



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5780

by Rep. Rick Ryan

SYNOPSIS AS INTRODUCED:

New Act

Creates the Labor Compliance Disclosure for Health Care Facilities Act. Requires each applicant to submit a labor compliance disclosure statement as a condition of approval by the Health Facilities and Services Review Board and the Illinois Finance Authority for any project involving State-supported bonds or financing. Provides that the Health Facilities and Services Review Board and the Illinois Finance Authority shall consider disclosed labor violations as part of their assessment of: (1) financial feasibility; (2) management capability; and (3) public interest and community impact. Sets forth provisions concerning verification and interagency coordination and penalties for non-disclosure or misrepresentation. Provides that the Health Facilities and Services Review Board and the Illinois Finance Authority shall adopt rules necessary to implement and administer the Act no later than 90 days after the effective date of the Act.

LRB104 21861 SPS 37684 b

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 Labor
5 Compliance Disclosure for Health Care Facilities Act.

6 Section 5. Legislative findings.

7 (a) This State provides financial assistance, including
8 State-supported bonds and financing approvals, for health care
9 facilities and related services.

10 (b) Compliance with State and federal labor laws is a
11 material indicator of an applicant's operational integrity,
12 financial stewardship, and ability to safely and sustainably
13 deliver health care services.

14 (c) Transparency regarding labor law compliance promotes
15 responsible use of public resources and protects workers,
16 patients, and taxpayers.

17 (d) Requiring disclosure of labor violations as part of
18 the Health Facilities and Services Review Board and the
19 Illinois Finance Authority approval process is necessary to
20 ensure informed decision making when public financing is
21 involved.

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

1 "Applicant" means any entity seeking approval from the
2 Health Facilities and Services Review Board and the Illinois
3 Finance Authority for State-supported bonds, certificates of
4 need involving public financing, or other State-authorized
5 debt instruments for a health care facility or related
6 project.

7 "Final determination" includes administrative orders,
8 court judgments, or settlement agreements where liability was
9 admitted, found, or resolved.

10 "Labor violation" means any final or pending
11 determination, judgment, citation, or settlement within the
12 preceding 5 years involving State or federal laws concerning:
13 (i) wages and hours; (ii) occupational safety and health;
14 (iii) collective bargaining or labor relations; (iv) worker
15 misclassification; and (v) anti-retaliation or unfair labor
16 practices.

17 Section 15. Mandatory labor violation disclosure.

18 (a) As a condition of approval by the Health Facilities
19 and Services Review Board and the Illinois Finance Authority
20 for any project involving State-supported bonds or financing,
21 each applicant shall submit a labor compliance disclosure
22 statement that includes:

23 (1) a list of all labor violations incurred by the
24 applicant, its parent entities, subsidiaries, or
25 controlling affiliates during the preceding 5 years;

1 (2) the issuing agency or court;

2 (3) the date and nature of each violation;

3 (4) any penalties assessed or remedies ordered; and

4 (5) the current compliance status and corrective
5 actions taken.

6 (b) An applicant shall certify under penalty of perjury
7 that the disclosure required under subsection (a) is complete
8 and accurate.

9 Section 20. Review and consideration by the Board and
10 Authority.

11 (a) The Health Facilities and Services Review Board and
12 the Illinois Finance Authority shall consider disclosed labor
13 violations as part of their assessment of: (i) financial
14 feasibility; (ii) management capability; and (iii) public
15 interest and community impact.

16 (b) The existence of labor violations shall not
17 automatically disqualify an applicant. If disclosed labor
18 violations, pending labor proceedings, or unresolved labor
19 compliance issues demonstrate systematic noncompliance or
20 material risk to the public interest, the Health Facilities
21 and Services Review Board and the Illinois Finance Authority
22 may: (i) delay approval until the matter is resolved or the
23 applicant demonstrates adequate corrective action; (ii) impose
24 conditions on approval; (iii) require additional reporting or
25 monitoring; or (iv) deny approval.

1 (c) If a conditional approval is issued, the Health
2 Facilities and Services Review Board and the Illinois Finance
3 Authority shall identify the specific conditions imposed, the
4 deadline for compliance, and the consequences for
5 noncompliance. The failure to comply with any condition of the
6 approval may result in the suspension, revocation, or denial
7 of the approval, ineligibility for State-supported financing,
8 or civil penalties under Section 30.

9 Section 25. Verification and interagency coordination.

10 (a) If disclosures involve a pending proceeding, repeated
11 violations, or proposed conditional approval, the Health
12 Facilities and Services Review Board and the Illinois Finance
13 Authority shall verify the disclosures through coordination
14 with: (i) the Department of Labor; (ii) the Attorney General;
15 (iii) the Department of Public Health; and (iv) any relevant
16 federal labor agencies.

17 (b) The Health Facilities and Services Review Board and
18 the Illinois Finance Authority may adopt rules to establish
19 verification procedures.

20 Section 30. Penalties for non-disclosure or
21 misrepresentation. An applicant that knowingly fails to
22 disclose a labor violation or submits materially false
23 information shall be subject to:

24 (1) denial or revocation of Board approval;

1 (2) ineligibility for State-supported bonds for up to
2 5 years; and
3 (3) civil penalties not to exceed \$50,000 per
4 violation.

5 Section 35. Rulemaking. The Health Facilities and Services
6 Review Board and the Illinois Finance Authority shall adopt
7 rules necessary to implement and administer this Act no later
8 than 90 days after the effective date of this Act.