104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB1189

Introduced 1/9/2025, by Rep. Jay Hoffman

SYNOPSIS AS INTRODUCED:

820 ILCS 130/2 820 ILCS 130/11

from Ch. 48, par. 39s-11

Amends the Prevailing Wage Act. Provides that the definition of "public works" includes all federal construction projects administered or controlled by a public body if the prevailing rate of wages is equal to or greater than the prevailing wage determination by the United States Secretary of Labor for the same locality for the same type of construction used to classify the federal construction project. Makes a conforming change. Effective July 1, 2025.

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AN ACT concerning employment.

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

Section 5. The Prevailing Wage Act is amended by changing
Sections 2 and 11 as follows:

6 (820 ILCS 130/2)

Sec. 2. This Act applies to the wages of laborers, mechanics and other workers employed in any public works, as hereinafter defined, by any public body and to anyone under contracts for public works. This includes any maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased, or rented.

As used in this Act, unless the context indicates otherwise:

"Public works" means all fixed works constructed or 15 16 demolished by any public body, or paid for wholly or in part out of public funds. "Public works" as defined herein includes 17 all projects financed in whole or in part with bonds, grants, 18 19 loans, or other funds made available by or through the State or any of its political subdivisions, including but not limited 20 21 to: bonds issued under the Industrial Project Revenue Bond Act 22 (Article 11, Division 74 of the Illinois Municipal Code), the Industrial Building Revenue Bond Act, the Illinois Finance 23

Authority Act, the Illinois Sports Facilities Authority Act, 1 2 or the Build Illinois Bond Act; loans or other funds made available pursuant to the Build Illinois Act; loans or other 3 funds made available pursuant to the Riverfront Development 4 5 Fund under Section 10-15 of the River Edge Redevelopment Zone Act; or funds from the Fund for Illinois' Future under Section 6 7 6z-47 of the State Finance Act, funds for school construction 8 under Section 5 of the General Obligation Bond Act, funds authorized under Section 3 of the School Construction Bond 9 10 Act, funds for school infrastructure under Section 6z-45 of 11 the State Finance Act, and funds for transportation purposes 12 under Section 4 of the General Obligation Bond Act. "Public 13 works" also includes all federal construction projects administered or controlled by a public body if the prevailing 14 15 rate of wages is equal to or greater than the prevailing wage 16 determination by the United States Secretary of Labor for the 17 same locality for the same type of construction used to classify the federal construction project. "Public works" also 18 19 includes (i) all projects financed in whole or in part with 20 funds from the Environmental Protection Agency under the Illinois Renewable Fuels Development Program Act for which 21 22 there is no project labor agreement; (ii) all work performed 23 pursuant to a public private agreement under the Public 24 Private Agreements for the Illiana Expressway Act or the 25 Public-Private Agreements for the South Suburban Airport Act; 26 (iii) all projects undertaken under a public-private agreement

under the Public-Private Partnerships for Transportation Act 1 2 or the Department of Natural Resources World Shooting and 3 Recreational Complex Act; and (iv) all transportation facilities undertaken under a design-build contract or a 4 5 Construction Manager/General Contractor contract under the 6 Innovations for Transportation Infrastructure Act. "Public 7 works" also includes all projects at leased facility property 8 used for airport purposes under Section 35 of the Local 9 Government Facility Lease Act. "Public works" also includes 10 the construction of a new wind power facility by a business 11 designated а Hiqh Impact Business under Section as 12 5.5(a)(3)(E) and the construction of a new utility-scale solar power facility by a business designated as a High Impact 13 14 Business under Section 5.5(a)(3)(E-5) of the Tllinois 15 Enterprise Zone Act. "Public works" also includes electric 16 vehicle charging station projects financed pursuant to the 17 Electric Vehicle Act and renewable energy projects required to pay the prevailing wage pursuant to the Illinois Power Agency 18 Act. "Public works" also includes power washing projects by a 19 20 public body or paid for wholly or in part out of public funds 21 in which steam or pressurized water, with or without added 22 abrasives or chemicals, is used to remove paint or other 23 coatings, oils or grease, corrosion, or debris from a surface or to prepare a surface for a coating. "Public works" does not 24 25 include work done directly by any public utility company, 26 whether or not done under public supervision or direction, or

