

# HB4724



## 95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB4724

by Rep. Gary Hannig

### SYNOPSIS AS INTRODUCED:

New Act

Creates the Public Service Accountability Act. Specifies the conditions under which a State executive branch agency may enter into a contract with a private entity for the performance of services currently performed by public employees.

LRB095 16827 JAM 42865 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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 Public  
5 Service Accountability Act.

6 Section 5. Definitions. For purposes of this Act:

7 "State agency" or "agency" means an executive office,  
8 department, division, board, commission, or other office or  
9 officer in the executive branch of State government.

10 "Services" means, with respect to a third-party  
11 contractor, all aspects of the provision of services provided  
12 by a private contractor pursuant to a third-party contract, or  
13 any services provided by a subcontractor of a third-party  
14 contractor.

15 "Person" means an individual, institution, federal, State,  
16 or local governmental entity, or any other public or private  
17 entity.

18 "Third-party contract" means an agreement or combination  
19 or series of agreements by which a non-governmental person or  
20 entity agrees with a State agency to provide services valued at  
21 \$50,000 or more that are substantially similar to and in lieu  
22 of services that have been provided or that could have been  
23 provided, in whole or in part, by regular employees of an

1 agency.

2 "Private contractor" means any entity that enters into a  
3 third-party contract as that term is defined in this Section.

4 "Public employee" means an employee of any State department  
5 or agency.

6 Section 10. Third-party contracts; requirements.

7 (a) A State agency may enter into a contract with a third  
8 party for services currently performed by public employees upon  
9 90 days written notice to the affected employees and any  
10 collective bargaining agent they may have; provided that:

11 (1) a contract must not be entered into and become  
12 effective during the term of a collective bargaining  
13 agreement, affecting any employees who currently perform  
14 the services;

15 (2) a contract may take effect only upon the expiration  
16 of an existing collective bargaining agreement;

17 (3) any third party that submits a bid to perform the  
18 services shall provide the following:

19 (A) evidence of liability insurance of adequate  
20 scope and amount;

21 (B) a benefits package for the third party's  
22 employees who will perform the services comparable to  
23 the benefits package provided to employees who perform  
24 those services;

25 (C) a list of the number of employees who will

1 provide the services, the job classifications of those  
2 employees, and the wages the third party will pay those  
3 employees;

4 (D) a minimum 3-year cost projection, using  
5 generally accepted accounting principles and which the  
6 third party is prohibited from increasing if the bid is  
7 accepted by the State agency, for each and every  
8 expenditure category and account for performing the  
9 services;

10 (E) composite information about the criminal and  
11 disciplinary records, including alcohol or other  
12 substance abuse, Department of Children and Family  
13 Services complaints and investigations, traffic  
14 violations, and license revocations or any other  
15 licensure problems, of any employees who may perform  
16 the services, provided that the individual names and  
17 other identifying information of employees need not be  
18 provided with the submission of the bid, but must be  
19 made available upon request of the State agency; and

20 (F) an affidavit, notarized by the president or  
21 chief executive officer of the third party, that each  
22 of its employees has completed a criminal background  
23 check within 3 months prior to submission of the bid,  
24 provided that the results of those background checks  
25 need not be provided with the submission of the bid,  
26 but must be made available upon request of the State

1 agency.

2 (4) a contract must not be entered into unless the  
3 State agency provides a cost comparison, using generally  
4 accepted accounting principles, of each and every  
5 expenditure category and account that the State agency  
6 projects it would incur over the term of the contract if it  
7 continued to perform the services using its own employees  
8 with each and every expenditure category and account that  
9 is projected a third party would incur if a third party  
10 performed the services;

11 (5) review and consideration of all bids by third  
12 parties to perform the services shall take place in open  
13 session of a meeting announced and scheduled in accordance  
14 with the guidelines normally followed for meetings covered  
15 by the Open Meetings Act;

16 (6) a minimum of 2 public hearings to discuss the State  
17 agency's proposal to contract with a third party to perform  
18 services must be held before the State agency may enter  
19 into such a contract; the State agency must provide notice  
20 to the public of the date, time, and location of the first  
21 public hearing on or before the initial date that bids to  
22 provide the services are solicited or a minimum of 30 days  
23 prior to entering into such a contract, whichever provides  
24 a greater period of notice;

25 (7) a contract shall contain provisions requiring the  
26 contractor to offer available employee positions pursuant

1 to the contract to qualified employees who are laid off  
2 because of the contract; and

3 (8) a contract shall contain provisions requiring the  
4 contractor to comply with a policy of nondiscrimination and  
5 equal employment opportunity for all persons and to take  
6 affirmative steps to provide equal opportunity for all  
7 persons.

8 (b) Notwithstanding subsection (a) of this Section, the  
9 State agency may enter into a contract, of no longer than 3  
10 months in duration, with a third party for services currently  
11 performed by an employee for the purpose of augmenting the  
12 current workforce in an emergency situation that threatens the  
13 safety or health of the employees or the direct recipients of  
14 services, provided that the State agency meets all of its  
15 obligations under the Illinois Public Labor Relations Act.