

1 AN ACT concerning regulation.

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

4 Section 5. The Private Employment Agency Act is amended by
5 changing Sections 1.5, 4, and 5 and by renumbering and changing
6 Section 11 as follows:

7 (225 ILCS 515/1.1) (was 225 ILCS 515/11)

8 Sec. 1.1 ~~11~~. Definitions. As ~~When~~ used in this Act, unless
9 the context indicates otherwise:

10 "Employment ~~The term "employment~~ agency" means any person
11 engaged for gain or profit in the business of placing,
12 referring, securing, or attempting to secure employment for
13 persons seeking employment, or in finding employees for
14 employers. However, "employment ~~the term "employment~~ agency"
15 does ~~shall~~ not include any person engaged in the business of
16 consulting or recruiting, and who in the course of such
17 business is compensated solely by any employer to identify,
18 appraise, or recommend an individual or individuals who are at
19 least 18 years of age or who hold a high school diploma for
20 consideration for a position, provided that in no instance is
21 the individual who is identified, appraised, or recommended for
22 consideration for such position charged a fee directly or
23 indirectly in connection with such identification, appraisal,

1 or recommendation, or for preparation of any resume, or on
2 account of any other personal service performed by the person
3 engaged in the business of consulting or recruiting; but this
4 exclusion is not applicable to theatrical employment agencies
5 or domestic service employment agencies.

6 "Employer" ~~The term "employer"~~ means any person employing
7 or seeking to employ any person for hire.

8 "Employee" ~~The term "employee"~~ means any person performing
9 or seeking to perform work or services of any kind or character
10 whatsoever for hire.

11 "Person" ~~The term "person"~~ means any person, firm,
12 association, partnership, limited liability company,
13 association, corporation, or other legal entity or its legal
14 representatives, agents, or assigns.

15 "Employment counselor" means an employee of an employment
16 agency who interviews, counsels, or advises applicants or
17 employers or both on employment or allied problems, or who
18 makes or arranges contracts or contacts between employers and
19 employees. "Employment counselor" includes an employee who
20 solicits orders for employees from prospective employers. The
21 ~~term "employment counsellor" means employees of any employment~~
22 ~~agency who interview, counsel, or advise applicants or~~
23 ~~employers or both on employment or allied problems, or who make~~
24 ~~er arrange contracts or contacts between employers and~~
25 ~~employees. The term "employment counsellor" includes employees~~
26 ~~who solicit orders for employees from prospective employers.~~

1 "Acceptance" ~~The term "acceptance"~~ means a mutual
2 agreement, verbal or written, between employee and employer as
3 to starting salary, position, and time and place of employment.

4 "Applicant" ~~The term "applicant"~~ means any person who uses
5 the services of an employment agency to secure employment for
6 himself.

7 "Department" ~~The term "department"~~ means the Department of
8 Labor.

9 "Director" ~~The term "Director"~~ means the Director of ~~the~~
10 ~~Department of~~ Labor.

11 "Fee" ~~The term "fee"~~ means money or a promise to pay money.
12 "Fee" ~~The term "fee"~~ also means ~~and includes~~ the excess of
13 money received by any such licensee over what he or she has
14 paid for transportation, transfer of baggage, or lodging, for
15 any applicant for employment. "Fee" ~~The term "fee"~~ also means
16 ~~and includes~~ the difference between the amount of money
17 received by any person, who furnishes employees or performers
18 for any entertainment, exhibition or performance, and the
19 amount paid by the person receiving the amount of money to the
20 employees or performers whom he or she hires to give such
21 entertainment, exhibition or performance.

22 "Privilege" ~~The term "privilege"~~ means ~~and includes~~ the
23 furnishing of food, supplies, tools, or shelter to contract
24 laborers, commonly known as commissary privileges.

25 "Theatrical" ~~The term "theatrical employment agency"~~ means
26 ~~and includes~~ the business of conducting an agency, bureau,

1 office or any other place for the purpose of procuring or
2 offering, promising or attempting to provide engagements for
3 persons who want employment in the following occupations:
4 circus, vaudeville, theatrical and other entertainment, ~~or~~
5 exhibitions, or performances, or of giving information as to
6 where such engagements may be procured or provided, whether
7 such business is conducted in a building, on the street, or
8 elsewhere.

