



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB5805

Introduced 2/10/2010, by Rep. Sidney H. Mathias - Robert W. Pritchard - Kay Hatcher - Patricia R. Bellock - Roger L. Eddy, et al.

SYNOPSIS AS INTRODUCED:

New Act
30 ILCS 105/5.755 new

Creates the Illinois Emergency Employment Development Act. Authorizes the Governor to appoint an Illinois Emergency Employment Development Coordinator to administer the Act, and specifies the Coordinator's other duties and powers. Creates the Illinois Emergency Development Task Force to advise the Coordinator. Authorizes funds appropriated under the Act to be used to subsidize employee wages and benefits, to reimburse the Department of Employment Security for certain expenses, and to provide child care, workers' compensation coverage, and job search assistance. Specifies the powers and duties of Employment Administrators. Specifies the contractual assurances that businesses must give to remain eligible for subsidies under the Act. Sets forth criteria for allocating funds among eligible businesses. Requires businesses to repay 70% of amounts received if eligible applicants do not continue in their employment beyond 6 months. Prohibits eligible employers from terminating, laying off, or reducing the working hours of employees in order to hire an individual with funds made available under this Act. Creates a work incentive demonstration project. Provides for the termination of the program. Amends the State Finance Act to create the Illinois Emergency Employment Development Fund as a special fund in the State treasury. Effective July 1, 2010.

LRB096 18736 JDS 34121 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
5 Illinois Emergency Employment Development Act.

6 Section 5. Definitions. For the purposes of this Act, the
7 following terms have the meanings given them in this Section
8 unless the context clearly requires otherwise.

9 "Coordinator" means the Illinois Emergency Employment
10 Development Coordinator appointed under Section 10.

11 "Department" means the Illinois Department of Employment
12 Security.

13 "Director" means the Director of the Illinois Department of
14 Employment Security.

15 "Eligible business" means a for-profit business.

16 "Eligible employer" means an eligible government agency,
17 an eligible non-profit agency, or an eligible business.

18 "Eligible government agency" means a county, municipality,
19 school district, or other unit of local government, a State
20 agency, or a federal agency office in Illinois.

21 "Eligible job applicant" means a person who:

22 (1) has been a resident of this State for at least one
23 month,

1 (2) is unemployed,

2 (3) is not receiving and is not qualified to receive
3 unemployment compensation or workers' compensation, and

4 (4) is determined by the Employment Administrator to be
5 likely to be available for employment by an eligible
6 employer for the duration of the job.

7 "Eligible non-profit agency" means an organization exempt
8 from taxation under the Internal Revenue Code of 1986, Section
9 501(c)(3), as amended.

10 "Employment Administrator" means the administrative entity
11 designated by the Coordinator to administer the provisions of
12 this Act in each service delivery area. The Coordinator may
13 designate an administrative entity authorized under the Job
14 Training Partnership Act or its predecessor administrative
15 entity authorized under United States Code, Title 29, Section
16 801, et seq., or a job training or placement agency with proven
17 effectiveness.

18 "Household" means a group of persons living at the same
19 residence consisting of, at a maximum, spouses and the minor
20 children of each.

21 "Job Training Partnership Act" means the federal Job
22 Training Partnership Act of 1982 (JTPA), Statutes at Large,
23 volume 92, page 1322.

24 "Program" means the Illinois Emergency Employment
25 development program created by this Act consisting of temporary
26 work relief projects in the government and non-profit agencies

1 and new job creation in the private sector.

2 "Service delivery area" means an area designated as a
3 service delivery area by the Coordinator.

4 Section 10. Illinois Emergency Employment Development
5 Coordinator.

6 (a) The Governor shall appoint an Illinois Emergency
7 Employment Development Coordinator to administer the
8 provisions of this Act. The Coordinator shall be within the
9 Department of Employment Security, but shall be responsible
10 directly to the Governor. The Coordinator shall have the powers
11 necessary to carry out the purposes of the program.

