

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 In order to earn bid credits, contractors and subcontractors
19 shall provide the Department with certified payroll
20 documenting the hours performed by apprentices who have
21 completed the Illinois Works Preapprenticeship Program.
22 Contractors and subcontractors can use bid credits toward
23 future bids for public works projects contracted or funded by
24 the State or an agency of the State in order to increase the
25 likelihood of being selected as the contractor for the public
26 works project toward which they have applied the bid credit.

1 The Department shall establish the rate by rule and shall
2 publish it on the Department's website. The rule may include
3 maximum bid credits allowed per contractor, per subcontractor,
4 per apprentice, per bid, or per year.

5 The Illinois Works Credit Bank is hereby created and shall
6 be administered by the Department. The Illinois Works Credit
7 Bank shall track the bid credits.

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

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

23 Upon a finding that a contractor or subcontractor has
24 reported falsified records to the Department in order to
25 fraudulently obtain bid credits, the Department may bar the
26 contractor or subcontractor from participating in the Illinois

1 Works Bid Credit Program and may suspend the contractor or
2 subcontractor from bidding on or participating in any public
3 works project. False or fraudulent claims for payment relating
4 to false bid credits may be subject to damages and penalties
5 under applicable law.

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

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

13 (30 ILCS 559/20-20)

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

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

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

21 (2) For public works projects estimated to cost
22 \$500,000 or more, the goal of the Illinois Works
23 Apprenticeship Initiative is that apprentices will perform
24 either 10% of the total labor hours actually worked in
25 each prevailing wage classification or 10% of the

1 estimated labor hours in each prevailing wage
2 classification, whichever is less. For contracts and grant
3 agreements executed after the effective date of this
4 amendatory Act of the 103rd General Assembly and before
5 January 1, 2024, of this goal, at least 25% of the labor
6 hours of each prevailing wage classification performed by
7 apprentices shall be performed by graduates of the
8 Illinois Works Preapprenticeship Program, the Illinois
9 Climate Works Preapprenticeship Program, or the Highway
10 Construction Careers Training Program. For contracts and
11 grant agreements executed on or after January 1, 2024, of
12 this goal, at least 50% of the labor hours of each
13 prevailing wage classification performed by apprentices
14 shall be performed by graduates of the Illinois Works
15 Preapprenticeship Program, the Illinois Climate Works
16 Preapprenticeship Program, or the Highway Construction
17 Careers Training Program.

18 (b) Before or during the term of a contract subject to this
19 Section, the Department may reduce or waive the goals set
20 forth in paragraph (2) of subsection (a). Prior to the
21 Department granting a request for a reduction or waiver, the
22 Department shall determine, in its discretion, whether to hold
23 a public hearing on the request. In determining whether to
24 hold a public hearing, the Department may consider factors,
25 including the scale of the project and whether the contractor
26 or subcontractor seeking the reduction or waiver has

1 previously requested reductions or waivers on other projects.
2 The Department may also consult with the Business Enterprise
3 Council under the Business Enterprise for Minorities, Women,
4 and Persons with Disabilities Act and the Chief Procurement
5 Officer of the agency administering the public works contract.
6 The Department may grant a reduction or waiver upon a
7 determination that:

8 (1) the contractor or subcontractor has demonstrated
9 that insufficient apprentices are available;

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

12 (3) there is a disproportionately high ratio of
13 material costs to labor hours that makes meeting the goal
14 infeasible; ~~or~~

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

18 (5) the contractor or subcontractor has demonstrated
19 that insufficient graduates of the Illinois Works
20 Preapprenticeship Program are available to meet the
21 requirements of paragraph (2) of subsection (a).

22 (c) Contractors and subcontractors must submit a
23 certification to the Department and the agency that is
24 administering the contract, or the grant agreement funding the
25 contract, demonstrating that the contractor or subcontractor
26 has ~~either~~:

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

3 (2) received a reduction or waiver pursuant to
4 subsection (b); or

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

8 It shall be deemed to be a material breach of the contract,
9 or the grant agreement funding the contract, and entitle the
10 State to declare a default, terminate the contract or grant
11 agreement funding it, and exercise those remedies provided for
12 in the contract, at law, or in equity if the contractor or
13 subcontractor fails to submit the certification required in
14 this subsection or submits false or misleading information.

15 Intentional failure to comply with the Illinois Works
16 Apprenticeship Initiative may result in the State agency that
17 contracted or funded the public works project: (i) terminating
18 the contract or agreement involved, (ii) prohibiting the party
19 that contracted with the State from participating in public
20 contracts or agreements for a period not to exceed 3 years,
21 (iii) seeking a penalty of up to 25% of the contract or
22 agreement as a result of the violation, or (iv) any
23 combination of items (i) through (iii). State agencies shall
24 report to the Department all projects that did not comply with
25 the Illinois Works Apprenticeship Initiative and any action
26 taken against the noncompliant party and shall provide an

1 action plan to address the reported instance of noncompliance
2 with the Illinois Works Apprenticeship Initiative.

3 (d) No later than one year after the effective date of this
4 Act, and by April 1 of every calendar year thereafter, the
5 Department of Labor shall submit a report to the Illinois
6 Works Review Panel regarding the use of apprentices under the
7 Illinois Works Apprenticeship Initiative for public works
8 projects. To the extent it is available, the report shall
9 include the following information:

10 (1) the total number of labor hours on each project
11 and the percentage of labor hours actually worked by
12 apprentices on each public works project;

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

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

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

25 (f) The Illinois Works Apprenticeship Initiative shall not
26 interfere with any contracts or grants in existence on the

1 effective date of this Act.

2 (g) Notwithstanding any provisions to the contrary in this
3 Act, any State agency that administers a construction program
4 for which federal law or regulations establish standards and
5 procedures for the utilization of apprentices may implement
6 the Illinois Works Apprenticeship Initiative using the federal
7 standards and procedures for the establishment of goals and
8 utilization procedures for the State-funded, as well as the
9 federally assisted, portions of the program. In such cases,
10 these goals shall not exceed those established pursuant to the
11 relevant federal statutes or regulations.

12 (h) The Department shall maintain a list of graduates of
13 the Illinois Works Preapprenticeship Program for a period of
14 not less than one year after the participant graduates from
15 the Program. The list shall include the name, address, county
16 of residence, phone number, email address, and the
17 self-attested construction and building trade career path
18 preferences of each graduate. This list shall be made
19 available to any contractor or subcontractor, as well as any
20 apprenticeship program approved by and registered with the
21 United States Department of Labor's Bureau of Apprenticeship
22 and Training in alignment with the graduate's self-attested
23 construction and building trade career path preferences.

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

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