9 "Theatrical ~~The term "theatrical~~ engagement" means ~~and~~
10 ~~includes~~ any engagement or employment of a person as an actor,
11 performer, or entertainer, in a circus, vaudeville, theatrical
12 or any other entertainment, exhibition, or performance.

13 "Emergency ~~The term "emergency~~ engagement" means ~~and~~
14 ~~includes~~ any engagement that is to be performed within 24 hours
15 of the time such application was made by an employer.

16 "Domestic ~~The term "domestic~~ service" means household work
17 in the home of the employer and includes, but is not limited
18 to, work as a maid, cook, butler, gardener, chauffeur,
19 housekeeper, or babysitter.

20 (Source: P.A. 99-422, eff. 1-1-16.)

21 (225 ILCS 515/1.5)

22 Sec. 1.5. Application for license; application fees;
23 disclosure of fees, charges, and commissions; investigation of
24 applicants; renewal of license; changes in structure and
25 management of licensees.

1 (a) The applicant for a license shall furnish to the
2 Department the following:

3 (1) An affidavit stating that he has never been a party
4 to any fraud, has no jail or prison record, belongs to no
5 subversive societies, is of good moral character, has
6 business integrity and is financially responsible. In
7 determining moral character and qualification for
8 licensing, the Department may take into consideration any
9 criminal conviction of the applicant, but such a conviction
10 shall not operate as a bar to licensing.

11 (2) A completed application, on a form provided by the
12 Department, that includes the name of the person,
13 corporation, or other entity applying for the license; the
14 location at which the person intends to conduct business;
15 the type of employment services provided; and a disclosure
16 of any other pecuniary interests held by the entity
17 applying for the license.

18 (3) An application fee. The Director shall adopt rules
19 to establish a schedule of fees for application for a
20 license. The application fee is nonrefundable.

21 (4) A schedule of fees, charges, and commissions, which
22 the employment agency intends to charge and collect for its
23 services, together with a copy of all forms and contracts
24 that the agency intends to be used in the operation of the
25 agency. Such schedule of fees, charges, and commissions may
26 thereafter be changed by filing with the Department an

1 amended or supplemental schedule showing such changes at
2 least 15 days before such change is to become effective.
3 Any change in forms or contracts must be filed with the
4 Department of Labor at least 15 days before such change is
5 going to become effective. Such schedule of fees to be
6 charged shall be posted in a conspicuous place in each room
7 of such an agency where applicants are interviewed, in not
8 less than 30 point bold-faced type. Agencies which deal
9 exclusively with employer paid fees shall not be required
10 to post said schedule of fees. The Department may by rule
11 require contracts to contain definitions of terms used in
12 such contracts to eliminate ambiguity.

13 It shall be unlawful for any employment agency to charge,
14 collect, or receive a greater compensation for any service
15 performed by it than is specified in the schedule filed with
16 the Department. It shall be unlawful for any employment agency
17 to collect or attempt to collect any compensation for any
18 service not specified in the schedule of fees filed with the
19 Department.

20 (b) Upon the filing of such application and supporting
21 documentation, the Department shall cause an investigation to
22 be made as to the character and the business integrity and
23 financial responsibility of the applicant and those mentioned
24 in the application, ~~and as to the fitness of the premises to be~~
25 ~~used~~. The application shall be rejected if the Department finds
26 that any of the persons named in the application fail to

1 demonstrate good moral character, business integrity and
2 financial responsibility, ~~if the premises are unfit~~, or if
3 there is any good and sufficient reason within the meaning and
4 purpose of this Act for rejecting such application. Unless the
5 application shall be rejected for one or more of the causes
6 specified above, it shall be granted. A detailed report of such
7 investigation and the action taken thereon shall be made in
8 writing, signed by the investigator, and become a part of the
9 official records of the Department. When, at the time of filing
10 the application, the applicant or any person mentioned in the
11 application is employed as an employment counselor ~~counselor~~
12 by a licensed employment agency in this State, the Department
13 shall notify the agency of this fact.

