



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

**HB4562**

by Rep. Peter Breen

#### SYNOPSIS AS INTRODUCED:

820 ILCS 405/204	from Ch. 48, par. 314
820 ILCS 405/205	from Ch. 48, par. 315

Amends the Unemployment Insurance Act. Removes from the scope of the Act employing units with fewer than 2 employees. Effective immediately.

LRB100 18018 JLS 33206 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 Sections 204 and 205 as follows:

6 (820 ILCS 405/204) (from Ch. 48, par. 314)

7 Sec. 204. "Employing unit" means any individual or type of  
8 organization, including the State of Illinois, each of its  
9 political subdivisions and municipal corporations, and each  
10 instrumentality of any one or more of the foregoing; and any  
11 partnership, association, trust, estate, joint-stock company,  
12 insurance company, or corporation, whether domestic or  
13 foreign, or the receiver, trustee in bankruptcy, trustee or  
14 successor thereof, or the legal representative of a deceased  
15 person, which has or subsequent to January 1, 1936, had in its  
16 employ 2 ~~one~~ or more individuals performing services for it  
17 within this State. All individuals performing services within  
18 this State for any employing unit which maintains two or more  
19 separate establishments within this State shall be deemed to be  
20 employed by a single employing unit for all purposes of this  
21 Act.

22 A talent or modeling agency that is licensed under the  
23 Private Employment Agency Act is not the employing unit with

1 respect to the performance of services for which an individual  
2 has been referred by the agency.

3 (Source: P.A. 89-649, eff. 8-9-96.)

4 (820 ILCS 405/205) (from Ch. 48, par. 315)

5 Sec. 205. "Employer" means:

6 A. With respect to the years 1937, 1938, and 1939, any  
7 employing unit which has or had in employment eight or more  
8 individuals on some portion of a day, but not necessarily  
9 simultaneously, and irrespective of whether the same  
10 individuals are or were employed on each such day within each  
11 of twenty or more calendar weeks, whether or not such weeks are  
12 or were consecutive, within either the current or preceding  
13 calendar year;

14 B. 1. With respect to the years 1940 through 1955,  
15 inclusive, any employing unit which has or had in employment  
16 six or more individuals within each of twenty or more calendar  
17 weeks (but not necessarily simultaneously and irrespective of  
18 whether the same individuals are or were employed in each such  
19 week), whether or not such weeks are or were consecutive,  
20 within either the current or preceding calendar year;

21 2. With respect to the years 1956 through 1971, inclusive,  
22 any employing unit which has or had in employment four or more  
23 individuals within each of twenty or more calendar weeks (but  
24 not necessarily simultaneously and irrespective of whether the  
25 same individuals are or were employed in each such week),

1 whether or not such weeks are or were consecutive, within  
2 either the current or preceding calendar year;

3 3. With respect to the years 1972 and thereafter, except as  
4 provided in subsection K and in Section 301, any employing unit  
5 which ~~(1) pays or paid, for services in employment, wages of at~~  
6 ~~least \$1500 within any calendar quarter in either the current~~  
7 ~~or preceding calendar year; or (2)~~ has or had in employment at  
8 least 2 individuals ~~one individual~~ on some portion of a day,  
9 irrespective of whether the same individual is or was employed  
10 on each such day, within each of twenty or more calendar weeks,  
11 whether or not such weeks are or were consecutive, within  
12 either the current or preceding calendar year;

13 4. With respect to the years 1972 and thereafter, any  
14 nonprofit organization as defined in Section 211.2, except as  
15 provided in subsection K and in Section 301;

16 5. With respect to the years 1972 and thereafter, the State  
17 of Illinois and each of its instrumentalities; and with respect  
18 to the years 1978 and thereafter, each governmental entity  
19 referred to in clause (B) of Section 211.1, except as provided  
20 in Section 301;

