



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

SB1255

Introduced 2/9/2007, by Sen. Michael Noland

#### SYNOPSIS AS INTRODUCED:

New Act  
30 ILCS 500/30-45  
30 ILCS 805/8.31 new

Creates the Job Preservation Act of 2007. Provides that companies that lose 100 or more employees due to outsourcing of jobs are ineligible to receive procurement contracts with the State, units of local government, or school districts and to receive government grants, loans, tax incentives, or other economic incentives. Requires certain companies that lose 100 or more employees to notify the Department of Labor about the loss. Requires the Department to send a survey to companies that report the loss of 100 or more employees in order to determine the number of employees lost because of outsourcing jobs outside of the United States. Requires the Department to provide written notice to the Governor, the General Assembly, State agencies, units of local government, and school districts. Preempts home rule powers. Exempts from the reimbursement requirements of the State Mandates Act. Effective immediately.

LRB095 07658 RCE 27810 b

FISCAL NOTE ACT  
MAY APPLY

HOME RULE NOTE  
ACT MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

1 AN ACT concerning jobs.

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 Job  
5 Preservation Act of 2007.

6 Section 5. Legislative declaration. The General Assembly  
7 finds, determines, and declares that:

8 (1) In recent years, a number of companies have  
9 replaced highly-skilled workers from this State with  
10 lower-paid, foreign laborers, a practice that is known as  
11 outsourcing.

12 (2) In many cases, the impetus for the outsourcing is  
13 pressure from domestic and foreign capital venture  
14 companies that see foreign labor as a way of increasing  
15 their already significant profits.

16 (3) The preservation of jobs in this State is of  
17 critical importance to the economic vitality of the State  
18 and the local communities within the State.

19 (4) The economic dislocation caused by a company  
20 outsourcing jobs threatens the health, safety, and welfare  
21 of the people of this State.

22 (5) A company that engages in outsourcing should not  
23 enjoy the benefits of a lucrative State or local

1 procurement contract.

2 (6) Companies should also be prohibited from receiving  
3 grants, loans, tax incentives, or other economic  
4 incentives from State and local government.

5 Section 10. Definitions. In this Act, unless the context  
6 otherwise requires:

7 (1) "Company" means any corporation, subchapter S  
8 corporation, professional corporation, business trust,  
9 estate, trust, joint stock company, joint venture, limited  
10 liability company, partnership, association,  
11 unincorporated association, society, or any other  
12 nongovernmental legal entity. "Company" also includes any  
13 subsidiary, parent, merged, or acquired company.

14 (2) "Department" means the Department of Labor.

15 (3) "Director" means the Director of Labor.

16 (4) "Local government" means a unit of local government  
17 or a school district.

18 (5) "Procurement" means any State or local government  
19 contract that exceeds \$500.

20 (6) "State" means a department, office, commission,  
21 institution, board, or other agency of State government,  
22 including an institution of higher education.

23 (7) "Survey" means the job relocation survey that the  
24 Director prepares in accordance with the provisions of this  
25 Act.

1 Section 15. Job relocation; notice; survey.

2 (a) On or before January 31, 2008, and each January 31  
3 thereafter, any company doing business in this State that had a  
4 net loss of 100 or more employees in the State during the prior  
5 calendar year must notify the Department of the loss.

6 (b) The Director shall prepare a job relocation survey to  
7 be completed by a company that notifies the Department pursuant  
8 to this Section. In addition to any other information required  
9 by the Director, the survey shall include the following:

10 (1) The name and principal place of business of the  
11 company.

12 (2) Identification of any procurement contracts that  
13 the company has with the State or a local government.

14 (3) Identification of any grants, loans, tax  
15 incentives, or other economic development incentives that  
16 the company has received from the State or a local  
17 government during the previous 10 years.

18 (4) A statement of the number of employees of the  
19 company that lost their jobs in the preceding calendar  
20 year.

21 (5) A statement of the number of jobs that were added  
22 in this State the preceding calendar year.

23 (6) A statement of the number of jobs that employees  
24 lost that were caused as a result of the company  
25 outsourcing the jobs to employees located outside of the

1 United States.

2 (c) A company shall complete and return the survey to the  
3 Department within 30 days after receiving it. A company that  
4 fails to respond to the survey within that 30-day period is  
5 subject to the penalties set forth in this Act until the time  
6 that the survey is completed.

7 (d) Any person who believes that he or she lost his or her  
8 job as a result of a company outsourcing jobs to employees  
9 located outside of the United States is encouraged to report  
10 all relevant information to the Department.

11 Section 20. Outsourcing; penalties.

12 (a) Notwithstanding any provision of law to the contrary,  
13 if a company has had a net loss of 100 or more employees in this  
14 State during the prior calendar year and the loss was caused by  
15 the relocation of 100 or more jobs from this State to a site  
16 that is located outside of the United States, then that company  
17 shall, for a period of 7 years, be ineligible to:

18 (1) Enter into a procurement contract with the State or  
19 a local government.

20 (2) Receive any government grant, loan, tax incentive,  
21 or other economic incentive from the State or a local  
22 government.

23 (3) Use any bonds, bond proceeds, or bond benefits from  
24 the State or a local government.

25 (b) The Director shall provide written notice of any

1 company identified in subsection (a) of this Section to each of  
2 the following: (i) the Governor; (ii) the General Assembly;  
3 (iii) each State agency; (iv) each institution of higher  
4 education; and (v) each local government.

5 (c) The 7-year period of ineligibility under subsection (a)  
6 of this Section commences on the date of the written notice  
7 provided by the Director pursuant to subsection (b) of this  
8 Section.

9 Section 25. Home rule. A home rule unit may not regulate  
10 companies that outsource jobs in a manner less restrictive than  
11 the regulation by the State under this Act. This Act is a  
12 limitation under subsection (i) of Section 6 of Article VII of  
13 the Illinois Constitution on the concurrent exercise by home  
14 rule units of powers and functions exercised by the State.

15 Section 90. The Illinois Procurement Code is amended by  
16 changing Section 30-45 as follows:

17 (30 ILCS 500/30-45)

18 Sec. 30-45. Other Acts. This Article is subject to  
19 applicable provisions of the following Acts:

20 (1) the Prevailing Wage Act;

21 (2) the Public Construction Bond Act;

22 (3) the Public Works Employment Discrimination Act;

23 (4) the Public Works Preference Act;

- 1 (5) the Employment of Illinois Workers on Public Works  
2 Act;  
3 (6) the Public Contract Fraud Act; ~~and~~  
4 (7) the Illinois Construction Evaluation Act; ~~and~~  
5 (8) the Job Preservation Act of 2007.

6 (Source: P.A. 90-572, eff. date - See Sec. 99-5.)

7 Section 95. The State Mandates Act is amended by adding  
8 Section 8.31 as follows:

9 (30 ILCS 805/8.31 new)

10 Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8  
11 of this Act, no reimbursement by the State is required for the  
12 implementation of any mandate created by this amendatory Act of  
13 the 95th General Assembly.

14 Section 99. Effective date. This Act takes effect upon  
15 becoming law.