



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB4026

Introduced 1/4/2021, by Sen. Ram Villivalam

SYNOPSIS AS INTRODUCED:

820 ILCS 405/702	from Ch. 48, par. 452
820 ILCS 405/900	from Ch. 48, par. 490
820 ILCS 405/1900	from Ch. 48, par. 640
820 ILCS 405/2206.2 new	

Amends the Unemployment Insurance Act. Provides that a claims adjuster's determination whether a claimant is eligible for unemployment benefits shall state whatever appeal rights the claimant or employer may have, including the ability to request waiver of any recoupment ordered and the standard for such waiver to be granted. Permits the Director of Employment Security to request that the Comptroller and the Secretary of the Treasury withhold any sum of benefits that an ineligible individual has received through the individual's own fault. In a provision prohibiting the disclosure of information obtained from an individual or employing unit in the administration of the Act, provides that an officer or employee of the State or other specified persons who disclose such information without the authority of the Director commit a business offense (rather than a Class B misdemeanor with disqualification from holding any appointment or employment by the State). Provides that, with the written consent of a claimant or employing unit and an agreement not to publicly disclose, the Director shall provide requested information related to a claim to a public officer or his or her agent. Provides that nothing under the Act prohibits the disclosure of contracts entered into by the Department of Employment Security in accordance with the Illinois Procurement Code. Provides that, except as otherwise provided in the Illinois Procurement Code, all contracts for services, purchases, or sales by the Department not subject to public bid shall be made available on the Department's website within 14 days of execution of the contract.

LRB101 23028 KTG 74148 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning employment.

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

4 Section 5. The Unemployment Insurance Act is amended by
5 changing Sections 702, 900, and 1900 and by adding Section
6 2206.2 as follows:

7 (820 ILCS 405/702) (from Ch. 48, par. 452)

8 Sec. 702. Determinations. The claims adjudicator shall for
9 each week with respect to which the claimant claims benefits or
10 waiting period credit, make a "determination" which shall state
11 whether or not the claimant is eligible for such benefits or
12 waiting period credit and the sum to be paid the claimant with
13 respect to such week. The claims adjudicator shall promptly
14 notify the claimant and such employing unit as shall, within
15 the time and in the manner prescribed by the Director, have
16 filed a sufficient allegation that the claimant is ineligible
17 to receive benefits or waiting period credit for said week, of
18 his "determination" and the reasons therefor. The Director may,
19 by rule adopted with the advice and aid of the Employment
20 Security Advisory Board, require that an employing unit with 25
21 or more individuals in its employ during a calendar year, or an
22 entity representing 5 or more employing units during a calendar
23 year, file an allegation of ineligibility electronically in a

1 manner prescribed by the Director for the one year period
2 commencing on July 1 of the immediately succeeding calendar
3 year and ending on June 30 of the second succeeding calendar
4 year. In making his "determination," the claims adjudicator
5 shall give consideration to the information, if any, contained
6 in the employing unit's allegation, whether or not the
7 allegation is sufficient. The claims adjudicator shall deem an
8 employing unit's allegation sufficient only if it contains a
9 reason or reasons therefor (other than general conclusions of
10 law, and statements such as "not actively seeking work" or "not
11 available for work" shall be deemed, for this purpose, to be
12 conclusions of law). If the claims adjudicator deems an
13 allegation insufficient, he shall make a decision accordingly,
14 and shall notify the employing unit of such decision and the
15 reasons therefor. In issuing his or her "determination", the
16 claims adjudicator shall state whatever appeal rights the
17 claimant or employer may have, including the ability to request
18 waiver of any recoupment ordered and the standard for such
19 waiver to be granted. Such decision may be appealed by the
20 employing unit to a Referee within the time limits prescribed
21 by Section 800 for appeal from a "determination". Any such
22 appeal, and any appeal from the Referee's decision thereon,
23 shall be governed by the applicable provisions of Sections 801,
24 803, 804 and 805.

