

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 1. Short title. This Act may be cited as the Equal
5 Pay Certificate Act.

6 Section 5. Scope of Act.

7 (a) After June 1, 2018, no contract to which this Act
8 applies shall be executed with a bidder, offeror, contractor,
9 vendor, or potential contractor, as defined in the Illinois
10 Procurement Code, unless it has an equal pay certificate or it
11 has an equal pay certificate or it has certified in writing
12 that it is exempt.

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

14 Section 10. Application for equal pay certificate.

15 (a) A bidder shall apply for equal pay certificate by
16 paying a \$150 filing fee and submitting an equal pay compliance
17 statement to the Department of Employment Security. The
18 proceeds from the fees collected under this Act shall be
19 deposited in to the Equal Pay Certificate Fund, a special fund
20 created in the State Treasury. Money in the Fund shall be
21 appropriated to the Department of Employment Security for the
22 purposes of this Act. The Department of Employment Security

1 shall issue an equal pay certificate of compliance to a
2 business that submits to the Department of Employment Security
3 a statement signed by the chairperson of the board of chief
4 executive officer of that business:

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

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

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

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

23 (5) how often wages and benefits are evaluated to
24 ensure compliance with the laws cited in item (1) and with
25 item (2).

26 (b) The equal pay compliance statement shall also indicate

1 whether the business, in setting compensation and benefits
2 utilizes:

- 3 (1) a market pricing approach;
4 (2) state prevailing wage or union contract
5 requirements;
6 (3) a performance pay system;
7 (4) an internal analysis; or
8 (5) an alternative approach to determine what level of
9 wages and benefits to pay its employees.

10 If the business uses an alternative approach, the business
11 must provide a description of its approach.

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

16 Section 15. Issuance or rejection of certificate. The
17 Department of Employment Security must issue an equal pay
18 certificate, or a statement of why the application was
19 rejected, within 15 days after receipt of the application. An
20 application may be rejected only if it does not comply with the
21 requirements of Section 10.

22 Section 20. Revocation of certificate. An equal pay
23 certificate for a business may be suspended or revoked by the
24 Department of Employment Security when the business fails to

1 make a good-faith effort to comply with the laws identified in
2 item (1) of subsection (a) of Section 10, fails to make a
3 good-faith effort to comply with this Act, or has multiple
4 violations of this Article or the laws identified in item (1)
5 of subsection (a) of Section 10. Prior to suspending or
6 revoking a certificate, the Department of Employment Security
7 must first have sought to conciliate with the business
8 regarding wages and benefits due to employees.

9 Section 25. Administrative review.

10 (a) A business may obtain an administrative hearing before
11 the suspension or revocation of its certificate is effective
12 pursuant to the Illinois Administrative Procedure Acts.

13 (b) The Department of Employment Security shall adopt rules
14 for the fair administration of suspending or revoking equal pay
15 certificates by March 1, 2018.

16 Section 30. Revocation of contract.

17 (a) If a contract is awarded to a business that does have
18 an equal pay certificate as required under Section 10, or a
19 business that is not in compliance with subsection (a) of
20 Section 10, the Department of Employment Security may recommend
21 that the contract be voided by the applicable Chief Procurement
22 Officer as provided by Section 50-60 of the Illinois
23 Procurement Code. The purchasing agency that is a party to the
24 agreement must be notified by the Department of Employment

1 Security prior to the Department of Employment Security making
2 a recommendation to the applicable Chief Procurement Officer.

3 (b) A contract subject to this Act may be amended or
4 terminated upon notice that the Department of Employment
5 Security has suspended or revoked the certificate of the
6 business.

7 Section 35. Technical Assistance. The Department of
8 Employment Security must provide technical assistance to any
9 business that requests assistance regarding this Act.

10 Section 40. Audit. The Department of Employment Security
11 may audit the business' compliance with this Act. As part of an
12 audit, upon request, a business must provide the Department of
13 Employment Security the following information with respect to
14 employees expected to perform work under the contract in each
15 of the major job categories in the Employer Information Report
16 EEO-1:

17 (1) number of male employees;

18 (2) number of female employees;

19 (3) average annualized salaries paid to male employees
20 and to female employees, in the manner most consistent with
21 the employer's compensation system, within each major job
22 category;

23 (4) information on performance payments, benefits, or
24 other elements of compensation, in the manner most

1 consistent with the employer's compensation system, if
2 requested by the Department of Employment Security as part
3 of a determination as to whether these elements of
4 compensation are different for male and female employees;

5 (5) average length of service for male and female
6 employees in each major job category; and

7 (6) other information identified by the business or by
8 the Department of Employment Security, as needed, to
9 determine compliance with items specified in subsection

10 (a) of Section 10.

11 Section 45. Access to data. Data submitted to the
12 Department of Employment Security related to equal pay
13 certificates are private data on individuals or nonpublic data
14 with respect to persons other than Department employees. The
15 Department's decision to issue, not issue, revoke, or suspend
16 an equal pay certificate is public data. The Department shall
17 publish a list of all businesses in compliance with this Act
18 with current and valid equal pay certificates on its website.

19 Section 50. Report. The Department of Employment Security
20 shall report to the Governor and the General Assembly by
21 January 31 of every odd-numbered year, beginning January 31,
22 2019. The report shall indicate the number of equal pay
23 certificates issued, the number of audits conducted, the
24 processes used by contractors to ensure compliance with

1 subsection (a) of Section 10, and a summary of its auditing
2 efforts.

3 Section 55. The State Finance Act is amended by adding
4 Section 5.878 as follows:

5 (30 ILCS 105/5.878 new)

6 Sec. 5.878. The Equal Pay Certificate Fund.

7 Section 99. Effective date. This Act takes effect upon
8 becoming law.