



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2839

Introduced 2/16/2023, by Rep. Lawrence "Larry" Walsh, Jr.

SYNOPSIS AS INTRODUCED:

See Index

Creates the Investing in Illinois Works Tax Credit Act. Authorizes owners and operators of facilities that are used for petrochemical refining and chemical manufacturing and that emit or may emit certain regulated air pollutants to claim an income tax credit for each individual from an underrepresented population who is employed by the owner or operator and has successfully completed a preapprenticeship program through the Illinois Works Preapprenticeship Program and who either is a registered apprentice under the Illinois Hazardous Materials Workforce Training Act or has successfully completed a registered apprenticeship program. Caps the amount of the credit at \$2,500 per qualified employee per year. Contains provisions concerning the process of applying for the credit, the award of the credit, and penalties for false or fraudulent claims. Requires the Department of Commerce and Economic Opportunity to adopt rules necessary to implement and administer the Act. Creates the Access to Apprenticeship Act. Provides that no application for a preapprenticeship or apprenticeship program may require a recommendation from a union member or any other person as a condition of acceptance to the preapprenticeship or apprenticeship program. Creates the Illinois Hazardous Materials Workforce Training Act. Provides that the owners and operators of the facilities described above, when contracting for performance of construction work at those facilities, shall require their contractors and subcontractors to use a skilled and trained workforce to perform all onsite work within an apprenticeable occupation in the building and construction trades and to include that requirement in all contracts executed between the owner or operator and a contractor or subcontractor. Contains various other provisions, including provisions concerning exemptions, penalties, and enforcement of the Act's requirements. Requires the Department of Labor to adopt rules necessary to implement and administer the Act. Amends the Illinois Administrative Procedure Act. Grants the Department of Commerce and Economic Opportunity, the Department of Labor, and the Department of Revenue emergency rulemaking powers. Amends the Illinois Income Tax Act to make conforming changes. Effective January 1, 2024.

LRB103 30628 JDS 57080 b

A BILL FOR

1 AN ACT concerning apprenticeships.

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

4 ARTICLE 1. INVESTING IN ILLINOIS WORKS TAX CREDIT ACT

5 Section 1-1. Short title. This Article may be cited as the
6 Investing in Illinois Works Tax Credit Act. References in this
7 Article to "this Act" mean this Article.

8 Section 1-3. Legislative findings. The General Assembly
9 finds that:

10 Economic research indicates that registered apprenticeship
11 programs have positive economic impacts, and countries with
12 more widespread usage of apprenticeship programs have proven
13 to be more successful at transitioning young workers into
14 stable jobs, resulting in lower youth unemployment rates.

15 The demographics of registered apprenticeship programs in
16 our State do not mirror the demographic diversity of
17 Illinoisans. According to data from the U.S. Department of
18 Labor's Office of Apprenticeship, from 2000 through 2016, only
19 8.8% of all construction apprentices were African American and
20 17.6% were Hispanic or Latino/Latina, while 69.6% were white.

21 In order to work toward a level playing field for all who
22 seek the training and economic stability apprenticeships

1 provide, Illinois created the Illinois Works Preapprenticeship
2 Program, which funds preapprenticeship skills training through
3 community-based organizations serving populations that have,
4 historically, been met with barriers to entry or advancement
5 in the workforce.

6 By targeting historically underutilized communities whose
7 members seek access to the upward mobility and career
8 advancement apprenticeships bring, the Illinois Works
9 Preapprenticeship Program is one part of many State
10 initiatives to increase diversity in apprenticeship programs
11 and careers in the construction and building trades.

12 The Investing in Illinois Works Tax Credit expands the
13 goals of the Illinois Works Preapprenticeship Program to
14 private construction projects and highly skilled training
15 programs by incentivizing contractors to include as part of
16 their skilled and trained workforces on projects at
17 high-hazard facilities graduates of preapprenticeship programs
18 funded by the Illinois Works Preapprenticeship Program who are
19 also participants in or graduates of registered apprenticeship
20 programs.

21 Section 1-5. Definitions. As used in this Act:

22 "Department" means the Department of Commerce and Economic
23 Opportunity.

