1 AN ACT concerning employment.

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

- 4 Section 5. The Illinois Procurement Code is amended by
- 5 changing Section 50-60 and by adding Section 50-14.6 as
- 6 follows:
- 7 (30 ILCS 500/50-14.6 new)
- 8 Sec. 50-14.6. Wage payment violations.
- 9 <u>(a) No person or business that has admitted guilt or</u>
- 10 <u>liability or has been adjudicated guilty or liable in a</u>
- judicial or administrative proceeding of committing a repeated
- 12 <u>or willful violation of the Illinois Wage Payment and</u>
- 13 <u>Collection Act, the Minimum Wage Law, the Illinois Worker</u>
- 14 Adjustment and Retraining Notification Act, the Employee
- 15 Classification Act, the Day and Temporary Labor Services Act,
- 16 <u>the Fair Labor Standards Act of 1938, any other State law</u>
- 17 relating to wages and payments of wages, or any comparable
- 18 statute, law, or regulation of any state which governs wages or
- 19 the payment of wages shall do business with the State of
- 20 <u>Illinois or any State agency or enter into a subcontract that</u>
- 21 <u>is subject to this Code for a period of 5 years from the date of</u>
- 22 entry of an adverse civil judgment, conviction, entry of a
- 23 plea, administrative finding, or admission of guilt.

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(b) Every bid or offer submitted to the State, every contract executed by the State, every submission to a vendor portal, and every subcontract subject to Section 20-120 of this Code shall contain a certification by the bidder, offeror, potential contractor, contractor, or subcontractor, respectively, that the bidder, offeror, potential contractor, contractor, or subcontractor is not barred from being awarded a contract or subcontract under this Section and acknowledges that the contracting State agency may declare the related contract void if any of the certifications completed pursuant to this subsection are false. If the false certification is made by a subcontractor, then the contractor's submitted bid or offer and the executed contract may not be declared void, unless the contractor refuses to terminate the subcontract upon the State's request after a finding that the subcontract's certification was false.

17 (30 ILCS 500/50-60)

Sec. 50-60. Voidable contracts.

(a) If any contract or amendment thereto is entered into or purchase or expenditure of funds is made at any time in violation of this Code or any other law, the contract or amendment thereto may be declared void by the chief procurement officer or may be ratified and affirmed, provided the chief procurement officer determines that ratification is in the best interests of the State. If the contract is ratified and

- affirmed, it shall be without prejudice to the State's rights to any appropriate damages.
 - (b) If, during the term of a contract, the chief procurement officer determines that the contractor is delinquent in the payment of debt as set forth in Section 50-11 of this Code, the chief procurement officer may declare the contract void if it determines that voiding the contract is in the best interests of the State. The Debt Collection Bureau shall adopt rules for the implementation of this subsection (b).
 - (c) If, during the term of a contract, the chief procurement officer determines that the contractor is in violation of Section 50-10.5 of this Code, the chief procurement officer shall declare the contract void.
 - (d) If, during the term of a contract, the contracting agency learns from an annual certification or otherwise determines that the contractor no longer qualifies to enter into State contracts by reason of Section 50-5, 50-10, 50-12, 50-14, or 50-14.5, or 50-14.6 of this Article, the chief procurement officer may declare the contract void if it determines that voiding the contract is in the best interests of the State.
 - (e) If, during the term of a contract, the chief procurement officer learns from an annual certification or otherwise determines that a subcontractor subject to Section 20-120 no longer qualifies to enter into State contracts by

- 1 reason of Section 50-5, 50-10, 50-10.5, 50-11, 50-12, 50-14, or
- 2 50-14.5, or 50-14.6 of this Article, the chief procurement
- 3 officer may declare the related contract void if it determines
- 4 that voiding the contract is in the best interests of the
- 5 State. However, the related contract shall not be declared void
- 6 unless the contractor refuses to terminate the subcontract upon
- 7 the State's request after a finding that the subcontractor no
- 8 longer qualifies to enter into State contracts by reason of one
- 9 of the Sections listed in this subsection.
- 10 (f) The changes to this Section made by Public Act 96-795
- apply to actions taken by the chief procurement officer on or
- 12 after July 1, 2010.
- 13 (g) The changes to this Section made by this amendatory Act
- of the 100th General Assembly apply to actions taken by the
- 15 chief procurement officer on or after its effective date.
- 16 (Source: P.A. 96-493, eff. 1-1-10; 96-795, eff. 7-1-10 (see
- 17 Section 5 of P.A. 96-793 for the effective date of changes made
- 18 by P.A. 96-795); 96-1000, eff. 7-2-10; 97-895, eff. 8-3-12.)
- 19 Section 10. The Illinois Wage Payment and Collection Act is
- amended by changing Section 14 as follows:
- 21 (820 ILCS 115/14) (from Ch. 48, par. 39m-14)
- Sec. 14. (a) Any employee not timely paid wages, final
- compensation, or wage supplements by his or her employer as
- 24 required by this Act shall be entitled to recover through a