25 (Source: P.A. 97-621, eff. 11-18-11; 98-1133, eff. 12-23-14.)

1 (820 ILCS 405/900) (from Ch. 48, par. 490)

2 Sec. 900. Recoupment.)

3 A. Whenever an individual has received any sum as benefits
4 for which he is found to have been ineligible, the amount
5 thereof may be recovered by suit in the name of the People of
6 the State of Illinois, or, from benefits payable to him, may be
7 recouped:

8 1. At any time, if, to receive such sum, he knowingly
9 made a false statement or knowingly failed to disclose a
10 material fact.

11 2. Within 3 years from any date prior to January 1,
12 1984, on which he has been found to have been ineligible
13 for any other reason, pursuant to a reconsidered finding or
14 a reconsidered determination, or pursuant to the decision
15 of a Referee (or of the Director or his representative
16 under Section 604) which modifies or sets aside a finding
17 or a reconsidered finding or a determination or a
18 reconsidered determination; or within 5 years from any date
19 after December 31, 1983, on which he has been found to have
20 been ineligible for any other reason, pursuant to a
21 reconsidered finding or a reconsidered determination, or
22 pursuant to the decision of a Referee (or of the Director
23 or his representative under Section 604) which modifies or
24 sets aside a finding or a reconsidered finding or a
25 determination or a reconsidered determination. Recoupment
26 pursuant to the provisions of this paragraph from benefits

1 payable to an individual for any week may be waived upon
2 the individual's request, if the sum referred to in
3 paragraph A was received by the individual without fault on
4 his part and if such recoupment would be against equity and
5 good conscience. Such waiver may be denied with respect to
6 any subsequent week if, in that week, the facts and
7 circumstances upon which waiver was based no longer exist.

8 B. Whenever the claims adjudicator referred to in Section
9 702 decides that any sum received by a claimant as benefits
10 shall be recouped, or denies recoupment waiver requested by the
11 claimant, he shall promptly notify the claimant of his decision
12 and the reasons therefor. The decision and the notice thereof
13 shall state the amount to be recouped, the weeks with respect
14 to which such sum was received by the claimant, and the time
15 within which it may be recouped and, as the case may be, the
16 reasons for denial of recoupment waiver. The claims adjudicator
17 may reconsider his decision within one year after the date when
18 the decision was made. Such decision or reconsidered decision
19 may be appealed to a Referee within the time limits prescribed
20 by Section 800 for appeal from a determination. Any such
21 appeal, and any appeal from the Referee's decision thereon,
22 shall be governed by the applicable provisions of Sections 801,
23 803, 804 and 805. No recoupment shall be begun until the
24 expiration of the time limits prescribed by Section 800 of this
25 Act or, if an appeal has been filed, until the decision of a
26 Referee has been made thereon affirming the decision of the

1 Claims Adjudicator.

2 C. Any sums recovered under the provisions of this Section
3 shall be treated as repayments to the Department of sums
4 improperly obtained by the claimant.

5 D. Whenever, by reason of a back pay award made by any
6 governmental agency or pursuant to arbitration proceedings, or
7 by reason of a payment of wages wrongfully withheld by an
8 employing unit, an individual has received wages for weeks with
9 respect to which he has received benefits, the amount of such
10 benefits may be recouped or otherwise recovered as herein
11 provided. An employing unit making a back pay award to an
12 individual for weeks with respect to which the individual has
13 received benefits shall make the back pay award by check
14 payable jointly to the individual and to the Department.

15 E. The amount recouped pursuant to paragraph 2 of
16 subsection A from benefits payable to an individual for any
17 week shall not exceed 25% of the individual's weekly benefit
18 amount.