12 (b) The Coordinator shall:

13 (1) obtain an inventory of community needs from each
14 unit of local government and compile a statewide inventory
15 of needs within 30 days after his or her appointment;

16 (2) enter into a contract with one or more Employment
17 Administrators in each service delivery area;

18 (3) review the emergency employment development plan
19 submitted by the Employment Administrator of each service
20 delivery area and approve satisfactory plans. If an
21 Employment Administrator submits an unsatisfactory plan,
22 the Coordinator shall assist the Employment Administrator
23 in developing a satisfactory one;

24 (4) coordinate the program with other State agencies;

25 (5) coordinate administration of the program with the

1 general assistance program;

2 (6) set policy regarding disbursement of program
3 funds; and

4 (7) perform general program marketing and monitoring
5 functions.

6 (c) The Coordinator shall administer the program within the
7 Department. The Director shall provide administrative support
8 services to the Coordinator for the purposes of the program.

9 (d) The Coordinator shall ensure that all eligible
10 employers and Employment Administrators comply with this Act
11 and all other applicable State and federal laws, including
12 those relating to:

13 (1) affirmative action;

14 (2) occupational health and safety standards;

15 (3) environmental standards; and

16 (4) fair labor practices.

17 (e) The Coordinator may:

18 (1) make public or private investigations within or
19 without this State necessary (i) to determine whether any
20 person has violated or is about to violate this Act, a
21 contract entered into under it, or any rule or order
22 adopted under it or (ii) to aid in the enforcement of this
23 Act or the rules adopted under it;

24 (2) require or permit any person to file a written
25 statement under oath or otherwise, as the Director
26 determines, as to all the facts and circumstances

1 concerning the matter being investigated;

2 (3) publish information contained in any order issued
3 by the Coordinator;

4 (4) hold hearings, upon reasonable notice, on any
5 matter arising out of the administration of this Act; and

6 (5) conduct investigations and hold hearings for the
7 purpose of compiling information with a view to
8 recommending changes in this Act to the General Assembly.

9 (f) The Attorney General shall assign from his or her staff
10 one or more assistant attorneys general to the Coordinator.

11 (g) Whenever it appears to the Coordinator that any person
12 has violated a provision of this Act, a contract entered into
13 under it, or a rule or order adopted under it:

14 (1) The Coordinator may issue and cause to be served
15 upon the person an order requiring the person to cease and
16 desist from the violation. The order must be calculated to
17 give reasonable notice of the right of the person to
18 request a hearing on it and must state the reasons for the
19 entry of the order. A hearing must be held not later than 7
20 days after a request for the hearing is received by the
21 Coordinator, after which and within 20 days after the date
22 of the hearing, the Coordinator shall issue a further order
23 vacating the cease and desist order or making it permanent
24 as the facts require. If no hearing is requested within 30
25 days after service of the order, the order becomes final
26 and remains in effect until it is modified or vacated by

1 the Coordinator. If the person to whom a cease and desist
2 order is issued fails to appear at the hearing after being
3 duly notified, the person shall be deemed in default, and
4 the proceeding may be determined against him upon
5 consideration of the cease and desist order, the
6 allegations of which may be deemed to be true;

7 (2) The Coordinator may bring an action in the circuit
8 court of the appropriate county to enjoin the violation and
9 to enforce compliance with the provisions of this Act, a
10 contract entered into under them, or any rule or order
11 adopted under them, and he or she may refer the matter to
12 the Attorney General. Upon a proper showing, a permanent or
13 temporary injunction, restraining order, or writ of
14 mandamus shall be granted. The court may not require the
15 Coordinator to post a bond. Any injunction proceeding under
16 the provisions of this Act may be brought on for hearing
17 and disposition upon an order to show cause returnable upon
18 not more than 8 days notice to the defendant. The case has
19 precedence over other cases upon the court calendar and may
20 not be continued without the consent of the State, except
21 upon good cause shown to the court, and then only for a
22 reasonable length of time necessary in the opinion of the
23 court to protect the rights of the defendant.

