



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB5570

Introduced 2/9/2024, by Rep. Charles Meier

SYNOPSIS AS INTRODUCED:

New Act
820 ILCS 105/5

from Ch. 48, par. 1005

Creates the Employment Choice for All Act. Provides that, subject to appropriation, on and after July 1, 2030, the Department of Labor shall award grants to eligible employers who were issued 14(c) certificates in transforming their business model from providing employment using 14(c) certificates to a business model that employs and supports individuals with disabilities by providing competitive integrated employment. Sets forth requirements and procedures for receiving the grant. Preempts home rule. Provides that the Department shall conduct an evaluation of grants awarded under the Act. Creates the Competitive Integrated Employment Task Force and sets forth the purpose and membership of the Task Force. Amends the Minimum Wage Law to make conforming changes. Effective January 1, 2030.

LRB103 39495 SPS 69692 b

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 1. Short title. This Act may be cited as the
5 Employment Choice for All Act.

6 Section 5. Findings and purpose.

7 (a) The General Assembly finds that competitive and
8 integrated employment between persons with a mental or
9 physical disability and persons with no mental or physical
10 disability is at an insufficient level that does not reflect
11 the intent of the Illinois Employment First Act or the
12 Customized Employment for Individuals with Disabilities Act.
13 Data released by the Case for Inclusion ranks Illinois in the
14 bottom 5 states in integrated workforces. In fact, when it
15 comes to employment opportunities for individuals with
16 developmental disabilities, only 7% of Illinois is integrated,
17 compared to the national average of 20%. Data should be
18 released by the Department of Human Services about the status
19 and success of the U.S. Department of Education 84.421D:
20 Disability Innovation Fund - Subminimum Wage to Competitive
21 Integrated Employment Innovative Model Demonstration Project
22 (SWTCIE) Illinois (24-444-30-3025) to better model this Act.

23 (b) This Act is intended to provide assistance to

1 employers to integrate their workforce between persons with
2 mental and physical disabilities and persons who do not have
3 mental and physical disabilities. This policy applies to all
4 public and private employers employing individuals with mental
5 and physical disabilities. Nothing in this Act is intended to
6 require any employer to give special treatment to persons with
7 disabilities.

8 Section 10. Definitions. As used in this Act:

9 "Business model" means the way in which an employer plans
10 to make a profit by identifying the products or services the
11 employer plans to sell, its identified target market, and any
12 anticipated expenses.

13 "Competitive employment" means work in the competitive
14 labor market that is performed on a full-time or part-time
15 basis in an integrated setting and for which an individual is
16 compensated at or above the minimum wage, but not less than the
17 customary wage and level of benefits paid by the employer for
18 the same or similar work performed by individuals who are not
19 persons with disabilities.

20 "Department" means the Department of Labor.

21 "Director" means the Director of Labor.

22 "Disability" means a disability as defined by the
23 Americans with Disabilities Act of 1990 that is attributable
24 to a developmental disability, a mental illness, a physical
25 disability, or a combination of those.

1 "Eligible employer" means an employer as defined in
2 Section 3 of the Minimum Wage Law who:

3 (1) holds a 14(c) certificate authorized under the
4 federal Fair Labor Standards Labor Act of 1938, as well as
5 authorizations permitted under Section 5 and 10 of the
6 Minimum Wage Law to pay an employee with a disability less
7 than the minimum wage otherwise required for employees
8 under Section 4 of the Minimum Wage Law;

9 (2) is currently not funded as a community
10 rehabilitation program under the Department of Human
11 Services;

12 (3) has not already received a grant under Section 15;
13 and

14 (4) is willing and able to consent to transitioning
15 from subminimum wage to minimum wage in a competitive
16 integrated employment setting.

17 "Integrated setting" means, with respect to an employment
18 outcome, a setting typically found in the community in which
19 applicants or eligible individuals interact with individuals
20 without disabilities, other than individuals without
21 disabilities who are providing services to those applicants or
22 eligible individuals, to the same extent that individuals
23 without disabilities in comparable positions interact with
24 other persons. "Integrated setting" also includes supported
25 and customized employment, benefits counseling, job shadowing,
26 and on-the-job experiences.