19 In addition to the remedies provided by this Section, when
20 an individual has, through his or her own fault, received any
21 sum as benefits for which he is found to be ineligible, the
22 Director may request the Comptroller to withhold such sum in
23 accordance with Section 10.05 of the State Comptroller Act and
24 the Director may request the Secretary of the Treasury to
25 withhold such sum to the extent allowed by and in accordance
26 with Section 6402(f) of the federal Internal Revenue Code of

1 1986, as amended. Benefits paid pursuant to this Act shall not
2 be subject to such withholding. Where the Director requests
3 withholding by the Secretary of the Treasury pursuant to this
4 Section, in addition to the amount of benefits for which the
5 individual has been found ineligible, the individual shall be
6 liable for any legally authorized administrative fee assessed
7 by the Secretary, with such fee to be added to the amount to be
8 withheld by the Secretary.

9 (Source: P.A. 97-621, eff. 11-18-11; 97-791, eff. 1-1-13.)

10 (820 ILCS 405/1900) (from Ch. 48, par. 640)

11 Sec. 1900. Disclosure of information.

12 A. Except as provided in this Section, information obtained
13 from any individual or employing unit during the administration
14 of this Act shall:

15 1. be confidential,

16 2. not be published or open to public inspection,

17 3. not be used in any court in any pending action or
18 proceeding,

19 4. not be admissible in evidence in any action or
20 proceeding other than one arising out of this Act.

21 B. No finding, determination, decision, ruling or order
22 (including any finding of fact, statement or conclusion made
23 therein) issued pursuant to this Act shall be admissible or
24 used in evidence in any action other than one arising out of
25 this Act, nor shall it be binding or conclusive except as

1 provided in this Act, nor shall it constitute res judicata,
2 regardless of whether the actions were between the same or
3 related parties or involved the same facts.

4 C. Any officer or employee of this State, any officer or
5 employee of any entity authorized to obtain information
6 pursuant to this Section, and any agent of this State or of
7 such entity who, except with authority of the Director under
8 this Section, shall disclose information shall be guilty of a
9 business offense ~~Class B misdemeanor and shall be disqualified~~
10 ~~from holding any appointment or employment by the State.~~

11 D. An individual or his duly authorized agent may be
12 supplied with information from records only to the extent
13 necessary for the proper presentation of his claim for benefits
14 or with his existing or prospective rights to benefits.
15 Discretion to disclose this information belongs solely to the
16 Director and is not subject to a release or waiver by the
17 individual. Notwithstanding any other provision to the
18 contrary, an individual or his or her duly authorized agent may
19 be supplied with a statement of the amount of benefits paid to
20 the individual during the 18 months preceding the date of his
21 or her request.

22 E. An employing unit may be furnished with information,
23 only if deemed by the Director as necessary to enable it to
24 fully discharge its obligations or safeguard its rights under
25 the Act. Discretion to disclose this information belongs solely
26 to the Director and is not subject to a release or waiver by

1 the employing unit.

2 F. The Director may furnish any information that he may
3 deem proper to any public officer or public agency of this or
4 any other State or of the federal government dealing with:

- 5 1. the administration of relief,
- 6 2. public assistance,
- 7 3. unemployment compensation,
- 8 4. a system of public employment offices,
- 9 5. wages and hours of employment, or
- 10 6. a public works program.

11 The Director may make available to the Illinois Workers'
12 Compensation Commission information regarding employers for
13 the purpose of verifying the insurance coverage required under
14 the Workers' Compensation Act and Workers' Occupational
15 Diseases Act.

16 G. The Director may disclose information submitted by the
17 State or any of its political subdivisions, municipal
18 corporations, instrumentalities, or school or community
19 college districts, except for information which specifically
20 identifies an individual claimant.