24 (h) The Coordinator shall report to the General Assembly
25 and the Governor on a quarterly basis:

26 (1) the number of persons employed;

1 (2) the number and type of employers under the program;

2 (3) the amount of money spent in each service delivery
3 area for wages for each type of employment and each type of
4 other expense;

5 (4) the number of persons who have completed
6 participation in the program and their current employment,
7 educational, or training status; and

8 (5) any other information requested by the General
9 Assembly or the Governor or deemed pertinent by the
10 Coordinator.

11 (i) The Director may adopt rules necessary to implement
12 this Act.

13 Section 15. Illinois Emergency Employment Development Task
14 Force.

15 (a) The Illinois Emergency Employment Development Task
16 Force is created within the Department to advise the
17 Coordinator in the administration of this Act.

18 (b) The Task Force shall consist of 9 members as follows:
19 the Coordinator, the Director, the Director of Commerce and
20 Economic Opportunity, the Director of Labor, and the Secretary
21 of Human Services, ex officio; plus a representative of labor,
22 a representative of business, a representative of non-profit
23 employers, and a representative of an Employment
24 Administrator, appointed by the Coordinator. The Coordinator
25 shall serve as the chairperson.

1 (c) The terms, compensation, and removal of the appointed
2 members shall be governed by an administrative rule adopted by
3 the Department.

4 (d) The Task Force shall meet at the call of the
5 Coordinator.

6 Section 20. Allocation of funds among service delivery
7 areas.

8 (a) 90% of the funds available for allocation to employment
9 administrators for the program must be allocated among service
10 delivery areas as follows: each service delivery area shall be
11 eligible to receive that proportion of the funds available
12 which equals the number of unemployed persons in the service
13 delivery area divided by the total number of unemployed persons
14 in the State for the 12-month period ending on the most recent
15 March 31.

16 (b) 10% of the funds available for allocation to employment
17 administrators under the program must be allocated at the
18 discretion of the Coordinator to Employment Administrators:

19 (1) who will maximize the use of the funds through
20 coordination with other programs and State, local, and
21 federal agencies, through the use of matching funds or
22 through the involvement of low-income constituent groups;

23 (2) who have demonstrated need beyond the allocation
24 available under subsection (a); and

25 (3) who have demonstrated outstanding performance in

1 job creation.

2 Section 25. Allocation within service delivery areas;
3 priorities.

4 (a) Allocation of funds among eligible job applicants
5 within a service delivery area shall be determined by the
6 Employment Administrator in each service delivery area. The
7 Employment Administrator shall give priority to:

8 (1) applicants living in households with no other
9 income source; and

10 (2) applicants who would otherwise be eligible to
11 receive general assistance under Article VI of the Illinois
12 Public Aid Code.

13 (b) Allocation of funds among eligible employers within a
14 service area shall be determined by the Employment
15 Administrator within each service delivery area according to
16 the priorities in Sections 45 and 50. The Employment
17 Administrator shall give priority to funding private sector
18 jobs to the extent that eligible businesses apply for funds. If
19 possible, no more than 60% of the funds may be allocated for
20 jobs with eligible government and non-profit agencies.

21 (c) If the Coordinator designates more than one Employment
22 Administrator in a service delivery area, the Coordinator shall
23 determine the allocation of funds to be distributed by each
24 Employment Administrator in the service delivery area.

1 Section 30. Use of funds. Funds appropriated for the
2 purposes of this Act may be used as follows:

3 (1) to provide a State contribution for wages and
4 fringe benefits for eligible job applicants for a maximum
5 of 1,040 hours over a maximum period of 26 weeks per job
6 applicant. For eligible job applicants participating in a
7 job training program, the State contribution for wages may
8 be used for a maximum period of 52 weeks per job applicant.
9 The State contribution for wages shall be up to \$4 per hour
10 for each eligible job applicant employed. The State
11 contribution for fringe benefits may be up to \$1 per hour
12 for each eligible job applicant employed. However, the
13 employer may use funds from other sources to provide
14 increased wages to the applicants it employs. At least 75%
15 of the funds appropriated for the program must be used to
16 pay wages for eligible job applicants;

