Works Preapprenticeship Program,  
18 the candidates will be skilled and work-ready.

19 (b) There is created the Illinois Works Fund, a special  
20 fund in the State treasury. The Illinois Works Fund shall be  
21 administered by the Department. The Illinois Works Fund shall  
22 be used to provide funding for community-based organizations  
23 throughout the State. Such funding shall be categorized as  
24 follows: (i) funding for projects in Illinois Department of  
25 Transportation Region 1; (ii) funding for projects in Illinois

1 Department of Transportation Regions 2 and 3; and (iii)  
2 funding for projects in Illinois Department of Transportation  
3 Regions 4 and 5. In addition to any other transfers that may be  
4 provided for by law, on and after July 1, 2019 at the direction  
5 of the Director of the Governor's Office of Management and  
6 Budget, the State Comptroller shall direct and the State  
7 Treasurer shall transfer amounts not exceeding a total of  
8 \$50,000,000 from the Rebuild Illinois Projects Fund to the  
9 Illinois Works Fund.

10 (b-5) In addition to any other transfers that may be  
11 provided for by law, beginning July 1, 2024 and each July 1  
12 thereafter, or as soon thereafter as practical, the State  
13 Comptroller shall direct and the State Treasurer shall  
14 transfer \$20,000,000 from the Capital Projects Fund to the  
15 Illinois Works Fund.

16 (c) Each community-based organization that receives  
17 funding from the Illinois Works Fund shall provide an annual  
18 report to the Illinois Works Review Panel by April 1 of each  
19 calendar year. The annual report shall include the following  
20 information:

21 (1) a description of the community-based  
22 organization's recruitment, screening, and training  
23 efforts;

24 (2) the number of individuals who apply to,  
25 participate in, and complete the community-based  
26 organization's program, broken down by race, gender, age,

1 and veteran status; and

2 (3) the number of the individuals referenced in item (2)  
3 of this subsection who are initially accepted and placed  
4 into apprenticeship programs in the construction and  
5 building trades.

6 (d) The Department shall create and administer the  
7 Illinois Works Bid Credit Program that shall provide economic  
8 incentives, through bid credits, to encourage contractors and  
9 subcontractors to provide contracting and employment  
10 opportunities to historically underrepresented populations in  
11 the construction industry.

12 The Illinois Works Bid Credit Program shall allow  
13 contractors and subcontractors to earn bid credits for use  
14 toward future bids for public works projects contracted by the  
15 State or an agency of the State in order to increase the  
16 chances that the contractor and the subcontractors will be  
17 selected.

18 Contractors or subcontractors may be eligible to earn bid  
19 credits for employing apprentices who have completed the  
20 Illinois Works Preapprenticeship Program. Contractors or  
21 subcontractors shall earn bid credits at a rate established by  
22 the Department and based on labor hours worked by apprentices  
23 who have completed the Illinois Works Preapprenticeship  
24 Program. In order to earn bid credits, contractors and  
25 subcontractors shall provide the Department with certified  
26 payroll documenting the hours performed by apprentices who

1 have completed the Illinois Works Preapprenticeship Program.  
2 Contractors and subcontractors can use bid credits toward  
3 future bids for public works projects contracted or funded by  
4 the State or an agency of the State in order to increase the  
5 likelihood of being selected as the contractor for the public  
6 works project toward which they have applied the bid credit.  
7 The Department shall establish the rate by rule and shall  
8 publish it on the Department's website. The rule may include  
9 maximum bid credits allowed per contractor, per subcontractor,  
10 per apprentice, per bid, or per year.

11 The Illinois Works Credit Bank is hereby created and shall  
12 be administered by the Department. The Illinois Works Credit  
13 Bank shall track the bid credits.

14 A contractor or subcontractor who has been awarded bid  
15 credits under any other State program for employing  
16 apprentices who have completed the Illinois Works  
17 Preapprenticeship Program is not eligible to receive bid  
18 credits under the Illinois Works Bid Credit Program relating  
19 to the same contract.

