

## Rep. Justin Slaughter

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## Filed: 2/22/2022

|    | 10200HB3215ham002 LRB102 13303 RLC 35076 a                     |
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| 1  | AMENDMENT TO HOUSE BILL 3215                                   |
| 2  | AMENDMENT NO Amend House Bill 3215 by replacing                |
| 3  | everything after the enacting clause with the following:       |
| 4  | "Section 1. Short title. This Act may be cited as the          |
| 5  | Securing All Futures through Equitable Reinvestment in         |
| 6  | Communities Pilot Program Act.                                 |
| 7  | Section 5. Intent. The intent of this Act is to facilitate     |
| 8  | the re-entry into society of formerly incarcerated individuals |
| 9  | by creating financial incentives, in the form of wage          |
| 10 | subsidies, for employers that hire formerly incarcerated       |
| 11 | individuals.   |
| 12 | Section 10. Findings and purpose. In order to reverse the      |
| 13 | trend of high unemployment among formerly incarcerated         |

individuals and to help spur the economy to recovery, it is

necessary to assist individuals in accessing self-supporting,

- 1 full-time work.
- 2 Section 15. Definitions. In this Act:
- 3 "Applicant" means a person who is operating a business
  4 located within this State that:
- 5 (1) is engaged in interstate or intrastate commerce;
- 6 and
- 7 (2) hires a participant for a position under a union
- 8 contract, or for a position that offers a basic wage
- 9 and benefits package as compensation. In the case of
- any person who is a member of a unitary business group
- within the meaning of paragraph (27) of subsection (a)
- 12 of Section 1501 of the Illinois Income Tax Act,
- "applicant" refers to the unitary business group.
- "Basic wage" means a minimum of \$20 per hour as
- 15 compensation.
- "Benefits package" means the new full-time employee's
- benefits outside of the employee's basic wage including:
- 18 (1) a minimum of 5 days of earned sick leave; and
- 19 (2) a minimum of 5 days of paid vacation.
- "Certificate of eligibility" means the certificate issued
- 21 by the Department under Section 30 of this Act.
- "Date of hire" means the first day upon which the
- 23 participant begins providing services as an employee of the
- 24 applicant under a union contract or for a basic wage and
- 25 benefits package as compensation.

- 1 "Department" means the Department of Commerce and Economic
- 2 Opportunity, unless the text specifies another particular
- 3 Department.
- 4 "Director" means the Director of Commerce and Economic
- 5 Opportunity.
- 6 "Disproportionately impacted area" means a census tract or
- 7 comparable geographic area that has high rates of arrest,
- 8 conviction, and incarceration among residents, as determined
- 9 by the Department of Commerce and Economic Opportunity.
- "Full-time employee" means an individual who has a
- 11 position under union contract or is employed for a basic wage
- for at least 35 hours each week and receives a benefits package
- 13 as compensation.
- "Incentive period" means the period beginning on March 1,
- 15 2023 and ending on February 28, 2028.
- "Noncompliance date" means, in the case of an applicant
- 17 that is not complying with the requirements of the provisions
- 18 of this Act, the date upon which the applicant became
- 19 noncompliant with the requirements of the provisions of this
- 20 Act, as determined by the Director under Section 60.
- 21 "Participant" means a full-time employee who:
- 22 (1) was unemployed or making less than the basic wage
- referred to in this Section before being hired by an
- 24 applicant;
- 25 (2) served a sentence of incarceration;
- 26 (3) is registered for the pilot program described in

| 1        | Section | 25: | and  |
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(4) is subsequently hired during the incentive period by an applicant for a position under union contract or for a position that offers a basic wage and benefits package as compensation.

"Participant" does not include a person who was employed prior to the onset of the incentive period as a full-time employee by the applicant or a related member of the applicant that has more than 15 total employees.

"Re-entering person" means any individual who is in physical custody of the Department of Corrections and is scheduled to be released from custody within 12 months.

"Wage subsidy" means the amount awarded by the Department to an applicant by issuance of a certificate under Section 35 for each participant hired.

Section 20. Powers of the Department. The Department, in addition to those powers granted under the Department of Commerce and Economic Opportunity Law, is granted and shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this Act, including, but not limited to, power and authority to:

(1) adopt rules deemed necessary and appropriate for the administration of this Act; establish forms for applications, notifications, contracts, or any other agreements; and accept applications at any time during the

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year and require that all applications be submitted via the Internet. The Department shall require that applications be submitted in electronic form;

