



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB4034

by Rep. Camille Y. Lilly

SYNOPSIS AS INTRODUCED:

30 ILCS 500/Art. 47 heading new
30 ILCS 500/47-5 new
30 ILCS 500/47-10 new
30 ILCS 500/47-15 new
30 ILCS 500/47-20 new
30 ILCS 500/47-25 new
30 ILCS 500/47-30 new
30 ILCS 500/47-35 new
30 ILCS 500/47-40 new
30 ILCS 500/47-45 new
30 ILCS 500/47-50 new
30 ILCS 105/5.866 new

Amends the Illinois Procurement Code. Requires bidders to obtain an equal pay certificate before a purchasing agency may issue a contract to the bidder. Provides for the Department of Employment Security to issue the certificates. Specifies information to be included in an application for an equal pay certificate. Requires bidders to comply with the Equal Pay Act of 2003, Equal Wage Act, Illinois Human Rights Act, and Title VII of the Civil Rights Act of 1964. Amends the State Finance Act to create the Equal Pay Certificate Fund. Provides for moneys in the Fund to be used to administer the equal pay certificate requirements.

LRB099 10000 JLS 30220 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The Illinois Procurement Code is amended by
5 adding Article 47 as follows:

6 (30 ILCS 500/Art. 47 heading new)

7 ARTICLE 47

8 EQUAL PAY CERTIFICATES

9 (30 ILCS 500/47-5 new)

10 Sec. 47-5. Scope of Article.

11 (a) No contract to which this Act applies shall be executed
12 with a bidder unless the bidder has an equal pay certificate or
13 it has certified in writing that it is exempt.

14 (b) A certificate is valid for 4 years.

15 (30 ILCS 500/47-10 new)

16 Sec. 47-10. Application for equal pay certificate.

17 (a) A bidder shall apply for an equal pay certificate by
18 paying a \$150 filing fee and submitting an equal pay compliance
19 statement to the Department of Employment Security. The
20 proceeds from the fees collected under this Article shall be
21 deposited into the Equal Pay Certificate Fund, a special fund

1 created in the State Treasury. Money in the Fund shall be
2 appropriated to the Department of Employment Security for the
3 purposes of this Article. The Department of Employment Security
4 shall issue an equal pay certificate of compliance to a
5 business that submits to the Department of Employment Security
6 a statement signed by the chairperson of the board or chief
7 executive officer of the business:

8 (1) that the business is in compliance with Title VII
9 of the Civil Rights Act of 1964, the Equal Pay Act of 2003,
10 the Equal Wage Act, and the Illinois Human Rights Act;

11 (2) that the average compensation for its female
12 employees is not consistently below the average
13 compensation for its male employees within each of the
14 major job categories in the EEO-1 employee information
15 report for which an employee is expected to perform work
16 under the contract, taking into account factors such as
17 length of service, requirements of specific jobs,
18 experience, skill, effort, responsibility, working
19 conditions of the job, or other mitigating factors;

20 (3) that the business does not restrict employees of
21 one sex to certain job classifications and makes retention
22 and promotion decisions without regard to sex;

23 (4) that wage and benefit disparities are corrected
24 when identified to ensure compliance with the laws cited in
25 item (1) and with item (2); and

26 (5) how often wages and benefits are evaluated to

1 ensure compliance with the laws cited in item (1) and with
2 item (2).

3 (b) The equal pay compliance statement shall also indicate
4 whether the business, in setting compensation and benefits,
5 utilizes:

6 (1) a market pricing approach;

7 (2) state prevailing wage or union contract
8 requirements;

9 (3) a performance pay system;

10 (4) an internal analysis; or

11 (5) an alternative approach to determine what level of
12 wages and benefits to pay its employees.

13 If the business uses an alternative approach, the business
14 must provide a description of its approach.

15 (c) Receipt of the equal pay compliance statement by the
16 Department of Employment Security does not establish
17 compliance with the laws identified in item (1) of subsection
18 (a).