21 6. With respect to the years 1978 and thereafter, any  
22 employing unit for which service in agricultural labor is  
23 performed in employment as defined in Section 211.4, except as  
24 provided in subsection K and in Section 301;

25 7. With respect to the years 1978 and thereafter, any  
26 employing unit for which domestic service is performed in

1 employment as defined in Section 211.5, except as provided in  
2 subsection K and in Section 301;

3 C. Any individual or employing unit which succeeded to the  
4 organization, trade, or business of another employing unit  
5 which at the time of such succession was an employer, and any  
6 individual or employing unit which succeeded to the  
7 organization, trade, or business of any distinct severable  
8 portion of another employing unit, which portion, if treated as  
9 a separate employing unit, would have been, at the time of the  
10 succession, an employer under subsections A or B of this  
11 Section;

12 D. Any individual or employing unit which succeeded to any  
13 of the assets of an employer or to any of the assets of a  
14 distinct severable portion thereof, if such portion, when  
15 treated as a separate employing unit would be an employer under  
16 subsections A or B of this Section, by any means whatever,  
17 otherwise than in the ordinary course of business, unless and  
18 until it is proven in any proceeding where such issue is  
19 involved that all of the following exist:

20 1. The successor unit has not assumed a substantial  
21 amount of the predecessor unit's obligations; and

22 2. The successor unit has not acquired a substantial  
23 amount of the predecessor unit's good will; and

24 3. The successor unit has not continued or resumed a  
25 substantial part of the business of the predecessor unit in  
26 the same establishment;

1           E. Any individual or employing unit which succeeded to the  
2 organization, trade, or business, or to any of the assets of a  
3 predecessor unit (unless and until it is proven in any  
4 proceeding where such issue is involved that all the conditions  
5 enumerated in subsection D of this Section exist), if the  
6 experience of the successor unit subsequent to such succession  
7 plus the experience of the predecessor unit prior to such  
8 succession, both within the same calendar year, would equal the  
9 experience necessary to constitute an employing unit an  
10 employer under subsections A or B of this Section;

11           For the purposes of this subsection, the term "predecessor  
12 unit" shall include any distinct severable portion of an  
13 employing unit.

14           F. With respect to the years 1937 through 1955, inclusive,  
15 any employing unit which together with one or more other  
16 employing units is owned or controlled, directly or indirectly,  
17 by legally enforceable means or otherwise, by the same  
18 interests, or which owns or controls one or more other  
19 employing units directly or indirectly, by legally enforceable  
20 means or otherwise, and which if treated as a single unit with  
21 such other employing units or interests or both would be an  
22 employer under subsections A or B of this Section;

23           G. Any employing unit which, having become an employer  
24 under subsections A, B, C, D, E, or F of this Section, has not,  
25 under Section 301, ceased to be an employer;

26           H. For the effective period of its election pursuant to

1 Section 302, any other employing unit which has elected to  
2 become fully subject to this Act;

3 I. Any employing unit which is an employer under Section  
4 245;

5 J. Any employing unit which, having become an employer  
6 under Section 245, has not, with respect to the year 1960 or  
7 thereafter, ceased to be an employer under Section 301; or

8 J-1. On and after December 21, 2000, any Indian tribe for  
9 which service in "employment" as defined under this Act is  
10 performed.

11 K. In determining whether or not an employing unit for  
12 which service other than domestic service is also performed is  
13 an employer under paragraphs 3, 4, or 6 of subsection B, the  
14 domestic service of an individual and the wages paid therefor  
15 shall not be taken into account. In determining whether or not  
16 an employing unit for which service other than agricultural  
17 labor is also performed is an employer under paragraphs 4 or 7  
18 of subsection B, the service of an individual in agricultural  
19 labor and the wages paid therefor shall not be taken into  
20 account. An employing unit which is an employer under paragraph  
21 6 of subsection B is an employer under paragraph 3 of  
22 subsection B.

23 (Source: P.A. 92-555, eff. 6-24-02.)

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