

# ILLINOIS DEPARTMENT OF LABOR

JB PRITZKER
GOVERNOR
ACTING DIRECTOR

**DATE:** July 1, 2022

**TO:** Honorable Members of the Illinois General Assembly

**FROM**: Jane Flanagan, Director

Illinois Department of Labor

RE: Data Governance and Organization to Support Equity and Racial Justice Act Section

20-15(a) Report

This report is issued pursuant to the provisions of Section 20-15(a) of the Data Governance and Organization to Support Equity and Racial Justice Act (the "Act") (20 ILCS 65/20-1). The Act requires the Illinois Department of Labor to report statistical data on the racial, ethnic, age, sex, disability status, sexual orientation, gender identity, and primary or preferred language demographics of program participants for each major program the Illinois Department of Labor administers.

#### I. Introduction

In the first Annual March Data Governance and Organization to Support Equity and Racial Justice Act Report, the Illinois Department of Labor (IDOL) identified the following "major programs" and corresponding participant populations for analysis:

- 1. Fair Labor Standards Division: Wage Payment and Collection Act Enforcement Program
- 2. Conciliation and Mediation Division: Prevailing Wage Certified Payroll

For both major programs identified in the Illinois Department of Labor March 2022 report, this report will provide statistical data, where available, for each of the demographic dispositions enumerated in the Act: race, age, sex, disability status, sexual orientation, gender identity, and primary or preferred language.

Section 20-15(e) of the Act states, "If the Board or the Department is unable to begin reporting the data required by subsection (a) by July 1, 2022, the Board or the Department shall state the reasons for the delay under the reporting requirements." As of the date of this report, the Illinois Department of Labor is unable to begin reporting the following data for the following reasons:

1. Wage Payment and Collection Act Enforcement Program Data

In the spring of 2022, IDOL began to assess currently catalogued demographic data for the Wage Payment and Collection Act (WPCA) enforcement program and other wage enforcement programs. Following its initial assessment, IDOL determined that this major program can be amended to allow for the collection of demographic data from individual claimants without substantial cost or disruption to program delivery. However, additional

work needs to be done to define and standardize the demographic categories enumerated in the ERJA and implement demographic reporting for wage claimants.

In the coming year, IDOL will utilize the Office of Equity's guidance to create and standardize definitions for the demographic categories. IDOL will work with the Department of Innovation and Technology and the Governor's Office of Management and Budget to streamline IDOL's data collection and amend its standard forms in order to collect the relevant data from major program participants. Furthermore, in the coming year, IDOL will continue to assess whether any other wage claim programs should be added to the list of "major programs" to be analyzed.

### 2. Conciliation and Mediation Division: Prevailing Wage – Certified Payroll Program Data

The Prevailing Wage Act requires contractors on public works projects subject to the Act to file certified transcripts of payroll (CTPs) for all workers employed on a project for each month the project is ongoing. (820 ILCS 130/5(a)(2)). Prior to a 2019 amendment to the Prevailing Wage Act that went into effect in 2020, the Act required CTPs to be filed with the local public body in charge of the project. Following the 2019 amendment, CTPs are now required to be filed electronically with IDOL by submitting them to an online database portal ("payroll portal") on IDOL's website. *Id.* CTPs are statutorily required payroll records that contain hourly pay information, as well as personal information about each employee that would typically be found on a paystub.

The Prevailing Wage Act requires CTPs to include the gender, race, ethnicity, and veteran status of each employee listed on a CTP; these three data points are the only demographic data required to be included with CTPs. (820 ILCS 130/5(a)(1)). IDOL is unable to require contractors to collect and report additional information regarding disability status, age, sexual orientation, gender identity, Middle Eastern/North African, or primary/preferred language on the CTPs without an amendment to the Prevailing Wage Act or the creation of an administrative rule to that effect.

IDOL also receives complaints regarding alleged non-payment or underpayment of prevailing wages. However, unlike other wage claims, which are required to be filed by individuals, the majority of prevailing wage complaints are filed by labor organizations, meaning that amending the prevailing wage complaint forms to allow for demographic data collection is not an option for the Prevailing Wage – CTP Program. Requiring additional demographic data to be collected with CTPs

# II. Change Management Efforts and Identified Areas of Improvement

As mentioned in the above Section II.1, IDOL is continuing to work on collecting demographic data for wage claims. IDOL wishes to proceed in a cautious way with this collection, as asking certain demographic questions can sometimes frighten the population we are attempting to serve, with the end result being that they do not proceed with a claim. IDOL's mission is to promote the rights, wages, welfare, working conditions, safety, and health of Illinois workers, regardless of race, religion, ethnicity, color, or sexual orientation.