24 "Illinois Works Preapprenticeship Program" means a network
25 of community-based, nonprofit organizations throughout

1 Illinois that receive grant funding from the Department to
2 recruit, prescreen, and provide preapprenticeship skill
3 training to create a qualified, diverse pipeline of workers
4 who are prepared for careers in the construction and building
5 trades as prescribed in Section 20-15 of the Illinois Works
6 Jobs Program Act.

7 "Owner or operator" has the meaning provided in Section 5
8 of the Illinois Hazardous Materials Workforce Training Act.

9 "Qualifying employee" means a qualifying graduate who was
10 continuously employed by the owner or operator or a contractor
11 engaged by the owner or operator in Illinois during all 4
12 reporting periods occurring in the calendar year directly
13 preceding the calendar year in which the credit is claimed.

14 "Qualifying graduate" means an individual from an
15 underrepresented population who has successfully completed a
16 preapprenticeship program through the Illinois Works
17 Preapprenticeship Program in compliance with the requirements
18 of Section 20-15 of the Illinois Works Jobs Programs Act and
19 who either is a registered apprentice as defined under Section
20 10-5 of the Illinois Hazardous Materials Workforce Training
21 Act or has successfully completed a registered apprenticeship
22 program as defined under Section 10-5 of the Illinois
23 Hazardous Materials Workforce Training Act.

24 "Registered apprenticeship program" has the same meaning
25 as provided in Section 10-5 of the Illinois Hazardous
26 Materials Workforce Training Act.

1 "Reporting period" means the quarter for which a return is
2 required to be filed under subsection (b) of Section 704A of
3 the Illinois Income Tax Act.

4 "Skilled and trained workforce" has the meaning provided
5 in Section 10-5 of the Illinois Hazardous Materials Workforce
6 Training Act.

7 "Tax credit certificate" means the certificate awarded by
8 the Department under Section 1-20 of this Act.

9 "Underrepresented population" has the meaning provided in
10 Section 20-10 of the Illinois Works Job Program Act.

11 Section 1-10. Credit amount. For taxable years beginning
12 on or after January 1, 2024, subject to the limitations
13 provided in this Act, an owner or operator may claim, as a
14 credit against the tax imposed under subsections (a) and (b)
15 of Section 201 of the Illinois Income Tax Act, an amount equal
16 to the amount of Illinois income tax withheld from the
17 compensation paid to each qualifying employee and paid to the
18 Department of Revenue, not to exceed \$2,500 per calendar year
19 for each qualifying employee, as certified by the Department
20 on a tax credit certificate awarded under this Act.

21 Section 1-15. Application process.

22 (a) An owner or operator may apply to the Department for a
23 certificate to receive a credit under Section 1-10.

24 (b) The Department shall establish an application process

1 to certify an owner or operator for the credit under Section
2 1-10 as necessary for implementation of this Act. As part of
3 the application process, the Department shall require the
4 owner or operator to provide:

5 (1) the name, year, and name of the organization that
6 sponsored or administered the program through which each
7 qualifying employee completed his or her Illinois Works
8 Preapprenticeship Program and apprenticeship program;

9 (2) the receipt provided to the worker by the
10 Department of Labor stating that the qualifying employee
11 has provided a certificate to the Department of Labor
12 certifying that the employee has completed the minimum
13 approved safety training required by the Illinois
14 Hazardous Materials Workforce Training Act and when the
15 employee's certification in that training expires;

16 (3) the hours worked by the qualifying employee that
17 are to be applied toward the employee's apprenticeship
18 requirements at the time of the application;

19 (4) a signed affidavit from the owner or operator
20 attesting that (i) the qualifying employee was employed by
21 the owner or operator or a contractor engaged by the owner
22 or operator during all 4 reporting periods occurring
23 during the calendar year preceding the calendar year in
24 which the credit will be applied; (ii) the qualifying
25 employee performed work in his or her prevailing wage
26 classification for the duration of his or her employment

1 in the calendar year preceding the calendar year in which
2 the credit will be applied; (iii) the documents provided
3 in the application are true; and (iv) the owner or
4 operator will comply with all applicable laws; and

5 (5) any other material required by the Department.