17 (2) to reimburse the Department in an amount not to
18 exceed 1% of the funds appropriated for the actual cost of
19 administering this Act, and to reimburse the Employment
20 Administrators in an amount not to exceed 4.5% of the funds
21 appropriated for their actual cost of administering this
22 Act. The Director and the Employment Administrators shall
23 reallocate funds from other sources to cover the
24 administrative costs of this program whenever possible;

25 (3) to provide child care services or subsidies to
26 applicants employed under this Act;

1 (4) to provide workers' compensation coverage to
2 applicants employed by government or non-profit agencies
3 under this Act;

4 (5) to provide job search assistance, labor market
5 orientation, job-seeking skills, and referrals for other
6 services; or

7 (6) to purchase supplies and materials for projects
8 creating permanent improvements to public property in an
9 amount not to exceed 1% of the funds appropriated.

10 The Employment Administrator of each service delivery area
11 shall submit to the Coordinator a spending plan establishing
12 that funds allocated to the service delivery area will be used
13 within one year after the effective date, in the manner
14 required by this Act. Any funds allocated to a service delivery
15 area for which there is no spending plan approved by the
16 Coordinator shall be returned to the Department and may be
17 reallocated by the Coordinator to other Employment
18 Administrators.

19 Section 35. Employment Administrators; powers and duties.

20 (a) The Employment Administrator for each service delivery
21 area has the powers and duties given in this Section and any
22 additional duties given by the Coordinator.

23 (b) Each Employment Administrator shall develop an
24 emergency employment development plan for its service delivery
25 area under guidelines developed by the Coordinator and submit

1 it to the Coordinator within the period allowed by the
2 Coordinator. To the extent feasible, the Employment
3 Administrator shall seek input from potential eligible
4 employers and the public.

5 (c) Each Employment Administrator shall publicize the
6 program within its service delivery area to seek maximum
7 participation by eligible job applicants and employers.

8 (d) Each Employment Administrator shall enter into
9 contracts with eligible employers setting forth the terms of
10 their participation in the program as required by this Act.

11 (e) Each Employment Administrator shall screen job
12 applicants and employers to achieve the best possible placement
13 of eligible job applicants with eligible employers.

14 (f) Each Employment Administrator shall maintain a list of
15 eligible job applicants unable to secure employment under the
16 program at the time of application. The list shall prioritize
17 eligible job applicants and shall be used to fill jobs with
18 eligible employers as they become available.

19 (g) Each Employment Administrator shall cooperate with
20 local educational and training institutions to coordinate and
21 publicize the availability of their resources to assure that
22 applicants may receive training needed before or while employed
23 in jobs which are available under the program.

24 (h) Each Employment Administrator may disburse funds not to
25 exceed 1% of the amount allocated to its service delivery area
26 for the purchase of supplies and materials for projects

1 creating permanent improvements to public property.

2 Section 40. Duties of other agencies.

3 (a) The Department of Commerce and Economic Opportunity
4 shall publicize the Illinois Emergency Employment Development
5 program and shall provide staff assistance as requested by
6 Employment Administrators in the screening of businesses and
7 the collection of data to the extent feasible under its
8 existing budget and staff complement.

9 (b) The Board of Higher Education and the Community College
10 Board shall review their policies for post-secondary
11 vocational education to ensure that the programs serve the
12 training needs of economically disadvantaged persons.
13 Education programs shall attempt to provide training that will
14 help individuals to obtain and retain employment. The training
15 may include customized short-term training, basic skills
16 training, programs to develop work habits, and other services
17 designed for eligible job applicants and persons employed under
18 this Act. Examples of education programs include, but are not
19 limited to, adult vocational programs, adult basic or
20 continuing education, area vocational-technical institutes,
21 colleges, secondary education programs, and private and
22 proprietary schools.

23 (c) The Secretary of Human Services shall provide to each
24 Employment Administrator lists of currently licensed local day
25 care facilities, updated quarterly, to be available to all

1 persons employed under this Act.