As of April 2022, the Department has begun collecting demographic and wage data from large employers in Illinois. The authority to do so is granted under the Equal Pay Act of 2003 (820 ILCS 112/11), which was amended to require such data collection in 2021. (P.A. 01-0656). IDOL began collecting this information in April 2022.

While there is not enough data to report right now, the new Equal Pay Act data is a potential source of information going forward.

## III. Methodology

The information contained in this report is based solely on the data provided by Prevailing Wage – CTP Program participants and collected by personnel in IDOL's Conciliation and Mediation Division. The data provided by program participants has not been audited for completeness or quality, and therefore, no baseline for comparison has been established.

For the purposes of this report, program participants are defined as any individual who receives program services or interventions directly from State agency staff, contractors, or grantees. The program participants count is the number of distinct individuals that have been identified as program participants regardless of demographic category.

CTPs are weekly payroll records filed with IDOL by contractors or subcontractors on public works projects and contain payroll information for each employee working on the project. Contractors are provided access to IDOL's payroll portal where their payroll data is either entered manually or imported via a custom template – each entry then becomes a CTP and is publicly accessible in the payroll portal. In these entries, employee information is captured, which includes the demographics required to be included by the Prevailing Wage Act: gender, race, ethnicity, and veteran status.

The data provided for this report was pulled on June 14, 2022. Currently, IDOL does not ask for and the Prevailing Wage Act does not require the submission of the following demographic information: age, disability, sexual orientation, gender identity, or primary or preferred language, but we do collect data on gender, race, ethnicity, and veteran status because that data is required to be provided with CTPs.

# IV. Race and Ethnicity

The Act provides that the Illinois Department of Labor "shall use the same racial and ethnic classifications for each program." (20 ILCS 65/20-15(a)). The enumerated classifications are:

- (1) American Indian and Alaska Native alone.
- (2) Asian alone.
- (3) Black or African American alone.
- (4) Hispanic or Latino of any race.
- (5) Native Hawaiian and Other Pacific Islander alone.
- (6) White alone.
- (7) Some other race alone.
- (8) Two or more races.

*Id.* The Act also allows for the Illinois Department of Labor to "further define the racial and ethnic categories[.]" *Id.* 

# V. Statistical Data

# \*\*Table Key\*\*

- -"0" is used to indicate that data for a demographic disposition is collected, but no program participants have selected that category as of the date the data for this report was pulled.
- -A blank space is used to indicate that data for a demographic disposition is not collected.

# **Prevailing Wage – Certified Payroll Program**

#### Race

Program	American	Asian/Asian	African	Native	Middle	White/	Some Other	Two	No Race	Other
Participants	Indian/Alaska Native	American	American/ Black	Hawaiian and Other Pacific Islander	Eastern/ North African	European American	Race Alone	or More Races	Specified	Category not specified
7,715	16	28	506	10		5,424				1,731
	.2%	.4%	6.6%	.1%		70.3%				22.4%

# **Ethnicity**

Program Participants	Latina/Latino/Latinx/Hispanic	Other category not specified - please list and provide counts	Other category not specified - please list and provide counts	Other category not specified - please list and provide counts	Please provide the total number of distinct individuals counted within the category.
7,715	1,762 22.8%	5,953 77.2%			

Age

## No data collected currently

### Sex

Program Participants	Female	Male	Other category not specified - please list and provide counts	Other category not specified - please list and provide counts	Other category not specified - please list and provide counts
7,715	359 4.7%	7,356 95.3%			

# **D**isability Status

No data collected currently

## **Sexual Orientation**

No data collected currently

# **Gender Identity**

No data collected currently.

# **Primary or Preferred Language**

No data collected currently.

### Conclusion

This report is transmitted on behalf of Jane Flanagan, Acting Director of the Illinois Department of Labor. For additional copies of this report or more specific information, please contact Dana O'Leary, Chief of Staff, at Dana.m.oleary@illinois.gov.