6 Section 1-20. Credit awards.

7 (a) Upon satisfactory review, the Department shall issue a
8 tax credit certificate stating the amount of the tax credit to
9 which an owner or operator is entitled under this Act. Each
10 certificate shall include a unique identifying number. The
11 credit shall be claimed on the return for the taxable year
12 during which the certificate is issued by the Department. The
13 credit shall be equal to the amount shown on the certificate
14 but may not reduce the taxpayer's obligation for any payment
15 due under subsections (a) and (b) of Section 201 of the
16 Illinois Income Tax Act to less than zero. For partners and
17 shareholders of Subchapter S corporations, there shall be
18 allowed a credit under this subsection to be determined in
19 accordance with the determination of income and distributive
20 share of income under Sections 702 and 704 and Subchapter S of
21 the Internal Revenue Code. If the amount of the credit exceeds
22 the total payments due as described below, the excess may be
23 carried forward and applied against the taxpayer's liability
24 under subsections (a) and (b) of Section 201 of the Illinois
25 Income Tax Act in the 5 succeeding taxable years. The credit

1 shall be applied to the earliest taxable year for which there
2 is a tax liability. If there are credits from more than one
3 taxable year that are available to offset a liability, the
4 earlier credit shall be applied first. No credit awarded under
5 this Act shall be sold or otherwise transferred.

6 (b) The Department shall award not more than an aggregate
7 amount of \$20,000,000 in total annual tax credits under this
8 Act. If applications for a greater amount are received,
9 credits shall be allocated on a first-come, first-served basis
10 based on the date upon which each properly completed
11 application for certification is received by the Department.
12 If more than one properly completed application for
13 certification is received on the same day, the credits shall
14 be awarded based on the time of submission for that particular
15 day.

16 Section 1-25. Penalties; recapture.

17 (a) False or fraudulent claims for credits under this Act
18 may be subject to penalties as provided under Sections 3-5 or
19 3-6 of the Uniform Penalty and Interest Act, as applicable.

20 (b) If the Department determines that an owner or operator
21 who has received a credit under this Act does not comply with
22 the requirements of this Act or that a certification the owner
23 or operator made in his or her application is false, the
24 Department may initiate recapture procedures against the owner
25 or operator and, after notice and an opportunity for hearing,

1 recapture the entire credit amount awarded under any tax
2 credit certificate issued under this Act. The Department shall
3 notify the Department of Revenue of any credits recaptured
4 under this subsection.

5 (c) If a previously awarded credit is required to be
6 recaptured under subsection (b), the tax due under subsections
7 (a) and (b) of Section 201 of the Illinois Income Tax Act shall
8 be increased by the amount of the recaptured credit in the
9 taxable year during which recapture is required.

10 Section 1-30. Rulemaking. The Department shall adopt rules
11 for the implementation and administration of this Act.

12 ARTICLE 5. ACCESS TO APPRENTICESHIP ACT

13 Section 5-1. Short title. This Article may be cited as the
14 Access to Apprenticeship Act. References in this Article to
15 "this Act" mean this Article.

16 Section 5-5. Restrictions on application requirements.
17 Notwithstanding any law to the contrary, in order to ensure
18 fair and equal access to apprenticeship programs, no
19 application for a preapprenticeship or apprenticeship program,
20 whether run by the State, a community-based organization, a
21 community college, a public university, a private employer, a
22 union, or joint labor-management program, may require a

1 recommendation from a union member or any other person as a
2 condition of acceptance to the preapprenticeship or
3 apprenticeship program. An intent to hire letter from a
4 signatory contractor shall not be considered a recommendation
5 for purposes of this Act.

6 Section 5-97. Severability. The provisions of this Act are
7 severable under Section 1.31 of the Statute on Statutes.

8 ARTICLE 10. ILLINOIS HAZARDOUS MATERIALS WORKFORCE TRAINING
9 ACT

10 Section 10-1. Short title. This Article may be cited as
11 the Illinois Hazardous Materials Workforce Training Act.
12 References in this Article to "this Act" mean this Article.