14 (c) Once issued, a license may be renewed annually by
15 furnishing the Department the required application fee, a
16 letter from a surety stating that a sufficient bond is in
17 force, and other documents necessary to complete the renewal.
18 Failure to renew a license at its expiration date shall cause
19 the license to lapse and it may only be reinstated by a new
20 application.

21 (d) No license shall be transferrable, but a licensee may,
22 with the approval of the Department, make changes in the
23 structure of the business entity operating the agency, but no
24 licensee shall permit any person not mentioned in the original
25 application for a license to become a partner if such agency is
26 a partnership, or an officer of the corporation if such agency

1 is a corporation, unless the written consent of the Department
2 of Labor shall first be obtained. Such consent may be withheld
3 for any reason for which an original application might have
4 been rejected, if the person in question had been mentioned
5 therein. No such change shall be permitted until the written
6 consent of the surety or sureties on the bond required to be
7 filed by Section 2 of this Act, to such change, is filed with
8 the original bond. The Department shall be notified immediately
9 of any change in the management of the agency so that at all
10 times the identity of the person charged with the general
11 management of the agency shall be known by the Department. A
12 licensee may promote persons within its agency or change the
13 titles and duties of existing agency personnel, other than the
14 general manager, without notice to the Department.

15 (Source: P.A. 99-422, eff. 1-1-16.)

16 (225 ILCS 515/4) (from Ch. 111, par. 904)

17 Sec. 4. It shall be unlawful for any person to act as an
18 employment counselor ~~counsellor~~, or to advertise, or assume to
19 act as an employment counselor ~~counsellor~~, without first
20 obtaining a license as such employment counselor ~~counsellor~~,
21 from the Department of Labor. It shall be unlawful for any
22 person to engage in, operate or carry on the business of an
23 employment agency unless each employee of such agency, who
24 furnishes information to any person as to where employees or
25 employment may be obtained or found, is a licensed employment

1 counselor ~~counsellor~~. Where the license to conduct an
2 employment agency is issued to a corporation and any officer of
3 the corporation performs any function defined as those to be
4 performed by an employment counselor ~~counsellor~~, he shall be
5 considered an employee of the corporation and shall be required
6 to secure a license as an employment counselor ~~counsellor~~.

7 Every person who desires to obtain a license, as employment
8 counselor ~~counsellor~~, shall apply therefor to the Department of
9 Labor, in writing, upon application blanks prepared and
10 furnished by the Department of Labor. Each applicant shall set
11 out in said application blanks such information as the
12 Department may require, and said applications shall be
13 accompanied by a permit fee of \$50 and the affidavits of two
14 persons of business or professional integrity. Such affiants
15 shall state that they have known the applicant for a period of
16 two years and that the applicant is a person of good moral
17 character.

18 The Department shall issue to such person a temporary
19 permit to act as an employment counselor ~~counsellor~~ which
20 permit shall be valid for 90 days pending examination of such
21 person when:

22 (a) the applicant is employed by an employment agency, and
23 the application states the name and address of such employment
24 agency; and

25 (b) the applicant declares under oath his intention that he
26 will complete the examination for the employment agency

1 counselor's ~~counsellor's~~ license on a date scheduled for such
2 examination by the Department of Labor within 60 days of the
3 date of application.

4 Commencing January 1, 1974 the Department shall not issue a
5 license to act as an employment counselor ~~counsellor~~ to any
6 person not previously licensed as such employment counselor
7 ~~counsellor~~ on such date unless he has taken and successfully
8 completed a written examination based upon this Act. The
9 Department of Labor shall conduct such examination at such
10 times and places as it shall determine, but not less than once
11 each month. The examination shall test the applicant's
12 knowledge of the employment agency law, pertinent labor laws
13 and laws against discrimination in employment. Upon successful
14 completion of the written examination and providing the
15 requirements of this Section are met, the Department shall
16 issue a license to act as an employment counselor ~~counsellor~~
17 and no additional licensing fee shall be required.

18 In the event of failure to appear for the examination as
19 scheduled or if the applicant appears and fails to pass, such
20 person shall pay a fee of \$10 for rescheduling at a later date.
21 No person may be rescheduled for examination more than twice in
22 any calendar year except in the event that he has failed to
23 appear for examination and such failure to appear was not
24 willful but was the result of illness of the applicant or a
25 member of his immediate family or of some other emergency.