20 The Department shall report to the Illinois Works Review  
21 Panel the following: (i) the number of bid credits awarded by  
22 the Department; (ii) the number of bid credits submitted by  
23 the contractor or subcontractor to the agency administering  
24 the public works contract; and (iii) the number of bid credits  
25 accepted by the agency for such contract. Any agency that  
26 awards bid credits pursuant to the Illinois Works Credit Bank

1 Program shall report to the Department the number of bid  
2 credits it accepted for the public works contract.

3 Upon a finding that a contractor or subcontractor has  
4 reported falsified records to the Department in order to  
5 fraudulently obtain bid credits, the Department may bar the  
6 contractor or subcontractor from participating in the Illinois  
7 Works Bid Credit Program and may suspend the contractor or  
8 subcontractor from bidding on or participating in any public  
9 works project. False or fraudulent claims for payment relating  
10 to false bid credits may be subject to damages and penalties  
11 under applicable law.

12 (e) Subject to approval of the Department, community-based  
13 organizations may be authorized to provide high school-based  
14 preapprenticeship programming, which may include participants  
15 under the age of 18 and be subject to preapprenticeship  
16 program completion requirements consistent with the  
17 participant's school year and related attendance.

18 (f) ~~(e)~~ The Department shall adopt any rules deemed  
19 necessary to implement this Section. In order to provide for  
20 the expeditious and timely implementation of this Act, the  
21 Department may adopt emergency rules. The adoption of  
22 emergency rules authorized by this subsection is deemed to be  
23 necessary for the public interest, safety, and welfare.

24 (Source: P.A. 103-8, eff. 6-7-23; 103-305, eff. 7-28-23;  
25 103-588, eff. 6-5-24; 103-605, eff. 7-1-24.)

1 (30 ILCS 559/20-20)

2 Sec. 20-20. Illinois Works Apprenticeship Initiative.

3 (a) The Illinois Works Apprenticeship Initiative is  
4 established and shall be administered by the Department.

5 (1) Subject to the exceptions set forth in subsection  
6 (b) of this Section, apprentices shall be utilized on all  
7 public works projects estimated to cost \$500,000 or more  
8 in accordance with this subsection (a).

9 (2) For public works projects estimated to cost  
10 \$500,000 or more, the goal of the Illinois Works  
11 Apprenticeship Initiative is that apprentices will perform  
12 either 10% of the total labor hours actually worked in  
13 each prevailing wage classification or 10% of the  
14 estimated labor hours in each prevailing wage  
15 classification, whichever is less. For contracts and grant  
16 agreements executed after the effective date of this  
17 amendatory Act of the 103rd General Assembly and before  
18 January 1, 2024, of this goal, at least 25% of the labor  
19 hours of each prevailing wage classification performed by  
20 apprentices shall be performed by graduates of the  
21 Illinois Works Preapprenticeship Program, the Illinois  
22 Climate Works Preapprenticeship Program, or the Highway  
23 Construction Careers Training Program. For contracts and  
24 grant agreements executed on or after January 1, 2024, of  
25 this goal, at least 50% of the labor hours of each  
26 prevailing wage classification performed by apprentices

1 shall be performed by graduates of the Illinois Works  
2 Preapprenticeship Program, the Illinois Climate Works  
3 Preapprenticeship Program, or the Highway Construction  
4 Careers Training Program.

5 (b) Before or during the term of a contract subject to this  
6 Section, the Department may reduce or waive the goals set  
7 forth in paragraph (2) of subsection (a). Prior to the  
8 Department granting a request for a reduction or waiver, the  
9 Department shall determine, in its discretion, whether to hold  
10 a public hearing on the request. In determining whether to  
11 hold a public hearing, the Department may consider factors,  
12 including the scale of the project and whether the contractor  
13 or subcontractor seeking the reduction or waiver has  
14 previously requested reductions or waivers on other projects.  
15 The Department may also consult with the Business Enterprise  
16 Council under the Business Enterprise for Minorities, Women,  
17 and Persons with Disabilities Act and the Chief Procurement  
18 Officer of the agency administering the public works contract.  
19 The Department may grant a reduction or waiver upon a  
20 determination that:

21 (1) the contractor or subcontractor has demonstrated  
22 that insufficient apprentices are available;

23 (2) the reasonable and necessary requirements of the  
24 contract do not allow the goal to be met;

25 (3) there is a disproportionately high ratio of  
26 material costs to labor hours that makes meeting the goal

1           infeasible;

2           (4) apprentice labor hour goals conflict with existing  
3           requirements, including federal requirements, in  
4           connection with the public work; or

5           (5) the contractor or subcontractor has demonstrated  
6           that insufficient graduates of the Illinois Works  
7           Preapprenticeship Program are available to meet the  
8           requirements of paragraph (2) of subsection (a).

9           (c) Contractors and subcontractors must submit a  
10          certification to the Department and the agency that is  
11          administering the contract, or the grant agreement funding the  
12          contract, demonstrating that the contractor or subcontractor  
13          has:

14           (1) met the apprentice labor hour goals set forth in  
15           paragraph (2) of subsection (a);

16           (2) received a reduction or waiver pursuant to  
17           subsection (b); or

18           (3) not complied with the labor hour goals in  
19           paragraph (2) of subsection (a) and did not receive a  
20           reduction or waiver pursuant to subsection (b).

21          It shall be deemed to be a material breach of the contract,  
22          or the grant agreement funding the contract, and entitle the  
23          State to declare a default, terminate the contract or grant  
24          agreement funding it, and exercise those remedies provided for  
25          in the contract, at law, or in equity if the contractor or  
26          subcontractor fails to submit the certification required in

1 this subsection or submits false or misleading information.

2 Intentional failure to comply with the Illinois Works  
3 Apprenticeship Initiative may result in the State agency that  
4 contracted or funded the public works project: (i) terminating  
5 the contract or agreement involved, (ii) prohibiting the party  
6 that contracted with the State from participating in public  
7 contracts or agreements for a period not to exceed 3 years,  
8 (iii) seeking a penalty of up to 25% of the contract or  
9 agreement as a result of the violation, or (iv) any  
10 combination of items (i) through (iii). State agencies shall  
11 report to the Department all projects that did not comply with  
12 the Illinois Works Apprenticeship Initiative and any action  
13 taken against the noncompliant party and shall provide an  
14 action plan to address the reported instance of noncompliance  
15 with the Illinois Works Apprenticeship Initiative.

16 (d) No later than one year after the effective date of this  
17 Act, and by April 1 of every calendar year thereafter, the  
18 Department of Labor shall submit a report to the Illinois  
19 Works Review Panel regarding the use of apprentices under the  
20 Illinois Works Apprenticeship Initiative for public works  
21 projects. To the extent it is available, the report shall  
22 include the following information:

23 (1) the total number of labor hours on each project  
24 and the percentage of labor hours actually worked by  
25 apprentices on each public works project;

26 (2) the number of apprentices used in each public

1 works project, broken down by trade; and

2 (3) the number and percentage of minorities, women,  
3 and veterans utilized as apprentices on each public works  
4 project.

5 (e) The Department shall adopt any rules deemed necessary  
6 to implement the Illinois Works Apprenticeship Initiative. In  
7 order to provide for the expeditious and timely implementation  
8 of this Act, the Department may adopt emergency rules. The  
9 adoption of emergency rules authorized by this subsection is  
10 deemed to be necessary for the public interest, safety, and  
11 welfare.

12 (f) The Illinois Works Apprenticeship Initiative shall not  
13 interfere with any contracts or grants in existence on the  
14 effective date of this Act.