13 Section 10-3. Legislative findings. The General Assembly
14 recognizes its duty to protect the health and safety of the
15 public. The General Assembly finds that this Act is consistent
16 with that duty. Facilities such as refineries and chemical
17 plants are inherently dangerous and present substantial risks
18 to workers and communities. According to U.S. Bureau of Labor
19 Statistics data from 2003 through 2018, 418 deaths have
20 occurred in the refining and chemical industries (51 and 366
21 respectively) nationwide. Research supports the finding that
22 registered construction apprenticeship programs are correlated

1 with higher workplace safety due to the quality of safety
2 practices, the skills training provided, and adherence to
3 required federal standards. Moreover, the State of Illinois
4 has recognized that registered apprenticeship programs provide
5 substantial economic value to the State and serve as an
6 important pathway for workers to enter the industry. The
7 absence of area wage standards, especially in hazardous
8 industries, such as refining and chemical production,
9 incentivizes the use of less-skilled, low-wage workers and
10 increases the risk of danger to the public. The General
11 Assembly recognizes and affirms that maintaining area wage
12 standards prioritizes the use of better trained and
13 higher-skilled workers while contributing to the State's
14 economic growth.

15 Section 10-5. Definitions. As used in this Act:

16 "Apprenticeable occupation" means an occupation in the
17 building and construction trades for which training and
18 apprenticeship programs have been approved by and registered
19 with the United States Department of Labor's Employment and
20 Training Administration.

21 "Building and construction trades council" means any labor
22 organization that represents multiple construction trades and
23 monitors or is attentive to compliance with public or workers'
24 safety laws, wage and hour requirements, or other statutory
25 requirements and negotiates and maintains collective

1 bargaining agreements.

2 "Construction" means all work at a stationary source
3 involving laborers, workers, or mechanics, including any
4 maintenance, repair, assembly, or disassembly work performed
5 on equipment whether owned, leased, or rented.

6 "Department" means the Department of Labor.

7 "Director" means the Director of Labor.

8 "Labor agreement" means a form of prehire collective
9 bargaining agreement covering all terms and conditions of
10 employment.

11 "Labor organization" means an organization that is the
12 exclusive representative of an employer's employees recognized
13 or certified under the federal National Labor Relations Act of
14 1935.

15 "Minimum approved safety training for workers at
16 high-hazard facilities" means a minimum 30-hour OSHA Outreach
17 Training Program for the Construction Industry class that
18 consists of a curriculum of OSHA-designated training topics
19 with training performed by an authorized OSHA Outreach
20 Training Program Trainer and that is intended to provide
21 workers with information about their rights, employer
22 responsibilities, safety and health hazards a worker may
23 encounter on a work site, as well as information about how to
24 identify, abate, avoid, and prevent job-related hazards by
25 emphasizing hazard identification, avoidance, control, and
26 prevention.

1 "OSHA" means the United States Department of Labor's
2 Occupational Safety and Health Administration.

3 "Owner or operator" means an owner or operator of a
4 stationary source that is engaged in activities described in
5 Code 324110, 325110, 325193, or 325199 of the 2022 North
6 American Industry Classification System (NAICS) and that has
7 one or more covered processes for which a Risk Management Plan
8 is required to be prepared and submitted. "Owner or operator"
9 does not include oil and gas extraction operations.

10 "Prevailing hourly wage rate" means hourly wages plus
11 fringe benefits that are collectively equal to or greater than
12 the prevailing wage rate for the occupation in the locality in
13 which the work is being performed, as published by the
14 Illinois Department of Labor. Apprentice wage rate scales
15 filed with the United States Department of Labor by an
16 apprenticeship program may be used to identify a prevailing
17 wage rate for an occupation.

18 "Registered apprentice" means an apprentice who is
19 registered in an applicable apprenticeship program for an
20 apprenticeable occupation approved by and registered with the
21 United States Department of Labor's Employment and Training
22 Administration and who is being paid at least a rate
23 equivalent to the prevailing hourly wage rate for an
24 apprentice of his or her experience level, as permitted by
25 this Act, in the applicable occupation and locality.

26 "Registered apprenticeship program" means a training and

1 apprenticeship program that is approved by and registered with
2 the United States Department of Labor's Employment and
3 Training Administration.

4 "Shift" means a set standard period of time during which
5 an employer requires its employees to perform, on as daily
6 basis, their work-related duties. For purposes of this
7 definition, there may be multiple shifts per day.