1 Section 15. Grants to eligible employers.

2 (a) Subject to appropriation, on and after July 1, 2030,
3 the Department shall award grants to eligible employers who
4 were issued 14(c) certificates in transforming their business
5 model from providing employment using 14(c) certificates to a
6 business model that employs and supports individuals with
7 disabilities by providing competitive integrated employment,
8 including by compensating all employees at a rate that is:

9 (1) at or higher than the federal minimum wage; and

10 (2) at or higher than the benefit package afforded to
11 all employees, regardless of disability, except for an
12 employee that does have a disability, the cost of care for
13 the disability may be included in their benefit package.

14 (b) An eligible employer applying for a grant under this
15 Section shall submit an application to the Department that
16 includes:

17 (1) the number of employees under a 14(c) certificate
18 and demographic info of those employees, including gender,
19 race, ethnicity, and disability;

20 (2) the number of employees working for an employer
21 with a 14(c) certificate but who do not have a registered
22 disability receiving a 14(c) certificate subminimum wage;

23 (3) the average, minimum, maximum, and range of hourly
24 wages paid to employees employed using 14(c) certificates
25 during the previous year;

1 (4) the average, minimum, maximum, and range of hourly
2 wages paid to all employees, regardless of disability
3 during the previous year;

4 (5) a historical accounting, covering each of the
5 previous 5 fiscal years, of the number of employees with a
6 disability working for a wage that is:

7 (A) less than the higher of the rate specified in
8 29 U.S.C. 206(a)(1) or the rate specified by a State or
9 local minimum wage law; or

10 (B) less than the customary rate paid by the
11 employer for the same or similar work performed by
12 other employees who are not individuals with
13 disabilities and who are similarly situated in similar
14 occupations by the same employer and who have similar
15 training, experience, and skills;

16 (6) during the preceding 5 fiscal years, the number of
17 individuals with disabilities, disaggregated by fiscal
18 year, who have been transitioned by the eligible employer
19 from employment under a 14(c) certificate to a competitive
20 integrated employment;

21 (7) a description of the eligible employer's business
22 model, including the financial and organizational
23 structure of the eligible employer that is using the 14(c)
24 certificates, including:

25 (A) the type of integrated settings the eligible
26 employer has provided to its disabled employees;

1 (B) the budget and the funding structure; and

2 (C) the human resource structure;

3 (8) a description of activities to be funded under the
4 grant and the goals of the activities, including;

5 (A) a description of the business model of
6 competitive integrated employment or a combination of
7 competitive integrated employment and integrated
8 services into which the models of the eligible
9 employer will transform, including the business plan,
10 employment structure, and leadership organization of
11 the eligible employer;

12 (B) a description of the integrated services to be
13 provided by the eligible employer;

14 (C) after the transformation of the eligible
15 employer's business model, the number of employees
16 that will be employed under the model;

17 (D) the funding structure the eligible employer
18 will use to provide competitive integrated employment
19 or a combination of such employment and integrated
20 services;

21 (E) a description of the transportation methods
22 needed for employees to make it to and from their place
23 of employment;

24 (F) a description of the transportation methods
25 available provided by the employer for employees to
26 make it to and from their place of employment;

1 (G) the process to be used for the transformation
2 of the eligible employer's business model, including:

3 (i) redesign of contracts;

4 (ii) changes in funding sources;

5 (iii) staff training on competitive integrated
6 employment support and practices;

7 (iv) input from key stakeholders, including
8 individuals with disabilities, their families, and
9 other local stakeholders; and

10 (v) a description of the individuals who will
11 be responsible for the development and
12 implementation of such process;

13 (9) a timeline of activities to be implemented and
14 goals to be reached on a quarterly basis during the 3-year
15 grant period;

16 (10) a description of how the activities under the
17 grant will coordinate with the State programs, agencies,
18 and funding in the transformation described in paragraph
19 (8);

20 (11) assurances that:

21 (A) the activities carried out under the grant
22 will result in the transformation described in
23 paragraph (8);