21 H. The Director shall disclose only that information
22 required to be disclosed under Section 303 of the Social
23 Security Act, as amended, including:

- 24 1. any information required to be given the United
25 States Department of Labor under Section 303(a)(6); and
- 26 2. the making available upon request to any agency of

1 the United States charged with the administration of public
2 works or assistance through public employment, the name,
3 address, ordinary occupation and employment status of each
4 recipient of unemployment compensation, and a statement of
5 such recipient's right to further compensation under such
6 law as required by Section 303(a) (7); and

7 3. records to make available to the Railroad Retirement
8 Board as required by Section 303(c) (1); and

9 4. information that will assure reasonable cooperation
10 with every agency of the United States charged with the
11 administration of any unemployment compensation law as
12 required by Section 303(c) (2); and

13 5. information upon request and on a reimbursable basis
14 to the United States Department of Agriculture and to any
15 State food stamp agency concerning any information
16 required to be furnished by Section 303(d); and

17 6. any wage information upon request and on a
18 reimbursable basis to any State or local child support
19 enforcement agency required by Section 303(e); and

20 7. any information required under the income
21 eligibility and verification system as required by Section
22 303(f); and

23 8. information that might be useful in locating an
24 absent parent or that parent's employer, establishing
25 paternity or establishing, modifying, or enforcing child
26 support orders for the purpose of a child support

1 enforcement program under Title IV of the Social Security
2 Act upon the request of and on a reimbursable basis to the
3 public agency administering the Federal Parent Locator
4 Service as required by Section 303(h); and

5 9. information, upon request, to representatives of
6 any federal, State or local governmental public housing
7 agency with respect to individuals who have signed the
8 appropriate consent form approved by the Secretary of
9 Housing and Urban Development and who are applying for or
10 participating in any housing assistance program
11 administered by the United States Department of Housing and
12 Urban Development as required by Section 303(i).

13 I. The Director, upon the request of a public agency of
14 Illinois, of the federal government or of any other state
15 charged with the investigation or enforcement of Section 10-5
16 of the Criminal Code of 2012 (or a similar federal law or
17 similar law of another State), may furnish the public agency
18 information regarding the individual specified in the request
19 as to:

20 1. the current or most recent home address of the
21 individual, and

22 2. the names and addresses of the individual's
23 employers.

24 J. Nothing in this Section shall be deemed to interfere
25 with the disclosure of certain records as provided for in
26 Section 1706 or with the right to make available to the

1 Internal Revenue Service of the United States Department of the
2 Treasury, or the Department of Revenue of the State of
3 Illinois, information obtained under this Act.

4 K. The Department shall make available to the Illinois
5 Student Assistance Commission, upon request, information in
6 the possession of the Department that may be necessary or
7 useful to the Commission in the collection of defaulted or
8 delinquent student loans which the Commission administers.

9 L. The Department shall make available to the State
10 Employees' Retirement System, the State Universities
11 Retirement System, the Teachers' Retirement System of the State
12 of Illinois, and the Department of Central Management Services,
13 Risk Management Division, upon request, information in the
14 possession of the Department that may be necessary or useful to
15 the System or the Risk Management Division for the purpose of
16 determining whether any recipient of a disability benefit from
17 the System or a workers' compensation benefit from the Risk
18 Management Division is gainfully employed.

19 M. This Section shall be applicable to the information
20 obtained in the administration of the State employment service,
21 except that the Director may publish or release general labor
22 market information and may furnish information that he may deem
23 proper to an individual, public officer or public agency of
24 this or any other State or the federal government (in addition
25 to those public officers or public agencies specified in this
26 Section) as he prescribes by Rule.

1 N. The Director may require such safeguards as he deems
2 proper to insure that information disclosed pursuant to this
3 Section is used only for the purposes set forth in this
4 Section.

5 O. Nothing in this Section prohibits communication with an
6 individual or entity through unencrypted e-mail or other
7 unencrypted electronic means as long as the communication does
8 not contain the individual's or entity's name in combination
9 with any one or more of the individual's or entity's social
10 security number; driver's license or State identification
11 number; credit or debit card number; or any required security
12 code, access code, or password that would permit access to
13 further information pertaining to the individual or entity.