8 "Skilled journeyperson" means a worker who meets all of
9 the following criteria:

10 (1) the worker either graduated from a registered
11 apprenticeship program for the applicable occupation or
12 has at least as many hours of on-the-job experience in the
13 applicable occupation as would be required to graduate
14 from a registered apprenticeship program for the
15 applicable occupation;

16 (2) the worker is being paid at least a rate
17 equivalent to the prevailing hourly wage rate for a
18 journeyperson in the applicable occupation and locality;
19 and

20 (3) beginning on or after July 1, 2025, the worker has
21 completed, within the prior 3 calendar years, minimum
22 approved safety training for workers at high-hazard
23 facilities and has filed a certificate of completion with
24 the Department.

25 "Skilled and trained workforce" means a workforce that
26 meets all of the following criteria:

1 (1) all the workers are either registered apprentices
2 or skilled journeypersons;

3 (2) beginning on July 1, 2024, at least 45% of the
4 skilled journeypersons are graduates of an apprenticeship
5 program for the applicable occupation;

6 (3) beginning on July 1, 2025, at least 60% of the
7 skilled journeypersons are graduates of an apprenticeship
8 program for the applicable occupation; and

9 (4) beginning on July 1, 2026, at least 80% of the
10 skilled journeypersons are graduates of an apprenticeship
11 program for the applicable occupation.

12 "Stationary source" has the meaning provided in Section
13 39.5 of the Environmental Protection Act.

14 Section 10-10. Minimum approved safety training.

15 (a) A person who has completed minimum approved safety
16 training for workers at high-hazard facilities shall file his
17 or her certificate of completion with the Department in the
18 manner prescribed by the Department.

19 (b) The owner or operator, when contracting for the
20 performance of construction work at the stationary source,
21 shall require that its contractors and any subcontractors use
22 a skilled and trained workforce to perform all onsite work
23 within an apprenticeable occupation in the building and
24 construction trades and shall include this requirement in any
25 and all contracts executed between an owner or operator and a

1 contractor or subcontractor.

2 (c) The requirements of this Section apply to contracts
3 entered into, amended, or renewed on or after July 1, 2024.

4 (d) The requirements of this Section apply only to the
5 skilled and trained workforce that is contracted with by an
6 owner or operator to perform construction work at the
7 stationary source site.

8 (e) The skilled and trained workforce requirements of this
9 Section do not apply to:

10 (1) Contractors that have requested qualified workers
11 from the local hiring halls that dispatch workers in the
12 apprenticeable occupation and that, due to workforce
13 shortages, are unable to obtain sufficient qualified
14 workers within 48 hours of the request, not including
15 Saturdays, Sundays, and holidays. This Act shall not
16 prevent contractors from obtaining workers from any
17 source.

18 (2) An emergency where compliance is impracticable;
19 namely, an emergency requiring immediate action to prevent
20 imminent harm to public health or safety or to the
21 environment. Within 3 days of an emergency resulting in a
22 failure to comply with this Act, the owner or operator
23 must notify the Department that such an event occurred and
24 provide documentation supporting its claim that compliance
25 was impracticable. Within 14 days of receiving such
26 documentation, the Department must issue a finding of

1 whether or not the emergency warranted noncompliance with
2 this Act. An owner's or operator's failures to notify the
3 Department of an emergency as required shall constitute a
4 violation of this Act.

5 Section 10-12. Violations of Section 10-10. Any
6 interested party may file a complaint with the Department
7 against an owner, operator, or construction contractor covered
8 under this Act if there is reasonable belief that the owner,
9 operator, or construction contractor is in violation of
10 Section 10-10 of this Act.

11 Section 10-15. Enforcement. The Director of Labor or his
12 or her authorized representative may interview workers,
13 administer oaths, take or cause to be taken the depositions of
14 witnesses, and require by subpoena the attendance and
15 testimony of witnesses and the production of all books,
16 records, and other evidence relative to the matter under
17 investigation or hearing, including any contract entered into
18 between the owner or operator and construction contractor, and
19 a transcript of the contractor's payroll, broken down by
20 classification and skill level. Such subpoena shall be signed
21 and issued by the Director or his or her authorized
22 representative.