24 (B) individuals with disabilities who were
25 employed by the eligible employer under 14(c)
26 certificates will be employed in competitive

1 integrated employment receiving a minimum wage;

2 (C) the application submitted is accurate and
3 truthful;

4 (D) the eligible employer will cooperate with the
5 evaluation described in Section 20 by providing all
6 data required and allowing evaluation of the
7 activities under the grant; and

8 (E) individuals with disabilities who are employed
9 by the eligible employers receiving a grant under this
10 Act meet the standard level work performance;

11 (12) assurances of collaboration and support from all
12 State entities, including the Department of Human
13 Services, the State Board of Education, and other State
14 and government entities and organizations that support
15 transformations to providing competitive integrated
16 employment and integrated services for employees employed;

17 (13) the date on which the eligible employer will
18 fully implement the minimum wage for disabled employees;
19 and

20 (14) other information and assurances as the Director
21 may reasonably require.

22 (c) Individuals with mental and physical disabilities who
23 are employed by employers receiving a grant under this Act
24 shall be evaluated on a standard level work performance that
25 shall include:

26 (1) the duration of completion of task;

1 (2) the duration of mental health breaks; and

2 (3) the duration of physical health breaks.

3 (d) To the extent practicable, the Director shall
4 distribute grant funds under this Section equitably among
5 geographic areas of the State and shall take into account
6 rural and urban diversity.

7 (e) To the extent practicable, the Director shall
8 distribute grant funds under this Section equitably among
9 eligible employers providing employment using 14(c)
10 certificates serving different numbers of individuals.

11 (f) A grant awarded under this Section shall be awarded
12 for a period of 3 years. Grants shall be awarded under this
13 Section in 2 grant cycles. Grants for the second grant cycle
14 shall be awarded not earlier than the end of the second year of
15 the first 3-year grant cycle.

16 (g) An employer may only be awarded one grant under this
17 Section.

18 (h) A grant awarded under this Section may not be made in
19 an amount that is less than \$10,000 or more than \$50,000 for
20 the 3-year grant period.

21 (i) Upon confirmation of grant approval through either
22 address of record or email address, the grantee may begin
23 transitioning from subminimum wage to minimum wage immediately
24 or in the preceding 48 hours.

25 (j) The grantee may accept the grant immediately or within
26 48 hours upon approval. If the grantee makes the decision not

1 to accept the grant immediately or within 48 hours, the grant
2 shall be returned to the State immediately for further
3 consideration to the next applicant.

4 (1) The phasing out the 14(c) certificate subminimum wage
5 to the minimum wage shall occur at a rate that equals or
6 exceeds the greater of:

7 (1) 60% of the wage rate in effect under the federal
8 Competitive Integrated Employment For All Act;

9 (2) 70% of the wage rate in effect under subsection
10 (i), beginning one year after the effective date of this
11 Act;

12 (3) 80% of the wage rate in effect under subsection
13 (i), beginning 2 years after the effective date of this
14 Act; and

15 (4) 90% of the wage rate in effect under subsection
16 (i), beginning 3 years after the effective date of this
17 Act.

18 The wage rate in effect on the day before the date of
19 enactment of the federal Competitive Integrated Employment For
20 All Act, under a 14(c) certificate, shall not be changed.

21 (m) Upon completion of the transition from subminimum wage
22 to minimum wage the 14(c) holder may still be considered 14(c)
23 certified by the federal Fair Labor Standards Act, as well as
24 authorizations permitted under Section 5 and 10 of the Minimum
25 Wage Law.

1 Section 20. Evaluation and report.

2 (a) The Department shall conduct an evaluation of grants
3 awarded under this Act. The evaluation conducted by the
4 Department shall evaluate all grant holder's:

5 (1) changes in wages and employment for employees with
6 mental or physical disabilities; and

7 (2) actions taken by the grant holder to comply with
8 Section 15.

9 (b) The Director shall submit to the General Assembly and
10 the Governor a final report on such evaluations not later than
11 18 months after the effective date of this Act.

