



## Legislative Update: March 17, 2023

The Illinois House convened in Springfield this week. Although only the House was in session, the week was relatively busy with legislative activity. Next week (March 21-24) both the House and Senate will be in session and the schedule is shaping up to be a full week of committee and floor action in both chambers. The next round of important legislative deadlines is inching closer. The Third Reading Deadline in the House is March 24<sup>th</sup>, while the deadline is March 31<sup>st</sup> in the Senate.

ICIC continues to closely monitor all bills on our watch list – including those that weren't approved in committee prior to the committee deadline. Deadline extensions have been approved for many bills in both chambers. In addition, ICIC is focused on reviewing amendment filings in both chambers.

Here is an overview of legislative items on ICIC's bill list that remain active:

**SB 2192 (Sen. Villivalam)** amends the Illinois Procurement to provide that if a bidder has failed to be awarded a contract after 4 consecutive bids to provide the same services to a single agency, the applicable Chief Procurement Officer (CPO) for that agency shall provide in writing the reason(s) the 4 bids were rejected. The CPO shall submit a certified copy to the bidder the reason(s) for the rejection. Senate Amendment 3 provides that this bill applies to the Department of Transportation, the Capital Development Board, and the State Toll Highway Authority. **SB 2192 as amended is on Third Reading in the Senate.**

**SB 2408 (Sen. Preston)** and its companion bill **HB 3491 (Rep. Hanson)** amend the Prevailing Wage Act to provide that any laborer, worker, or mechanic who is employed by the contractor or by any lower tier subcontractor and is paid for services in a sum less than the prevailing wage rates for the work performed on a project shall have a right of action for whatever difference there may be between the amount paid and the prevailing wage rates required to be paid. These proposals are opposed by ICIC. **SB 2408 is on Second Reading in the Senate, while HB 3491 is on Third Reading in the House.**

**HB 2816 (Rep. Lilly)** amends several existing statutes including the Department of Transportation Law of the Civil Administrative Code and the State Prompt Payment Act. In

addition to other proposed changes, HB 2816 seeks to allow small businesses subcontractors to receive direct payments from the Department of Transportation, and requires contractors to pay subcontractors and material suppliers within 7 business days after receiving payment (currently 10 business days or 15 calendar days). ICIC opposes HB 2816. **This legislation was approved by the Small Business, Tech Innovation and Entrepreneurship Committee on the condition that it will be held on Second Reading, pending further discussions with stakeholders.**

**HB 3448 (Rep. Evans, Jr.)** amends the Illinois Wage Payment & Collection Act to provide that every prime contractor and subcontractor shall post a notice on the jobsite a summary of specified requirements of the Act and information pertaining to the filing of a complaint. Failure to provide this notice as required shall result in a civil penalty not to exceed \$250. **HB 3448 was not approved in committee prior to the committee deadline; however, the bill has received a deadline extension through April 28<sup>th</sup>.** ICIC opposes HB 3448 as currently drafted.

**HB 3551 as amended (Rep. Hoffman)** amends provisions in the Illinois Procurement Code as they relate to the Capital Development Board's use of the single prime delivery method. Under current law, CDB's use of the single prime delivery method is limited per following parameters:

*"For building construction projects with a total construction cost valued at \$5,000,000 or less, the Capital Development Board shall not use the single prime procurement delivery method for more than 50% of the total number of projects bid for each fiscal year. Any project with a total construction cost valued greater than \$5,000,000 may be bid using single prime at the discretion of the Executive Director of the Capital Development Board"*.

HB 3551 removes these limitations and inserts language allowing the CDB to determine whether the single prime delivery method is to be pursued. **HB 3551 as amended provides that prior to using single prime on a project, the CDB must make a written determination that includes the advantages of using single prime for a particular project.** The written determination is to be reviewed by CDB's Chief Procurement Officer who will make the final determination. HB 3551 also maintains the sunset provision and parameters of using the single prime delivery method for institutions of higher education. **HB 3551 is on Second Reading in the House.**

On March 12<sup>th</sup>, **Governor Pritzker signed the "Paid Leave for All Workers Act" into law.** This new law requires private employers to provide earned paid leave to employees to be used for any reason and sets forth minimum standards of paid leave, which includes 40 hours (or 5 days) of paid leave for all employees (regardless of size of employer). The requirements of

this law become effective on January 1, 2024. **The new law includes an exemption for signatory employers of collective bargaining agreements in the construction industry:**

*“In no event shall this Act apply to any employee working in the construction industry who is covered by a bona fide collective bargaining agreement, nor shall this Act apply to any employee who is covered by a bona fide collective bargaining agreement with an employer that provides services nationally and internationally of delivery, pickup, and transportation of parcels, documents, and freight.”*

**The “Paid Leave for All Workers Act” also includes a specific definition of “construction industry”:**

*“Construction industry” means any constructing, altering, reconstructing, repairing, rehabilitating, refinishing, refurbishing, remodeling, remediating, renovating, custom fabricating, maintenance, landscaping, improving, wrecking, painting, decorating, demolishing, or adding to or subtracting from any building, structure, highway, roadway, street, bridge, alley, sewer, ditch, sewage disposal plant, waterworks, parking facility, railroad, excavation or other structure, project, development, real property, or improvement, or to do any part thereof, whether or not the performance of the work herein described involves the addition to or fabrication into, any structure, project, development, real property, or improvement herein described of any material or article of merchandise. “Construction industry” also includes moving construction related materials on the job site or to or from the job site, snow plowing, snow removal, and refuse collection.*

It is important to note that while the law exempts signatory contractors in the construction industry from these new requirements, the requirements will apply to a contractor’s administrative and other support staff who are not covered by a collective bargaining agreement.

Your ICIC lobbying team is keeping a watchful eye on these issues and more. Please continue to pay close attention to Calls to Action and ways you can help communicate ICIC’s message on these issues to members of the Illinois General Assembly.

If you have questions regarding information contained in this report, please do not hesitate to contact Jessica Newbold Hoselton by calling 217.523.4361 or by email at [jnewbold@boldnewstrat.com](mailto:jnewbold@boldnewstrat.com)