26 The Department of Labor may require such other proof as to

1 the honesty, truthfulness and integrity of the applicant, as
2 may be deemed necessary and desirable. If the applicant is
3 shown to be honest, truthful and of known integrity, and has
4 successfully completed the written examination required under
5 this Section, the Department of Labor shall issue a license,
6 which license shall set out the true name and address of the
7 applicant, the name of the Employment agency by whom he is
8 employed, and such additional information as the Department may
9 prescribe. The license issued shall authorize the person named
10 therein to act as an employment counselor ~~counsellor~~. Such
11 license may be renewed at the end of each year by the payment
12 of a renewal fee of \$25.

13 The applicant must furnish satisfactory proof to the
14 Department that he has never been a party to any fraud, has no
15 jail record, belongs to no subversive societies and is of good
16 moral character and business integrity.

17 In determining honesty, truthfulness, integrity, moral
18 character and business integrity under this Section, the
19 Department may take into consideration any felony conviction of
20 the applicant, but such a conviction shall not operate as a bar
21 to licensing.

22 The license of the employment counselor ~~counsellor~~ shall be
23 mailed to the employment agency by which he is employed, and
24 shall be kept in the office of such agency and produced for
25 inspection by any agent of the Department of Labor, at any time
26 during business hours.

1 The Department of Labor, upon its own motion, or upon the
2 filing of a verified complaint with the department, by any
3 person, accompanied by such evidence, documentary or
4 otherwise, as makes out a prima facie case that the licensee is
5 unworthy to hold a license, shall notify the employment
6 counselor ~~counsellor~~ in writing that the question of his
7 honesty, truthfulness, integrity, moral character, business
8 integrity or felony conviction is to be reopened and
9 determined, de novo. This notice shall be served by delivering
10 a copy to the licensed person, or by mailing a copy to him, by
11 registered mail, at his last known business address. Thereupon,
12 the Department of Labor shall require further proof of the
13 licensee's honesty, truthfulness, integrity, moral character
14 and business integrity, and if the proof is not satisfactory to
15 the Department of Labor, it shall revoke his license.

16 If any employment counselor ~~counsellor~~ is discharged or
17 terminates his employment with the agency by which he is
18 employed, such agency shall immediately deliver, or forward by
19 mail, the employment counselor's ~~counsellor's~~ license, to the
20 Department of Labor, together with the reasons for his
21 discharge, if he was discharged. Failure to state that the
22 employment counselor ~~counsellor~~ was discharged will be
23 conclusively presumed to indicate that he terminated his
24 services voluntarily. Thereafter, it shall be unlawful for the
25 employment counselor ~~counsellor~~ to exercise any rights or
26 privileges under such license, unless the Department of Labor

1 transfers his license to another employment agency.

2 Each employment counselor ~~counsellor~~ shall notify the
3 Department of Labor of any change in his residence address.
4 Failure to give such notice shall automatically work a
5 revocation of his license.

6 The Department may refuse to issue or may suspend the
7 license of any person who fails to file a return, or to pay the
8 tax, penalty or interest shown in a filed return, or to pay any
9 final assessment of tax, penalty or interest, as required by
10 any tax Act administered by the Illinois Department of Revenue,
11 until such time as the requirements of any such tax Act are
12 satisfied.

13 Any person who violates any provisions of this section or
14 who testifies falsely as to any matter required by the
15 provisions of this section or of this Act, is guilty of a Class
16 B misdemeanor.

17 (Source: P.A. 97-813, eff. 7-13-12.)

18 (225 ILCS 515/5) (from Ch. 111, par. 905)

19 Sec. 5. No such licensee shall charge a registration fee
20 without having first obtained a permit to charge such
21 registration fee from the Department of Labor. Any such
22 licensee desiring to charge a registration fee shall make
23 application in writing to the Department of Labor, and shall
24 set out in the application the type of applicants from whom
25 they intend to accept a registration fee, the amount of the fee

1 to be charged, and shall furnish any other information on the
2 subject that the Department of Labor may deem necessary to
3 enable it to determine whether the agency's business methods
4 and past record entitle the agency to a permit.