2 Section 45. Eligible government and non-profit agency
3 employment. A government or non-profit agency is an eligible
4 employer with respect to temporary work relief projects that
5 are determined by the Employment Administrator to have
6 long-term benefit to or be needed by the community, including,
7 but not limited to, jobs in permanent public improvement
8 projects, residential or public building weatherization
9 projects, reforestation projects, mine land reclamation
10 projects, tree planting or trimming projects, soil
11 conservation projects, natural resource development projects,
12 and community social service programs such as child care and
13 home health care programs.

14 Section 50. Business employment.

15 (a) A business employer is an eligible employer if it
16 enters into a written contract, signed and subscribed to under
17 oath, with the Employment Administrator in its service delivery
18 area, containing assurances that:

19 (1) funds received by the business shall be used only
20 as permitted under this Act;

21 (2) the business has submitted a plan to the Employment
22 Administrator (i) describing the duties and proposed
23 compensation of each employee proposed to be hired under
24 the program; and (ii) demonstrating that, with the funds

1 provided under this Act, the business is likely to succeed
2 and continue to employ persons hired under the program;

3 (3) the business will use the funds exclusively for
4 compensation and fringe benefits of eligible job
5 applicants, and the employees hired with the funds will
6 receive fringe benefits and other terms and conditions of
7 employment comparable to those provided to other employees
8 of the business who do comparable work;

9 (4) the funds are necessary to allow the business to
10 begin, or to employ additional people, but will not be used
11 to fill positions that would be filled even in the absence
12 of funds from this program;

13 (5) the business will cooperate with the Coordinator
14 and the Employment Administrator in collecting data to
15 assess the results of the program; and

16 (6) the business is in compliance with all applicable
17 affirmative action, fair labor, health, safety, and
18 environmental standards.

19 (b) In allocating funds among eligible businesses, the
20 Employment Administrator shall give priority to businesses
21 which best satisfy the following criteria:

22 (1) have a high potential for growth and long-term job
23 creation;

24 (2) are labor intensive;

25 (3) meet the definition of a small business as defined
26 in Section 5 of the Small Business Advisory Act;

- 1 (4) make high use of local and Illinois resources;
- 2 (5) are under ownership of women and minorities;
- 3 (6) make high use of new technology;
- 4 (7) produce energy conserving materials or services or
- 5 are involved in development of renewable sources of energy;
- 6 and
- 7 (8) have their primary place of business in Illinois.

8 (c) A business receiving funds under this program shall
9 repay 70% of the amount received for each eligible job
10 applicant employed, who does not continue in the employment of
11 the business beyond the 6-month subsidized period. If the
12 employee continues in the employment of the business for one
13 year or longer after the 6-month subsidized period, the
14 business need not repay any of the funds received for that
15 employee's wages and fringe benefits. If the employee continues
16 in the employment of the business for a period of less than one
17 year after the expiration of the 6-month subsidized period, the
18 business shall receive a proportional reduction in the amount
19 it must repay. If an employer dismisses an employee for good
20 cause and works in good faith with the Employment Administrator
21 to employ and train another person referred by the Employment
22 Administrator, the payback formula shall apply as if the
23 original person had continued in employment.

24 A repayment schedule shall be negotiated and agreed to by
25 the Employment Administrator and the business prior to the
26 disbursement of the funds and is subject to renegotiation. The

1 Employment Administrator shall forward payments received under
2 this subdivision to the Coordinator on a monthly basis. The
3 Coordinator shall deposit these payments into the Illinois
4 Emergency Employment Development Fund.

5 Section 55. Illinois Emergency Employment Development
6 Fund. The Illinois Emergency Employment Development Fund is
7 created as a special fund in the State treasury. All payments
8 from businesses pursuant to subsection (c) of Section 50 shall
9 be deposited into this Fund, and all amounts in the Fund shall
10 be appropriated to the Department for the purpose of making
11 disbursements pursuant to Section 20.