14 P. (Blank).

15 P-1. With the express written consent of a claimant or
16 employing unit and an agreement not to publicly disclose, the
17 Director shall provide requested information related to a claim
18 to a public officer or his or her agent.

19 Q. The Director shall make available to an elected federal
20 official the name and address of an individual or entity that
21 is located within the jurisdiction from which the official was
22 elected and that, for the most recently completed calendar
23 year, has reported to the Department as paying wages to
24 workers, where the information will be used in connection with
25 the official duties of the official and the official requests
26 the information in writing, specifying the purposes for which

1 it will be used. For purposes of this subsection, the use of
2 information in connection with the official duties of an
3 official does not include use of the information in connection
4 with the solicitation of contributions or expenditures, in
5 money or in kind, to or on behalf of a candidate for public or
6 political office or a political party or with respect to a
7 public question, as defined in Section 1-3 of the Election
8 Code, or in connection with any commercial solicitation. Any
9 elected federal official who, in submitting a request for
10 information covered by this subsection, knowingly makes a false
11 statement or fails to disclose a material fact, with the intent
12 to obtain the information for a purpose not authorized by this
13 subsection, shall be guilty of a Class B misdemeanor.

14 R. The Director may provide to any State or local child
15 support agency, upon request and on a reimbursable basis,
16 information that might be useful in locating an absent parent
17 or that parent's employer, establishing paternity, or
18 establishing, modifying, or enforcing child support orders.

19 S. The Department shall make available to a State's
20 Attorney of this State or a State's Attorney's investigator,
21 upon request, the current address or, if the current address is
22 unavailable, current employer information, if available, of a
23 victim of a felony or a witness to a felony or a person against
24 whom an arrest warrant is outstanding.

25 T. The Director shall make available to the Department of
26 State Police, a county sheriff's office, or a municipal police

1 department, upon request, any information concerning the
2 current address and place of employment or former places of
3 employment of a person who is required to register as a sex
4 offender under the Sex Offender Registration Act that may be
5 useful in enforcing the registration provisions of that Act.

6 U. The Director shall make information available to the
7 Department of Healthcare and Family Services and the Department
8 of Human Services for the purpose of determining eligibility
9 for public benefit programs authorized under the Illinois
10 Public Aid Code and related statutes administered by those
11 departments, for verifying sources and amounts of income, and
12 for other purposes directly connected with the administration
13 of those programs.

14 V. The Director shall make information available to the
15 State Board of Elections as may be required by an agreement the
16 State Board of Elections has entered into with a multi-state
17 voter registration list maintenance system.

18 W. The Director shall make information available to the
19 State Treasurer's office and the Department of Revenue for the
20 purpose of facilitating compliance with the Illinois Secure
21 Choice Savings Program Act, including employer contact
22 information for employers with 25 or more employees and any
23 other information the Director deems appropriate that is
24 directly related to the administration of this program.

25 X. The Director shall make information available, upon
26 request, to the Illinois Student Assistance Commission for the

1 purpose of determining eligibility for the adult vocational
2 community college scholarship program under Section 65.105 of
3 the Higher Education Student Assistance Act.

4 Y. Nothing in this Section prohibits disclosure of
5 contracts entered into by the Department in accordance with the
6 Illinois Procurement Code.

7 (Source: P.A. 100-484, eff. 9-8-17; 101-315, eff. 1-1-20.)

8 (820 ILCS 405/2206.2 new)

9 Sec. 2206.2. Vendor contracts. Except as otherwise
10 provided in the Illinois Procurement Code, all contracts for
11 services, purchases, or sales by the Department not subject to
12 public bid shall be made available on the Department's website
13 within 14 days of execution of the contract. Any contract
14 subject to publication under this Section shall also include a
15 provision identifying an individual designated to act as
16 community liaison for the purpose of responding to public
17 inquiries regarding the contract. This Section shall apply
18 regardless of the source of the funds with which the contracts
19 are paid, including federal assistance moneys, unless
20 otherwise prohibited by federal law.