23 Upon request by the Director of Labor or his or her deputy
24 or agent, records shall be copied and submitted for evidence

1 at no cost to the Department. Upon request by the Director or
2 his or her authorized representative, every employer shall
3 furnish a sworn statement of the accuracy of the records. Any
4 employer who refuses to furnish a sworn statement of the
5 records is in violation of this Act.

6 If any person fails to comply with any subpoena lawfully
7 issued under this Section or if any witness refuses to produce
8 evidence or to testify to any matter regarding which the
9 witness may be lawfully interrogated, the circuit court, upon
10 application of the Director of Labor or his or her authorized
11 representative, shall compel obedience by proceedings for
12 contempt, as in the case of disobedience of the requirements
13 of a subpoena issued by such court or a refusal to testify
14 therein. The Director may certify official acts.

15 If the Department finds that an owner, operator, or
16 construction contractor has not complied with this Act, the
17 Department shall refer the matter to the Attorney General for
18 enforcement.

19 Section 10-20. Exemptions. This Act does not apply to any
20 owner or operator that has an executed national or local labor
21 agreement in effect pertaining to the performance of
22 construction work at a given facility or site under the terms
23 of the agreement. The labor agreement must be negotiated with
24 and approved by a local building and construction trades
25 council that has geographic jurisdiction over the stationary

1 source.

2 Section 10-21. Reporting.

3 (a) A registered apprenticeship program or contractor
4 subject to this Act shall file an annual report with the
5 Department of Commerce and Economic Opportunity and the
6 Illinois Works Review Panel, in the form and manner required
7 by the Department of Commerce and Economic Opportunity, within
8 6 months after the effective date of this Act and by January 31
9 of each year thereafter. The report shall contain the
10 following information:

11 (1) In the case of a report submitted by a registered
12 apprenticeship program providing minimum approved safety
13 training for workers in high-hazard facilities, the report
14 shall include:

15 (A) A description of the registered apprenticeship
16 program's recruitment and screening efforts and a
17 general description of its training efforts.

18 (B) The number of individuals who applied to,
19 participated in, and completed the minimum approved
20 safety training for workers at high-hazard facilities
21 in the prior calendar year, broken out by race,
22 ethnicity, gender, jurisdiction, apprentice or
23 journeyman level, age, and veteran status.

24 (C) Demographic data for the county in which the
25 registered apprenticeship program is located.

1 (D) A statement of the registered apprenticeship
2 program's minimum diversity goal, which shall be equal
3 to the demographic composition of its jurisdiction,
4 the demographic composition of the participants and
5 graduates of the registered apprenticeship program,
6 and a comparison of whether the demographic
7 composition of the participants of the apprenticeship
8 program who are working at the high-hazard facility
9 are meeting that goal.

10 (E) An action plan to increase or maintain
11 diversity in order to meet or exceed the stated
12 minimum diversity goal. An action plan may include,
13 but shall not be limited to, taking the following
14 actions if the diversity goal is not met:

15 (i) providing information on this Act for all
16 high schools and field offices of the Department
17 of Employment Security in the jurisdiction;

18 (ii) entering into a joint agreement with the
19 Department of Employment Security for outreach and
20 employment services;

21 (iii) entering into a joint agreement with
22 educational institutions or an approved Illinois
23 Works Preapprenticeship Program established under
24 subsection (a) of Section 20-15 of the Illinois
25 Works Jobs Program Act to enhance recruitment
26 efforts; and

1 (iv) evaluating and, when feasible,
2 eliminating experience requirements that may pose
3 barriers to recruiting or admitting diverse
4 individuals as apprentices.

5 (2) In the case of a report submitted by a contractor
6 who employs workers operating in high-hazard facilities,
7 the report shall include:

8 (A) A description of the contractor's recruitment
9 and screening efforts and a general description of its
10 training efforts.

11 (B) The number of workers employed by the
12 contractor to work in high-hazard facilities in the
13 prior calendar year, broken out by race, ethnicity,
14 gender, jurisdiction, apprentice or journeyperson
15 level, age, and veteran status.

16 (C) Demographic data for the county in which the
17 majority of the contractor's high-hazard facility work
18 was performed in the last calendar year.