12 Section 25. Exclusions. Nothing in this Act shall be
13 construed to affect the validity of holders of certificates
14 issued under Section 14(c) of the Fair Labor Standards Act,
15 including community-integrated living arrangements under the
16 Community-Integrated Living Arrangements Licensure and
17 Certification Act, community services under the Community
18 Services Act, and intermediate care facilities for
19 developmental disabilities under the ID/DD Community Care Act.

20 Section 30. Home rule. The regulation of 14(c)
21 certificates is an exclusive power and function of the State.
22 A home rule unit may not regulate 14(c) certificates. This
23 Section is a denial and limitation of home rule powers and
24 functions under subsection (h) of Section 6 of Article VII of

1 the Illinois Constitution.

2 Section 35. Competitive Integrated Employment Task Force.

3 (a) The Competitive Integrated Employment Task Force is
4 created within the Department to (i) provide guidance and
5 recommendations, (ii) review progress made throughout the
6 process, (iii) address systemwide and systematic barriers to
7 transition, and (iv) support the continued use of 14(c)
8 certificates until a clear and concise consensus emerges from
9 all parties in the Task Force on actions, including additional
10 statutory, regulatory, or policy measures that could be taken
11 to provide 14(c) holders with the necessary resources,
12 including State and federal funding, to transition to
13 competitive integrated employment.

14 (b) The Task Force shall be comprised of members as
15 follows:

16 (1) one member of the Senate, appointed by the
17 President of the Senate;

18 (2) one member of the Senate, appointed by the
19 Minority Leader of the Senate;

20 (3) one member of the House of Representatives,
21 appointed by the Speaker of the House of Representatives;

22 (4) one member of the House of Representatives,
23 appointed by the Minority Leader of the House of
24 Representatives;

25 (5) one employee of either the Division of

1 Developmental Disabilities or the Division of
2 Rehabilitation Services, appointed by the Secretary of
3 Human Services;

4 (6) the Director of Healthcare and Family Services, or
5 the Secretary's designee; and

6 (7) one representative from each of the following,
7 appointed by the Director:

8 (A) a community agency that is a 14(c) certificate
9 holder;

10 (B) an individual with a disability who has been
11 or is engaged in subminimum wage activities;

12 (C) an employer who owns a business that employs
13 individuals making the subminimum wage;

14 (D) an advocacy organization that is working to
15 end the issuance of 14(c) certificates; and

16 (E) an individual with a disability who has been
17 or is engaged in competitive integrated employment.

18 (c) The Task Force shall meet at the call of the Director
19 and shall receive administrative and other support from the
20 Department. The Task Force shall prepare and submit to the
21 General Assembly and the Governor, one year after the
22 effective date of this Act and every year thereafter, a
23 progress report describing the progress the Task Force has
24 made in achieving its goals described in subsection (a).

25 Section 90. The Minimum Wage Law is amended by changing

1 Section 5 as follows:

2 (820 ILCS 105/5) (from Ch. 48, par. 1005)

3 Sec. 5.

4 (a) The Director may provide by regulation for the
5 employment in any occupation of individuals whose earning
6 capacity is impaired by age, or physical or mental deficiency
7 or injury at such wages lower than the minimum wage rate
8 provided in Section 4, subsection (a), as he may find
9 appropriate to prevent curtailment of opportunities for
10 employment, to avoid undue hardship, and to safeguard the
11 minimum wage rate of this Act, except that no person who
12 maintains a production level within the limits required of
13 other employees may be paid at less than the minimum wage. No
14 employee shall be employed at wages fixed pursuant to this
15 Section except under a special license issued under applicable
16 regulations of the Director.

17 (b) The Director may provide by regulation for the
18 employment in any occupation of individuals with a mental or
19 physical disability a Competitive Integrated Employment
20 Transformation Grant to an eligible employer meeting the
21 requirements under the Employment Choice for All Act. The
22 Department shall provide technical assistance to employers who
23 are transforming from employing individuals with disabilities
24 using 14(c) certificates to providing competitive integrated
25 employment paying a minimum wage.

1 (Source: P.A. 77-1451.)

2 Section 99. Effective date. This Act takes effect January
3 1, 2030.