



Rep. Marcus C. Evans, Jr.

Filed: 2/28/2022

10200HB5412ham002

LRB102 25322 SPS 36988 a

1 AMENDMENT TO HOUSE BILL 5412

2 AMENDMENT NO. _____. Amend House Bill 5412, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Wage Payment and Collection Act
6 is amended by adding Section 13.5 as follows:

7 (820 ILCS 115/13.5 new)

8 Sec. 13.5. Primary contractor responsibility for wage
9 claims in construction industry.

10 (a) For all contracts entered into on or after July 1,
11 2022, a primary contractor making or taking a contract in the
12 State for the erection, construction, alteration, or repair of
13 a building, structure, or other private work in the State,
14 shall assume, and is liable for, any debt owed to a claimant
15 under this Section or to a third party on a wage claimant's
16 behalf incurred pursuant to this Act by a subcontractor at any

1 tier acting under, by, or for the primary contractor for the
2 wage claimant's performance of labor included in the subject
3 of the contract between the primary contractor and the owner.
4 This Section does not apply to work performed by a contractor
5 of the State, a special district, a city, a county, or any
6 political subdivision of the State.

7 (b) As used in this Section:

8 "Construction" means building, altering, repairing,
9 improving, or demolishing any structure or building or making
10 improvements of any kind to real property.

11 "Primary contractor" means a contractor that has a direct
12 contractual relationship with a property owner. "Primary
13 contractor" may have the same meaning as a "general
14 contractor", "prime contractor", or "construction manager". A
15 property owner who acts as a primary contractor related to the
16 erection, construction, alteration, or repair of his or her
17 primary residence shall be exempt from liability under this
18 Section.

19 "Private work" means any erection, construction,
20 alteration, or repair of a building, structure, or other work.

21 "Subcontractor" means a contractor that has a contractual
22 relationship with the primary contractor or with another
23 subcontractor at any tier, who furnishes any goods or services
24 in connection with the contract between the primary contractor
25 and the property owner, but does not include contractors who
26 solely provide goods and transport of such goods related to

1 the contract.

2 (c) The primary contractor's liability under this Section
3 shall extend only to any unpaid wages or fringe or other
4 benefit payments or contributions, including interest owed,
5 penalties assessed by the Department, and reasonable
6 attorney's fees, but shall not extend to liquidated damages.

7 (d) A primary contractor or any other person shall not
8 evade or commit any act that negates the requirements of this
9 Section. Except as otherwise provided in a contract between
10 the primary contractor and the subcontractor, the
11 subcontractor shall indemnify the primary contractor for any
12 wages, fringe or other benefit payments or contributions,
13 damages, interest, penalties, or attorney's fees owed as a
14 result of the subcontractor's failure to pay wages or fringe
15 or other benefit payments or contributions as provided in this
16 Section, unless the subcontractor's failure to pay was due to
17 the primary contractor's failure to pay moneys due to the
18 subcontractor in accordance with the terms of their
19 contractual relationship.

20 (e) Nothing in this Section shall supersede or modify the
21 obligations and liability that any primary contractor,
22 subcontractor, or property owner may bear as an employer under
23 this Act or any other applicable law. The obligations and
24 remedies provided in this Section shall be in addition to any
25 obligations and remedies otherwise provided by law. Nothing in
26 this Section shall be construed to impose liability on a

1 primary contractor for anything other than unpaid wages,
2 fringe or other benefit payments or contributions, penalties
3 assessed by the Department, interest owed, and reasonable
4 attorney's fees.

5 (f) Claims brought pursuant to this Section shall be done
6 so in accordance with Section 11 and 11.5 of this Act. Nothing
7 in this Section shall be construed to provide a third party
8 with the right to file a complaint with the Department
9 alleging violation of this Section.

10 (g) Primary contractors who are parties to a collective
11 bargaining agreement whose terms address subcontracting
12 liability on the project where the work is being performed
13 shall be exempt from this Act.

14 (h) Prior to the commencement of any civil action, a
15 claimant or a representative of a claimant shall provide
16 written notice to the employer and to the primary contractor
17 detailing the nature and basis for the claim. Failure of the
18 employer or the primary contractor to resolve the claim within
19 10 days after receipt of this notice, or during any agreed upon
20 period extending this deadline, may result in the filing of a
21 civil action to enforce the provisions of this Act.

22 Section 99. Effective date. This Act takes effect upon
23 becoming law."