- claim filed with the Department of Labor or in a civil action, 1
- 2 but not both, the amount of any such underpayments and damages
- 3 of 2% of the amount of any such underpayments for each month
- following the date of payment during which such underpayments
- 5 remain unpaid. In a civil action, such employee shall also
- recover costs and all reasonable attorney's fees. 6
- 7 (a-5) In addition to the remedies provided in subsections
- 8 (a), (b), and (c) of this Section, any employer or any agent of
- 9 an employer, who, being able to pay wages, final compensation,
- 10 or wage supplements and being under a duty to pay, wilfully
- 11 refuses to pay as provided in this Act, or falsely denies the
- 12 amount or validity thereof or that the same is due, with intent
- 13 to secure for himself or other person any underpayment of such
- 14 indebtedness or with intent to annoy, harass, oppress, hinder,
- 15 delay or defraud the person to whom such indebtedness is due,
- 16 upon conviction, is guilty of:
- 17 (1) for unpaid wages, final compensation or wage
- supplements in the amount of \$5,000 or less, a Class A \pm 18
- 19 misdemeanor; or
- 20 (2) for unpaid wages, final compensation or wage
- supplements in the amount of more than \$5,000, a Class 4 21
- 22 felony A misdemeanor.
- 23 Each day during which any violation of this Act continues
- 24 shall constitute a separate and distinct offense.
- 25 Any employer or any agent of an employer who violates this
- 26 Section of the Act a subsequent time within $5 \frac{2}{}$ years of a

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prior criminal conviction under this Section is guilty, upon conviction, of a Class 3 4 felony.

(b) Any employer who has been demanded or ordered by the Department or ordered by the court to pay wages, final compensation, or wage supplements due an employee shall be required to pay a non-waivable administrative fee to the Department of Labor in the amount of \$250 if the amount ordered by the Department as wages owed is \$3,000 or less; \$500 if the amount ordered by the Department as wages owed is more than \$3,000, but less than \$10,000; and \$1,000 if the amount ordered by the Department as wages owed is \$10,000 or more. Any employer who has been so demanded or ordered by the Department or ordered by a court to pay such wages, final compensation, or wage supplements and who fails to seek timely review of such a demand or order as provided for under this Act and who fails to comply within 15 calendar days after such demand or within 35 days of an administrative or court order is entered shall also be liable to pay a penalty to the Department of Labor of 20% of the amount found owing and a penalty to the employee of 1% per calendar day of the amount found owing for each day of delay in paying such wages to the employee. All moneys recovered as fees and civil penalties under this Act, except those owing to the affected employee, shall be deposited into the Wage Theft Enforcement Fund, a special fund which is hereby created in the State treasury. Moneys in the Fund may be used only for enforcement of this Act.

(b-5) Penalties and fees under this Section may be assessed

2 by the Department and recovered in a civil action brought by

the Department in any circuit court or in any administrative

adjudicative proceeding under this Act. In any such civil

action or administrative adjudicative proceeding under this

6 Act, the Department shall be represented by the Attorney

7 General.

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(c) Any employer, or any agent of an employer, discharges or in any other manner discriminates against any employee because that employee has made a complaint to his employer, to the Director of Labor or his authorized representative, in a public hearing, or to a community organization that he or she has not been paid in accordance with the provisions of this Act, or because that employee has caused to be instituted any proceeding under or related to this Act, or because that employee has testified or is about to testify in an investigation or proceeding under this Act, is guilty, upon conviction, of a Class C misdemeanor. An employee who has been unlawfully retaliated against shall be entitled to recover through a claim filed with the Department of Labor or in a civil action, but not both, all legal and equitable relief as may be appropriate. In a civil action, such employee shall also recover costs and all reasonable attorney's fees.

24 (Source: P.A. 98-527, eff. 1-1-14.)