19 (D) A statement of the contractor's minimum
20 diversity goal, which shall be equivalent to the
21 demographic composition of its jurisdiction, and
22 whether the demographic composition of the workers
23 employed by the contractor to work at the high-hazard
24 facility is meeting that goal.

25 (E) An action plan to increase or maintain
26 diversity to meet or exceed the stated minimum

1 diversity goal. An action plan may include, but need
2 not be limited to, taking the following actions if the
3 diversity goal is not met:

4 (i) providing information on this Act for all
5 high schools and field offices of the Department
6 of Employment Security in the jurisdiction;

7 (ii) entering into a joint agreement with the
8 Department of Employment Security for outreach and
9 employment services;

10 (iii) entering into a joint agreement with
11 educational institutions or approved Illinois
12 Works Preapprenticeship Programs established under
13 subsection (a) of Section 20-15 of the Illinois
14 Works Jobs Program Act in the jurisdiction to
15 enhance recruitment efforts; and

16 (iv) evaluating and eliminating experience
17 requirements that may pose barriers to recruiting
18 or admitting diverse individuals as apprentices
19 when feasible.

20 (b) The Department of Commerce and Economic Opportunity
21 shall review the annual reports and, in consultation with the
22 Illinois Works Review Panel, conduct an assessment of whether
23 the reports meet the requirements of this Act.

24 (c) If the Department of Commerce and Economic Opportunity
25 concludes that a minimum diversity goal established under
26 subparagraph (D) of paragraph (1) of subsection (a) or

1 subparagraph (D) of paragraph (2) of subsection (a) will not
2 be met within 12 months after the report is filed or that the
3 action plan was not followed, the Department of Commerce and
4 Economic Opportunity, in consultation with the Illinois Works
5 Review Panel, shall recommend that the action plan be revised
6 to provide additional steps and opportunities for minority
7 participation.

8 (d) If the Department of Commerce and Economic
9 Opportunity, in consultation with the Illinois Works Review
10 Panel, concludes that the apprenticeship program or the
11 contractor failed to follow its action plan under subsection
12 subparagraph (E) of paragraph (1) of subsection (a),
13 subparagraph (E) of paragraph (2) of subsection (a), or the
14 recommended changes to its action plan provided by the
15 Department of Commerce and Economic Opportunity and the
16 Illinois Works Review Panel under subsection (c) within 12
17 months after filing the entity's report, the Department of
18 Commerce and Economic Opportunity may refer the matter to the
19 Department for investigation and enforcement.

20 (e) It is a violation of this Act for an applicable
21 registered apprenticeship program providing workers in a
22 high-hazard facility to fail to submit a report as required by
23 this Act. The Department of Commerce and Economic Opportunity
24 shall refer such violations to the Director of the Department
25 for investigation and enforcement.

26 (f) For reporting purposes, the jurisdiction is the

1 Illinois county in which the applicable apprenticeship and
2 training program, approved by and registered with the U.S.
3 Department of Labor's Office of Apprenticeship, is located.
4 For a contractor, the jurisdiction is the county in which the
5 contractor's workers performed the majority of work in a
6 high-hazard facility within the last calendar year.

7 Section 10-25. Penalties; noncompliant reporting;
8 reinstatement.

9 (a) An owner or operator who violates the requirements of
10 this Act shall be subject to a minimum civil penalty of \$10,000
11 for each violation. The Department shall consider the gravity
12 of the violation in determining the amount of the penalty.
13 Each shift a violation of this Act occurs shall be considered a
14 separate violation. The penalty may be recovered in a civil
15 action brought by the Director in any circuit court. In the
16 civil action, the Director shall be represented by the
17 Attorney General. All moneys received by the Department as
18 fees and civil penalties under this Act, other than moneys
19 collected as unpaid or underpaid wages plus a 5% monthly
20 penalty as provided in subsection (b), shall be deposited into
21 the Illinois Works Fund to be used to recruit, prescreen, and
22 provide preapprenticeship skills training for which
23 participants may attend free of charge and receive a stipend
24 to create a qualified, diverse pipeline of workers who are
25 prepared to work in high-hazard facilities.