paid for wholly or in part out of public funds. "Public works" 1 2 also includes construction projects performed by a third party 3 contracted by any public utility, as described in subsection (a) of Section 2.1, in public rights-of-way, as defined in 4 5 Section 21-201 of the Public Utilities Act, whether or not done under public supervision or direction, or paid for wholly 6 7 or in part out of public funds. "Public works" also includes 8 construction projects that exceed 15 aggregate miles of new 9 fiber optic cable, performed by a third party contracted by 10 any public utility, as described in subsection (b) of Section 11 2.1, in public rights-of-way, as defined in Section 21-201 of 12 the Public Utilities Act, whether or not done under public supervision or direction, or paid for wholly or in part out of 13 public funds. "Public works" also includes any corrective 14 15 action performed pursuant to Title XVI of the Environmental 16 Protection Act for which payment from the Underground Storage Tank Fund is requested. "Public works" also includes all 17 construction projects involving fixtures 18 permanent or 19 attachments affixed to light poles that are owned by a public 20 body, including street light poles, traffic light poles, and other lighting fixtures, whether or not done under public 21 22 supervision or direction, or paid for wholly or in part out of 23 public funds, unless the project is performed by employees employed directly by the public body. "Public works" also 24 25 includes work performed subject to the Mechanical Insulation Energy and Safety Assessment Act. "Public works" also includes 26

the removal, hauling, and transportation of biosolids, lime 1 2 sludge, and lime residue from a water treatment plant or facility and the disposal of biosolids, lime sludge, and lime 3 residue removed from a water treatment plant or facility at a 4 5 landfill. "Public works" does not include projects undertaken by the owner at an owner-occupied single-family residence or 6 at an owner-occupied unit of a multi-family residence. "Public 7 works" does not include work performed for soil and water 8 9 conservation purposes on agricultural lands, whether or not 10 done under public supervision or paid for wholly or in part out 11 of public funds, done directly by an owner or person who has 12 legal control of those lands.

"Construction" means all work on public works involving laborers, workers or mechanics. This includes any maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased, or rented.

17 "Locality" means the county where the physical work upon public works is performed, except (1) that if there is not 18 available in the county a sufficient number of competent 19 20 skilled laborers, workers and mechanics to construct the public works efficiently and properly, "locality" includes any 21 22 other county nearest the one in which the work or construction 23 is to be performed and from which such persons may be obtained in sufficient numbers to perform the work and (2) that, with 24 25 respect to contracts for highway work with the Department of Transportation of this State, "locality" may at the discretion 26

1 of the Secretary of the Department of Transportation be 2 construed to include two or more adjacent counties from which 3 workers may be accessible for work on such construction.

"Public body" means the State or any officer, board or 4 5 commission of the State or any political subdivision or department thereof, or any institution supported in whole or 6 in part by public funds, and includes every county, city, 7 8 town, village, township, school district, irrigation, utility, 9 reclamation improvement or other district and every other 10 political subdivision, district or municipality of the state 11 whether such political subdivision, municipality or district 12 operates under a special charter or not.

13 "Labor organization" means an organization that is the 14 exclusive representative of an employer's employees recognized 15 or certified pursuant to the National Labor Relations Act.