5 It is the duty of the Department of Labor to make an
6 investigation, upon receipt of the application, as to the
7 truthfulness of the application and the necessity of the charge
8 of a registration fee; and if it is shown that the agency's
9 method of doing business is of such a nature that a permit to
10 charge a registration fee is necessary, and that the agency's
11 record has been reasonable and fair, then the Department of
12 Labor shall grant a permit to such agency. Such permit shall
13 remain in force until revoked for cause. No permit shall be
14 granted until after 10 days from the date of filing of the
15 application.

16 When a permit is granted, such licensed person may charge a
17 registration fee not to exceed \$4. In all such cases a complete
18 record of all such registration fees and references of
19 applicants shall be kept on file, which record shall, during
20 all business hours, be open for the inspection of the
21 Department of Labor. It is the duty of such licensee to
22 communicate in writing with at least 2 of the persons mentioned
23 as reference by every applicant from whom a registration fee is
24 accepted. Failure on the part of a licensee to make such
25 investigation shall be deemed cause to revoke the permit to
26 charge a registration fee. For such registration fee a receipt

1 shall be given to the applicant for employees or employment,
2 and shall state therein the name of such applicant, date and
3 amount of payment, the character of position or employee
4 applied for, and the name and address of such agency. If no
5 position has been furnished by the licensed agency to the
6 applicant, then the registration fee shall be returned to the
7 applicant on demand after 30 days and within 6 months from the
8 date of receipt thereof, less the amount that has been actually
9 expended by the licensee in checking the references of the
10 applicant, and an itemized account of such expenditures shall
11 be presented to the applicant on request at the time of
12 returning the unused portion of such registration fee.

13 Any such permit granted by the Department of Labor may be
14 revoked by it upon due notice to the holder of said permit and
15 due cause shown and hearing thereon.

16 No such licensee shall, as a condition to registering or
17 obtaining employment for such applicant, require such
18 applicant to subscribe to any publication or to any postal card
19 service, or advertisement, or exact any other fees,
20 compensation or reward, (except that in the case of applicants
21 for positions paying salaries of \$5,000 or more per annum,
22 where the agency has secured from the Department of Labor a
23 permit to furnish a letter service in accordance with
24 regulations of the department governing the furnishing of such
25 service, a special fee not to exceed \$250, to be credited on
26 the fee charged for any placement resulting from such letter

1 service, may be charged for furnishing such letter service)
2 other than the aforesaid registration fee and a further fee,
3 called a placement fee, the amount of which shall be agreed
4 upon between such applicant and such licensee to be payable at
5 such time as may be agreed upon in writing. The employment
6 agency shall furnish to each applicant a copy of any contract
7 or any form he signs with the agency regarding the method of
8 payment of the placement or employment service fee. Such
9 contract or form shall contain the name and address of such
10 agency, and such other information as the Department of Labor
11 may deem proper. The contract or form or copy thereof furnished
12 the applicant must state immediately above, below or close to
13 the place provided for the signature of the applicant that he
14 has received a copy of the contract or form and his signature
15 shall acknowledge receipt thereof. The placement or employment
16 service fee shall not be received by such licensee before the
17 applicant has accepted a position tendered by the employer. A
18 copy of each contract or other form to which the applicant
19 becomes a party with the licensee shall be given to the
20 applicant by the licensee at the time of executing such
21 contract or document and on any such form on which the word
22 acceptance appears, and such contract or other form shall have
23 the definition of acceptance as defined by this Act printed in
24 not less than 10 point type immediately following the word
25 acceptance. In the event the position so tendered is not
26 accepted by or given to such applicant, the licensee shall

1 refund all fees paid other than the registration fee and
2 special fee aforesaid, within 3 days of demand therefor. The
3 fee charged for placing an applicant in domestic service shall
4 be a single fee for each placement and shall be based upon the
5 applicant's compensation or salary for a period not to exceed
6 one year.