1 (b) In addition to the penalty provided in subsection (a),
2 if the Department finds that a contractor or owner or operator
3 failed to pay the prevailing rate of wages to construction
4 workers at a stationary source as required under this Act, the
5 Department may recover unpaid or underpaid wages, plus a 5%
6 monthly penalty, on behalf of and payable to the workers.
7 Wages owed may be recovered in a civil action brought by the
8 Director in any circuit court. In a civil action, the Director
9 shall be represented by the Attorney General.

10 (c) Notwithstanding subsections (a) and (b), if the
11 Department of Commerce and Economic Opportunity, in
12 consultation with the Illinois Works Review Panel, refers a
13 violation of Section 10-21 to the Department for investigation
14 and enforcement, the Department shall provide reasonable
15 notice of noncompliance to the violator within 90 days after
16 the violation and shall inform the violator that the violator
17 has 45 days to comply with Section 10-21 without penalty. If
18 the noncompliance is not remedied, the violator shall be in
19 violation of this Act and may be deemed by the Department unfit
20 to provide workers or operate at high-hazard facilities for a
21 period of up to one year. If the Department determines that the
22 violator has remedied the violation and is in compliance with
23 Section 10-21, the Department shall have 45 days to reinstate
24 the authorization for the violator to provide workers or
25 operate at high-hazard facilities. The Department may not
26 unreasonably withhold reinstatement under this subsection when

1 the applicable registered apprenticeship program providing
2 workers in high-hazard facilities or the contractor operating
3 at high-hazard facilities is found to be in compliance with
4 Section 10-21.

5 Section 10-30. Rulemaking. The Department shall adopt
6 rules for the implementation and administration of this Act.

7 Section 10-97. Severability. The provisions of this Act
8 are severable under Section 1.31 of the Statute on Statutes.

9 ARTICLE 15. AMENDATORY PROVISIONS

10 Section 15-5. The Illinois Administrative Procedure Act is
11 amended by adding Section 5-45.35 as follows:

12 (5 ILCS 100/5-45.35 new)

13 Sec. 5-45.35. Emergency rulemaking. To provide for the
14 expeditious and timely implementation of this amendatory Act
15 of the 103rd General Assembly, the Department of Commerce and
16 Economic Opportunity shall, and the Department of Revenue may,
17 adopt emergency rules to implement and administer the
18 Investing in Illinois Works Tax Credit Act. Furthermore, the
19 Department of Labor shall adopt rules necessary to implement
20 and administer the Illinois Hazardous Materials Workforce
21 Training Act. The adoption of emergency rules authorized by

1 this Section is deemed to be necessary for the public
2 interest, safety, and welfare.

3 This Section is repealed on January 1, 2027.

4 Section 15-10. The Illinois Income Tax Act is amended by
5 adding Section 234 as follows:

6 (35 ILCS 5/234 new)

7 Sec. 234. The Investing in Illinois Works Tax Credit. An
8 eligible taxpayer who has been awarded a credit by the
9 Department of Commerce and Economic Opportunity under Section
10 1-20 of the Investing in Illinois Works Tax Credit Act may
11 claim a credit against the taxes imposed under subsections (a)
12 and (b) of Section 201 of this Act for amounts due during the
13 first taxable year in which a tax credit certificate was
14 awarded. The credit shall be equal to the amount shown on the
15 certificate. For partners and shareholders of Subchapter S
16 corporations, there shall be allowed a credit under this
17 subsection to be determined in accordance with the
18 determination of income and distributive share of income under
19 Sections 702 and 704 and Subchapter S of the Internal Revenue
20 Code. The credit may not reduce the taxpayer's tax due under
21 subsections (a) and (b) of Section 201 to less than zero.
22 However, if the amount of the credit exceeds the total tax due
23 for the taxable year, the excess credit may be carried forward
24 and applied against the taxpayer's liability under subsections

1 (a) and (b) of Section 201 in the 5 succeeding taxable years.
2 The credit shall be applied to the earliest taxable year for
3 which there is a tax liability. If there are credits from more
4 than one reporting period that are available to offset the
5 liability, the earlier credit shall be applied first.

6 ARTICLE 99. EFFECTIVE DATE

7 Section 99-99. Effective date. This Act takes effect
8 January 1, 2024.

1 INDEX

2 Statutes amended in order of appearance

3 New Act

4 5 ILCS 100/5-45.35 new

5 35 ILCS 5/234 new