The terms "general prevailing rate of hourly wages", 16 17 "general prevailing rate of wages" or "prevailing rate of wages" when used in this Act mean the hourly cash wages plus 18 annualized fringe benefits for training and apprenticeship 19 programs approved by the U.S. Department of Labor, Bureau of 20 Apprenticeship and Training, health and welfare, insurance, 21 22 vacations and pensions paid generally, in the locality in 23 which the work is being performed, to employees engaged in work of a similar character on public works. 24

25 (Source: P.A. 102-9, eff. 1-1-22; 102-444, eff. 8-20-21;
26 102-673, eff. 11-30-21; 102-813, eff. 5-13-22; 102-1094, eff.

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6-15-22; 103-8, eff. 6-7-23; 103-327, eff. 1-1-24; 103-346,
 eff. 1-1-24; 103-359, eff. 7-28-23; 103-447, eff. 8-4-23;
 103-605, eff. 7-1-24.)

(820 ILCS 130/11) (from Ch. 48, par. 39s-11)

5 Sec. 11. No public works project shall be instituted 6 unless the provisions of this Act have been complied with. The 7 provisions of this Act shall not be applicable to federal Federal construction projects that which require a prevailing 8 9 wage determination by the United States Secretary of Labor, 10 except as described in Section 2. The Illinois Department of 11 Labor represented by the Attorney General is empowered to sue 12 for injunctive relief against the awarding of any contract or the continuation of work under any contract for public works 13 14 at a time when the prevailing wage prerequisites have not been 15 met. Any contract for public works awarded at a time when the 16 prevailing wage prerequisites had not been met shall be void as against public policy and the contractor is prohibited from 17 recovering any damages for the voiding of the contract or 18 pursuant to the terms of the contract. The contractor is 19 20 limited to a claim for amounts actually paid for labor and 21 materials supplied to the public body. Where objections to a 22 determination of the prevailing rate of wages or a court action relative thereto is pending, the public body shall not 23 24 continue work on the project unless sufficient funds are 25 available to pay increased wages if such are finally

determined or unless the Department of Labor certifies such
 determination of the prevailing rate of wages as correct.

3 Any laborer, worker or mechanic employed by the contractor or by any sub-contractor under him who is paid for his services 4 5 in a sum less than the prevailing rates for work done under such contract, shall have a right of action for whatever 6 7 difference there may be between the amount so paid, and the 8 rates provided by the contract together with costs and such 9 reasonable attorney's fees as shall be allowed by the court. 10 Such contractor or subcontractor shall also be liable to the 11 Department of Labor for 20% of such underpayments and shall be 12 additionally liable to the laborer, worker or mechanic for 13 punitive damages in the amount of 2% of the amount of any such 14 penalty to the State for underpayments for each month 15 following the date of payment during which such underpayments 16 remain unpaid. Where a second or subsequent action to recover 17 underpayments is brought against a contractor or subcontractor and the contractor or subcontractor is found liable 18 for 19 underpayments to any laborer, worker, or mechanic, the 20 contractor or subcontractor shall also be liable to the Department of Labor for 50% of the underpayments payable as a 21 22 result of the second or subsequent action, and shall be 23 additionally liable for 5% of the amount of any such penalty to the State for underpayments for each month following the date 24 25 of payment during which the underpayments remain unpaid. The 26 Department shall also have a right of action on behalf of any

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individual who has a right of action under this Section. An 1 2 action brought to recover same shall be deemed to be a suit for 3 wages, and any and all judgments entered therein shall have the same force and effect as other judgments for wages. The 4 5 action shall be brought within 5 years from the date of the failure to pay the wages or compensation. At the request of any 6 7 laborer, workman or mechanic employed by the contractor or by 8 any subcontractor under him who is paid less than the 9 prevailing wage rate required by this Act, the Department of 10 Labor may take an assignment of such wage claim in trust for 11 the assigning laborer, workman or mechanic and may bring any 12 legal action necessary to collect such claim, and the 13 contractor or subcontractor shall be required to pay the costs incurred in collecting such claim. 14

15 (Source: P.A. 103-48, eff. 1-1-24.)

Section 99. Effective date. This Act takes effect July 1, 2025.