7 No such licensee shall send out any applicant for
8 employment unless the licensee has a bona fide job order for
9 such employment and the job order is valid in accordance with
10 the renewal requirements of Section 3 of this Act. If no
11 position of the kind applied for was open at the place where
12 the applicant was directed, then the licensee shall refund to
13 such applicant on demand any sum paid or expended by the
14 applicant for transportation in going to and returning from the
15 place, and all fees paid by the applicant. However, in the
16 event a substitute position is taken, the fee to be charged
17 shall be computed on the salary agreed upon for such position.

18 In addition to the receipt herein provided to be given for
19 a registration fee, it shall be the duty of such licensee to
20 give to every applicant for employment or employees from whom
21 other fee, or fees shall be received, an additional receipt in
22 which shall be stated the name of the applicant, the amount
23 paid and the date of payment. All such receipts shall be in
24 duplicate, numbered consecutively, shall contain the name and
25 address of such agency, and such other information as the
26 Department of Labor may deem proper. The duplicate receipt

1 shall be kept on file in the agency for at least one year.

2 Every such licensee shall give to every applicant, who is
3 sent out for a job or for an interview with a prospective
4 employer, a card or printed paper or letter of introduction
5 which shall be called a "referral slip" containing the name of
6 the applicant, the name and address of the employer to whom the
7 applicant is sent for employment, the name and address of the
8 agency, the name of the person referring the applicant, and the
9 probable duration of the work, whether temporary or permanent.
10 The referral slip shall contain a blank space in which the
11 employment counselor ~~counsellor~~ shall insert and specify in a
12 prominent and legible manner whether the employment service fee
13 is to be paid by the applicant or by the employer, or in the
14 case of a split-fee, the percentage of the fee to be paid by
15 the applicant and the percentage of the fee to be paid by the
16 employer, or shall state whether the fee is to be negotiable
17 between the employer and the employee. A duplicate of all such
18 referral slips shall be kept on file in the agency for a period
19 of one year. In the event that the applicant is referred to a
20 job or to a prospective employer by telephone ~~or telegraph~~, the
21 referral slip shall be mailed to the applicant and to the
22 prospective employer before the close of the business day on
23 which the telephoned ~~or telegraphed~~ referral was given. No
24 person shall be sent out for a job or to interview a
25 prospective employer unless he has been personally interviewed
26 by the agency or has corresponded with the agency with the

1 purpose of securing employment.

2 If the employer pays the fee, and the employee fails to
3 remain in the position for a period of 30 days, such licensee
4 shall refund to the employer all fees, less an amount equal to
5 25% of the total salary or wages paid such employee during the
6 period of such employment, within 3 days after the licensed
7 person has been notified of the employee's failure to remain in
8 the employment, provided such 25% does not exceed the amount
9 charged for a permanent position of like nature.

10 If the employee pays the fee and is discharged at any time
11 within 30 days for any reason other than intoxication,
12 dishonesty, unexcused tardiness, unexcused absenteeism or
13 insubordination, or otherwise fails to remain in the position
14 for a period of 30 days, through ~~thru~~ no fault of his own, such
15 licensee shall refund to the employee all fees less an amount
16 equal to 25% of the total salary or wages paid such employee
17 during the period of such employment within 3 days of the time
18 such licensee has been notified of the employee's failure to
19 remain in the employment, provided the 25% does not exceed the
20 charge for a permanent position of like nature. All refunds
21 shall be in cash or negotiable check.

22 If the employee has promised his prospective employer to
23 report to work at a definite time and place and then fails to
24 report to work, such circumstances shall be considered prima
25 facie evidence that the employee has accepted the employment
26 offered.

1 Where a dispute concerning a fee exists, the department may
2 conduct a hearing to determine all facts concerning the dispute
3 and shall after such hearing make such recommendations
4 concerning such dispute as shall be reasonable.

5 Every such licensee shall post in a conspicuous place in
6 the main room of the agency sections of this Act as required by
7 the Department of Labor, to be supplied by the Department of
8 Labor, and shall also post his license in the main room of the
9 agency.

10 Every such licensee shall furnish the Department of Labor,
11 under rules to be prescribed by such Department, annual
12 statements showing the number and character of placements made.
13 (Source: P.A. 97-813, eff. 7-13-12.)

14 (225 ILCS 515/13 rep.)

15 Section 10. The Private Employment Agency Act is amended by
16 repealing Section 13.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.