- (2) provide guidance and assistance to an applicant pursuant to the provisions of this Act, and cooperate with applicants to promote, foster, and support job creation within the State;
- (3) enter into agreements and memoranda of understanding for participation of and cooperation with agencies of the federal government, units of local government, universities, research foundations or institutions, regional economic development corporations, or other organizations for the purposes of this Act;
- (4) gather information and conduct inquiries, in the manner and by the methods it deems desirable, including, but not limited to, gathering information with respect to applicants for the purpose of making any designations or certifications necessary or desirable or to gather information in furtherance of the purposes of this Act;
- (5) establish, negotiate, and effectuate any term, agreement, or other document with any person necessary or appropriate to accomplish the purposes of this Act; and consent, subject to the provisions of any agreement with another party, to the modification or restructuring of any agreement to which the Department is a party;
  - (6) provide for sufficient personnel to permit

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administration, staffing, operation, and related support required to adequately discharge its duties and responsibilities described in this Act from funds made available through charges to applicants or from funds as may be appropriated by the General Assembly for the administration of this Act;

- (7) require applicants, upon written request, to issue any necessary authorization to the appropriate federal, State, or local authority or any other person for the release to the Department of information requested by the Department, with the information requested to include, but not limited to, financial reports, returns, or records relating to the applicant or to the amount of wage subsidy allowable under this Act;
- (8) require that an applicant shall, at all times, keep proper books of record and account in accordance with generally accepted accounting principles consistently applied with the books, records, or papers related to the agreement in the custody or control of the applicant open for reasonable Department inspection and audits, and including, but not limited to, the making of copies of the books, records, or papers; and
- (9) take whatever actions are necessary or appropriate to protect the State's interest in the event of bankruptcy, default, foreclosure, or noncompliance with the terms and conditions of financial assistance or

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participation required under this Act, including the power to sell, dispose of, lease, or rent, upon terms and conditions determined by the Director to be appropriate, real or personal property that the Department may recover as a result of these actions.

Section 25. Pilot program.

- 7 (a) The wage subsidy shall only apply to a maximum of 20,000 participants for the duration of the incentive period.
  9 A maximum of 10,000 participants shall consist of persons released from prison on or after January 1, 2022. A maximum of 10,000 participants shall consist of persons released from prison between January 1, 2012 and December 31, 2021.
- 13 (b) The Department shall maintain a database of all participants for the duration of the incentive period.
  - (1) Individuals seeking to participate in the pilot program shall register with the Department on or after January 1, 2023.
  - (2) The Department shall verify individuals' eligibility to participate in the program by checking their employment and incarceration history.
  - (3) The Department shall mail a written letter containing a denial or confirmation of the individual's eligibility to participate in the program to the primary address of the individual. The Department shall also send an email with an electronic version of the letter attached

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- 1 to the primary email address of the individual.
- 2 (A) The denial letter shall state the reason why
  3 the individual is being denied.
- 4 (B) The confirmation letter shall state the identifying number assigned to the individual.
- 6 (c) The Department shall maintain a record of the 7 participants and the corresponding applicant.
  - (1) Each applicant shall, on a monthly basis starting from receipt of the certificate of eligibility for the wage subsidy, submit a year-to-date report of the employment of participants to remain in good standing to receive the wage subsidy.
- 13 (2) The reports shall be submitted in the form and
  14 manner required by the Department.
- 15 Section 30. Certificate of eligibility for wage subsidy.
- 16 (a) An applicant who hires a participant as a full-time
  17 employee during the incentive period may apply for a
  18 certificate of eligibility for the wage subsidy on or after
  19 the date of hire.
- 20 (b) An applicant may apply for a certificate of 21 eligibility for the wage subsidy for more than one participant 22 on or after the date of hire of each qualifying participant. 23 The application shall include the following:
- 24 (1) the name, social security number or individual 25 taxpayer identification number, job description, salary or

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| L | wage rate, and date of hire of each participant with     |
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| 2 | respect to whom the wage subsidy is being requested, and |
| 3 | whether each participant is registered in the pilot      |
| 4 | program described in Section 25;                         |

- (2) the number of participants hired by the applicant during the incentive period;
- (3) an agreement that the Director is authorized to verify with the appropriate State agencies the information contained in the request before issuing a certificate to the applicant;
- (4) the physical address of the workplace to which the participant reports for work; and
- (5) any other information the Department determines to be appropriate.
- (c) After receipt of an application and approval of eligibility under this Section, the Department shall issue a certificate of eligibility to all qualified applicants, stating:
  - (1) the date and time on which the application was received by the Department and an identifying number assigned to the applicant by the Department; and
  - (2) the monthly amount of wage subsidy the applicant would receive under this Act with respect to the new employees listed on the application.
- 25 (d) After the initial certificate of eligibility is 26 issued, the applicant must submit a monthly report of