15 (g) Notwithstanding any provisions to the contrary in this  
16 Act, any State agency that administers a construction program  
17 for which federal law or regulations establish standards and  
18 procedures for the utilization of apprentices may implement  
19 the Illinois Works Apprenticeship Initiative using the federal  
20 standards and procedures for the establishment of goals and  
21 utilization procedures for the State-funded, as well as the  
22 federally assisted, portions of the program. In such cases,  
23 these goals shall not exceed those established pursuant to the  
24 relevant federal statutes or regulations.

25 (h) The Department shall maintain a list of graduates of  
26 the Illinois Works Preapprenticeship Program for a period of

1 not less than one year after the participant graduates from  
2 the Program. The list shall include the name, address, county  
3 of residence, phone number, email address, and the  
4 self-attested construction and building trade career path  
5 preferences of each graduate. This list shall be made  
6 available to any contractor or subcontractor, as well as any  
7 apprenticeship program approved by and registered with the  
8 United States Department of Labor's Bureau of Apprenticeship  
9 and Training in alignment with the graduate's self-attested  
10 construction and building trade career path preferences.  
11 Subject to approval of the Department, community-based  
12 organizations may be authorized to provide services pursuant  
13 to this subsection (h) of Section 20-20 of this Act.

14 (Source: P.A. 103-305, eff. 7-28-23.)

15 (30 ILCS 559/20-25)

16 Sec. 20-25. The Illinois Works Review Panel.

17 (a) The Illinois Works Review Panel is created and shall  
18 be comprised of 26 ~~25~~ members, each serving 3-year terms. The  
19 Speaker of the House of Representatives and the President of  
20 the Senate shall each appoint 5 members within 30 days after  
21 the effective date of this amendatory Act of the 101st General  
22 Assembly. The Minority Leader of the House of Representatives  
23 and the Minority Leader of the Senate shall each appoint 5  
24 members within 30 days after the effective date of this  
25 amendatory Act of the 101st General Assembly. The Director of

1 Commerce and Economic Opportunity, or his or her designee,  
2 shall serve as a member. The Governor shall appoint the  
3 following individuals to serve as members within 30 days after  
4 the effective date of this amendatory Act of the 101st General  
5 Assembly: a representative from a contractor organization; a  
6 representative from a labor organization; and 3 ~~2~~ members of  
7 the public with workforce development expertise, one of whom  
8 shall be a representative of a nonprofit organization that  
9 addresses workforce development and one of whom shall be a  
10 representative of a community-based organization that  
11 addresses high school-based workforce programs.

12 (b) The members of the Illinois Works Review Panel shall  
13 make recommendations to the Department regarding  
14 identification and evaluation of community-based  
15 organizations.

16 (c) The Illinois Works Review Panel shall meet, at least  
17 quarterly, to review and evaluate (i) the Illinois Works  
18 Preapprenticeship Program and the Illinois Works  
19 Apprenticeship Initiative, (ii) ideas to diversify the trainee  
20 corps in the Illinois Works Preapprenticeship Program and the  
21 workforce in the construction industry in Illinois, (iii)  
22 ideas to increase diversity in active apprenticeship programs  
23 in Illinois, ~~and~~ (iv) workforce demographic data collected by  
24 the Illinois Department of Labor, and (v) Office of Illinois  
25 Works appeal decisions regarding community-based organization  
26 performance appeals. The Illinois Works Review Panel shall

1 hold its initial meeting no later than 45 days after the  
2 effective date of this amendatory Act of the 101st General  
3 Assembly.

4 (d) All State contracts and grant agreements funding State  
5 contracts shall include a requirement that the contractor and  
6 subcontractor shall, upon reasonable notice, appear before and  
7 respond to requests for information from the Illinois Works  
8 Review Panel.

9 (e) By August 1, 2020, and every August 1 thereafter, the  
10 Illinois Works Review Panel shall report to the General  
11 Assembly on its evaluation of the Illinois Works  
12 Preapprenticeship Program and the Illinois Works  
13 Apprenticeship Initiative, including any recommended  
14 modifications.

15 (Source: P.A. 101-31, eff. 6-28-19; 101-601, eff. 12-10-19;  
16 101-633, eff. 6-5-20.)