12 Section 60. Worker displacement prohibited.

13 (a) An eligible employer may not terminate, lay off, or
14 reduce the working hours of an employee for the purpose of
15 hiring an individual with funds available under this Act.

16 (b) An eligible employer may not hire an individual with
17 funds available under this Act if any other person is on layoff
18 from the same or a substantially equivalent job.

19 (c) In order to qualify as an eligible employer, a
20 government or non-profit agency or business must certify to the
21 Employment Administrator that each job created and funded under
22 this Act:

23 (1) will result in an increase in employment
24 opportunities over those which would otherwise be

1 available;

2 (2) will not result in the displacement of currently
3 employed workers, including partial displacement such as
4 reduction in hours of nonovertime work, wages, or
5 employment benefits; and

6 (3) will not impair existing contracts for service or
7 result in the substitution of program funds for other funds
8 in connection with work that would otherwise be performed.

9 Section 65. Work incentive demonstration project.

10 (a) In order to maximize the opportunity for recipients of
11 aid to families with dependent children to take full advantage
12 of the jobs created by this Act, the Secretary of Human
13 Services shall inform each applicant or recipient of benefits
14 of the availability of this program.

15 (b) The Secretary of Human Services shall make changes in
16 the State plan and rules, or seek any waivers or demonstration
17 authority necessary to minimize the barriers to participation
18 in the programs or to employment. Changes shall be sought in
19 the following areas, including, but not limited to, allowances,
20 child care, work expenses, the amount and duration of earning
21 incentives, medical care coverage, limitations on the hours of
22 employment, and the diversion of payments to wage subsidies.
23 The Secretary of Human Services shall implement each change as
24 soon as possible.

25 (c) Participants shall receive medical assistance and

1 other benefits provided under the aid to families with
2 dependent children program according to the applicable
3 standards and any authority granted by the Department of Health
4 and Human Services.

5 (d) The Secretary of Human Services and the Director of
6 Health and Human Services may adopt rules, including temporary
7 rules, for the implementation of this Section.

8 Section 75. Termination; notification.

9 The Director shall immediately terminate the Illinois
10 Emergency Employment Development program if and when none of
11 the money appropriated remains. The Director shall immediately
12 notify the Secretary of Human Services of the program's
13 termination. The Secretary of Human Services shall immediately
14 notify each local agency referring recipients of the program's
15 termination and require the local agency to cease transferring
16 recipients.

17 On the date the program is terminated, any balance
18 remaining in the Illinois Emergency Employment Development
19 Fund shall revert to the General Revenue Fund. Repayments under
20 Section 50(c) that are made into the Fund on or after that date
21 shall be deposited in the General Revenue Fund.

22 Section 80. Unemployed and underemployed; employment by
23 State and other governmental units.

24 (a) The State of Illinois, its departments, agencies and

1 instrumentalities, and any unit of local government, school
2 district or other body corporate and politic, may employ
3 unemployed and underemployed persons as defined in the federal
4 Emergency Employment Act of 1971, as amended, and Comprehensive
5 Employment and Training Act of 1973, as amended, and eligible
6 job applicants under this Act pursuant to the terms of those
7 Acts.

8 (b) The provisions of Illinois law relating to preference
9 in employment and promotion of persons having served in the
10 armed services, the provisions of any law, rule or regulation,
11 the provisions of any city charter or any ordinance or
12 resolution, or the provisions of any other law or statute in
13 conflict with the provisions of the federal Emergency
14 Employment Act of 1971, as amended, and Comprehensive
15 Employment and Training Act of 1973, as amended, and eligible
16 job applicants under this Act shall not be applicable to the
17 employment of the persons specified in subsection (a) of this
18 Section.

19 Section 90. The State Finance Act is amended by adding
20 Section 5.755 as follows:

21 (30 ILCS 105/5.755 new)

22 Sec. 5.755. The Illinois Emergency Employment Development
23 Fund.

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

HB5805

- 21 -

LRB096 18736 JDS 34121 b

1 2010.