19 (30 ILCS 500/47-15 new)

20 Sec. 47-15. Issuance or rejection or certificate. The
21 Department of Employment Security must issue an equal pay
22 certificate, or a statement of why the application was
23 rejected, within 15 days after receipt of the application. An
24 application may be rejected only if it does not comply with the
25 requirements of Section 47-10.

1 (30 ILCS 500/47-20 new)

2 Sec. 47-20. Revocation of certificate. An equal pay
3 certificate for a business may be suspended or revoked by the
4 Department of Employment Security when the business fails to
5 make a good-faith effort to comply with the laws identified in
6 item (1) of subsection (a) of Section 47-10, fails to make a
7 good-faith effort to comply with this Article, or has multiple
8 violations of this Article or the laws identified in item (1)
9 of subsection (a) of Section 47-10. Prior to suspending or
10 revoking a certificate, the Department of Employment Security
11 must first have sought to conciliate with the business
12 regarding wages and benefits due to employees.

13 (30 ILCS 500/47-25 new)

14 Sec. 47-25. Revocation of contract.

15 (a) If a contract is awarded to a business that does not
16 have an equal pay certificate as required under Section 47-5,
17 or that is not in compliance with subsection (a) of Section
18 47-10, the Department of Employment Security may void the
19 contract on behalf of the State. The purchasing agency that is
20 a party to the agreement must be notified by the Department of
21 Employment Security prior to the Department of Employment
22 Security taking action to void the contract.

23 (b) A contract subject to this Article may be abridged or
24 terminated upon notice that the Department of Employment

1 Security has suspended or revoked the certificate of the
2 business.

3 (30 ILCS 500/47-30 new)

4 Sec. 47-30. Administrative review.

5 (a) A business may obtain an administrative hearing before
6 the suspension or revocation of its certificate is effective
7 pursuant to the Illinois Administrative Procedure Act.

8 (b) A business may obtain an administrative hearing before
9 the abridgement or termination of a contract is effective
10 pursuant to the Illinois Administrative Procedure Act.

11 (30 ILCS 500/47-35 new)

12 Sec. 47-35. Technical assistance. The Department of
13 Employment Security must provide technical assistance to any
14 business that requests assistance regarding this Article.

15 (30 ILCS 500/47-40 new)

16 Sec. 47-40. Audit. The Department of Employment Security
17 may audit the business's compliance with this Article. As part
18 of an audit, upon request, a business must provide the
19 Department of Employment Security the following information
20 with respect to employees expected to perform work under the
21 contract in each of the major job categories in the EEO-1
22 employee information report:

23 (1) number of male employees;

- 1 (2) number of female employees;
2 (3) average annualized salaries paid to male employees
3 and to female employees, in the manner most consistent with
4 the employer's compensation system, within each major job
5 category;
6 (4) information on performance payments, benefits, or
7 other elements of compensation, in the manner most
8 consistent with the employer's compensation system, if
9 requested by the Department of Employment Security as part
10 of a determination as to whether these elements of
11 compensation are different for male and female employees;
12 (5) average length of service for male and female
13 employees in each major job category; and
14 (6) other information identified by the business or by
15 the Department of Employment Security, as needed, to
16 determine compliance with items specified in subsection
17 (a) of Section 47-10.

18 (30 ILCS 500/47-45 new)
19 Sec. 47-45. Access to data. Data submitted to the
20 Department of Employment Security related to equal pay
21 certificates are private data on individuals or nonpublic data
22 with respect to persons other than Department employees. The
23 Department's decision to issue, not issue, revoke, or suspend
24 an equal pay certificate is public data.

1 (30 ILCS 500/47-50 new)

2 Sec. 47-50. Report. The Department of Employment Security
3 shall report to the Governor and the General Assembly by
4 January 31 of every odd-numbered year, beginning January 31,
5 2017. The report shall indicate the number of equal pay
6 certificates issued, the number of audits conducted, the
7 processes used by contractors to ensure compliance with
8 subsection (a) of Section 47-10, and a summary of its auditing
9 efforts.

10 Section 10. The State Finance Act is amended by adding
11 Section 5.866 as follows:

12 (30 ILCS 105/5.866 new)

13 Sec. 5.866. The Equal Pay Certificate Fund.