- 1 employment of all participants to the Department. The
- 2 Department shall review the report on a monthly basis and
- 3 determine the applicant's eligibility for a monthly wage
- 4 subsidy under this Act.
- 5 Section 35. Wage subsidy.
- 6 (a) Subject to the conditions set forth in this Act, an
- 7 applicant with a certificate of eligibility is entitled to a
- 8 monthly wage subsidy for each participant who was employed for
- 9 a full calendar month by the applicant, provided that the
- 10 following conditions are met:
- 11 (1) the participant was continuously employed under a
- union contract or for a basic wage and benefits package;
- 13 and
- 14 (2) starting from the date of hire of the participant,
- the applicant maintained or increased the total number of
- 16 full-time Illinois employees.
- 17 (b) The Department shall make monthly wage subsidy
- 18 payments to qualified applicants with a certificate of
- 19 eligibility who are in compliance with the requirements of the
- 20 provisions of this Act.
- 21 (c) The Department shall issue a wage subsidy payment to
- 22 the applicant for each participant who was continuously
- 23 employed for an entire calendar month after the date on which
- 24 the certificate is issued by the Department, and each month
- 25 thereafter during the incentive period for as long as the

- 1 participant's employment with the applicant is continuously
- maintained and the Department determines the applicant is in 2
- compliance with the requirements of the provisions of this 3
- 4 Act.
- 5 The monetary amount of each monthly wage subsidy
- payment awarded to an applicant for each participant who was 6
- continuously employed for an entire calendar month shall 7
- 8 equal:
- (1) \$1,250 for all applicants whose workplaces are 9
- 10 located in disproportionately impacted areas as defined in
- Section 15: and 11
- (2) \$850 for all other applicants. 12
- 13 Section 40. Maximum amount of wage subsidies allowed. To
- 14 the extent authorized by Section 35 of this Act, during the
- 15 incentive period the Department shall limit the total monetary
- amount of wage subsidies awarded under this Act to no more than 16
- \$1,500,000,000. If applications for a greater amount are 17
- 18 received, wage subsidies shall be allowed on
- 19 first-come-first-served basis, based on the date on which each
- 20 properly completed application for a certificate
- 21 eligibility is received by the Department. If more than one
- 22 certificate of eligibility is received on the same day, the
- 23 wage subsidies will be awarded based on the time of submission
- for that particular day. 24

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- 1 Section 45. Noncompliance.
  - (a) If the Director determines that an applicant who has received a wage subsidy under this Act is not complying with the requirements of the provisions of this Act, the Director shall provide notice to the applicant of the alleged noncompliance, and allow the applicant a hearing under the provisions of the Illinois Administrative Procedure Act.
  - (b) If, after such notice and any hearing, the Director determines that noncompliance exists, the Director shall issue notice to the applicant to that effect stating the noncompliance date.
    - Section 50. Awareness promotion of the pilot program. From January 1, 2023 through the end of the incentive period, the Department of Corrections shall implement procedures to promote awareness and participation in the Securing All Futures through Equitable Reinvestment in Communities Pilot Program among re-entering persons, including but not limited to the following:
    - (1) the Department of Corrections shall ensure that the wardens or superintendents of all correctional institutions and facilities visibly post information about the availability and registration process for the Securing All Futures through Equitable Reinvestment in Communities Pilot Program in all common areas of their respective institutions, and shall broadcast the same via in-house institutional information

- 1 television channels. The Department of Corrections shall
- ensure that updated information is distributed in a timely, 2
- 3 visible, and accessible manner;
- 4 (2) the Department of Corrections shall ensure that upon
- 5 release as a committed person on parole, mandatory supervised
- release, aftercare release, final discharge, or pardon, a 6
- individual shall be provided with written 7 re-entering
- 8 information about the availability and registration process
- for the Securing All Futures through Equitable Reinvestment in 9
- 10 Communities Pilot Program;
- 11 (3) the Department of Corrections shall provide direction
- to each parole office within this State, information about the 12
- 13 availability and registration process for the Securing All
- 14 Futures through Equitable Reinvestment in Communities Pilot
- 15 Program is posted in a visible and accessible manner; and
- 16 (4) the Department of Corrections shall distribute written
- information about the availability and registration process 17
- 18 for the Securing All Futures through Equitable Reinvestment in
- Communities Pilot Program to the Community Support Advisory 19
- 20 Councils of the Department of Corrections for use in re-entry
- 2.1 programs across this State.
- 22 Section 55. Subject to appropriations. The Securing
- 23 All Futures through Equitable Reinvestment in Communities
- 24 Program described in this Act is subject
- 25 appropriations to the Department. The Department may use State

- 1 or federal funding to administer the program.
- Section 60. Rulemaking authority. 2
- 3 (a) The Department may adopt rules necessary to implement
- 4 this Act. The rules may provide for recipients of wage
- 5 subsidies under this Act to be charged fees to cover
- administrative costs of the Securing All Futures through 6
- 7 Equitable Reinvestment in Communities Pilot Program. Any
- 8 administrative rules necessary to implement this Act shall be
- 9 filed by the Department within 6 months following the
- effective date of this Act. 10
- (b) The Department of Corrections shall adopt rules to 11
- 12 carry out this Act within 6 months after the effective date of
- this Act. 13
- 14 Section 99. Effective date. This Act takes effect upon
- becoming law.". 15