

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 20-15 and 20-20 as follows:

6 (30 ILCS 559/20-15)

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

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

20 (b) There is created the Illinois Works Fund, a special  
21 fund in the State treasury. The Illinois Works Fund shall be  
22 administered by the Department. The Illinois Works Fund shall  
23 be used to provide funding for community-based organizations

1 throughout the State. In addition to any other transfers that  
2 may be provided for by law, on and after July 1, 2019 at the  
3 direction of the Director of the Governor's Office of  
4 Management and Budget, the State Comptroller shall direct and  
5 the State Treasurer shall transfer amounts not exceeding a  
6 total of \$25,000,000 from the Rebuild Illinois Projects Fund  
7 to the Illinois Works Fund.

8 (c) Each community-based organization that receives  
9 funding from the Illinois Works Fund shall provide an annual  
10 report to the Illinois Works Review Panel by April 1 of each  
11 calendar year. The annual report shall include the following  
12 information:

13 (1) a description of the community-based  
14 organization's recruitment, screening, and training  
15 efforts;

16 (2) the number of individuals who apply to,  
17 participate in, and complete the community-based  
18 organization's program, broken down by race, gender, age,  
19 and veteran status; and

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

24 (d) The Department shall create and administer the  
25 Illinois Works Bid Credit Program that shall provide economic  
26 incentives, through bid credits, to encourage contractors and

1 subcontractors to provide contracting and employment  
2 opportunities to historically underrepresented populations in  
3 the construction industry.

4 The Illinois Works Bid Credit Program shall allow  
5 contractors and subcontractors to earn bid credits for use  
6 toward future bids for public works projects contracted by the  
7 State or an agency of the State in order to increase the  
8 chances that the contractor and the subcontractors will be  
9 selected.

10 Contractors or subcontractors may be eligible to earn ~~for~~  
11 bid credits for employing apprentices who have completed the  
12 Illinois Works Preapprenticeship Program ~~on public works~~  
13 ~~projects contracted by the State or any agency of the State.~~  
14 Contractors or subcontractors shall earn bid credits at a rate  
15 established by the Department and based on labor hours worked  
16 ~~on State contracted public works projects~~ by apprentices who  
17 have completed the Illinois Works Preapprenticeship Program.  
18 Contractors and subcontractors can use bid credits toward  
19 future bids for public works projects contracted or funded by  
20 the State or an agency of the State in order to increase the  
21 likelihood that the contractor and the subcontractors are  
22 selected as the contractor for the public works project toward  
23 which they have applied the bid credit. The Department shall  
24 establish the rate by rule and shall publish it on the  
25 Department's website. The rule may include maximum bid credits  
26 allowed per contractor, per subcontractor, per apprentice, per

1 bid, or per year.

2 The Illinois Works Credit Bank is hereby created and shall  
3 be administered by the Department. The Illinois Works Credit  
4 Bank shall track the bid credits.

5 A contractor or subcontractor who has been awarded bid  
6 credits under any other State program for employing  
7 apprentices who have completed the Illinois Works  
8 Preapprenticeship Program is not eligible to receive bid  
9 credits under the Illinois Works Bid Credit Program relating  
10 to the same contract.

11 The Department shall report to the Illinois Works Review  
12 Panel the following: (i) the number of bid credits awarded by  
13 the Department; (ii) the number of bid credits submitted by  
14 the contractor or subcontractor to the agency administering  
15 the public works contract; and (iii) the number of bid credits  
16 accepted by the agency for such contract. Any agency that  
17 awards bid credits pursuant to the Illinois Works Credit Bank  
18 Program shall report to the Department the number of bid  
19 credits it accepted for the public works contract.

20 Upon a finding that a contractor or subcontractor has  
21 reported falsified records to the Department in order to  
22 fraudulently obtain bid credits, the Department may bar the  
23 contractor or subcontractor from participating in the Illinois  
24 Works Bid Credit Program and may suspend the contractor or  
25 subcontractor from bidding on or participating in any public  
26 works project. False or fraudulent claims for payment relating

1 to false bid credits may be subject to damages and penalties  
2 under applicable law.

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

9 (Source: P.A. 101-31, eff. 6-28-19; 101-601, eff. 12-10-19.)

10 (30 ILCS 559/20-20)

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

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

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

18 (2) For public works projects estimated to cost  
19 \$500,000 or more, the goal of the Illinois Works  
20 Apprenticeship Initiative is that apprentices will perform  
21 either 10% of the total labor hours actually worked in  
22 each prevailing wage classification or 10% of the  
23 estimated labor hours in each prevailing wage  
24 classification, whichever is less. For contracts and grant  
25 agreements executed after the effective date of this

1 amendatory Act of the 103rd General Assembly, of this goal  
2 at least half of the labor hours of each prevailing wage  
3 classification performed by apprentices shall be performed  
4 by graduates of the Illinois Works Preapprenticeship  
5 Program.

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

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

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

26 (3) there is a disproportionately high ratio of

1 material costs to labor hours that makes meeting the goal  
2 infeasible; ~~or~~

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

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

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

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

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

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

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

1 subcontractor fails to submit the certification required in  
2 this subsection or submits false or misleading information.

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

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

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



1           (2) the number of apprentices used in each public  
2 works project, broken down by trade; and

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

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

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

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

26           (Source: P.A. 101-31, eff. 6-28-19; 101-601, eff. 12-10-19.)

1           Section 99. Effective date. This Act takes effect upon  
2           becoming law.