



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

SB2538

Introduced 2/15/2008, by Sen. Susan Garrett

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Department of Central Management Services Law. Requires the Department of Central Management Services, in cooperation with the Department of Human Services, to develop and implement plans to increase the number of individuals with a disability employed by State government. Amends the Department of Commerce and Economic Opportunity Law. Requires the Department of Commerce and Economic Opportunity, in cooperation with the Department of Human Services, to develop and implement a public awareness campaign designed to increase statewide awareness of issues that affect individuals with a disability. Sets forth requirements for the public awareness campaign. Amends the Department of Human Services Act. Requires the Department of Human Services to establish procedures and adopt rules for the certification of employees and individuals with a disability with respect to certain tax credits set forth under the Illinois Income Tax Act. Amends the Illinois Procurement Code. Requires that each notice of a contract contain a statement to encourage prospective vendors to hire individuals with a disability. Provides that a chief procurement officer may encourage prospective vendors to consider hiring individuals with a disability. Amends the Illinois Income Tax Act. Creates a tax credit for taxpayers who, during the taxable year, pay wages to an employee with a disability. Creates a tax credit for taxpayers who, during the taxable year, hire a net new qualified employee with a disability. Creates a tax credit for taxpayers who are qualified individuals with a disability. Sets forth the amounts and requirements for these credits. Effective immediately.

LRB095 17103 BDD 43157 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning persons with disabilities.

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

4 Section 5. The Department of Central Management Services  
5 Law of the Civil Administrative Code of Illinois is amended by  
6 adding Section 405-122 as follows:

7 (20 ILCS 405/405-122 new)

8 Sec. 405-122. Employees with a disability. The Department,  
9 in cooperation with the Department of Human Services, shall  
10 develop and implement plans to increase the number of  
11 individuals with a disability employed by State government. The  
12 Department must submit a report, annually, to the Governor and  
13 to the General Assembly concerning its actions under this  
14 Section.

15 Section 10. The Department of Commerce and Economic  
16 Opportunity Law of the Civil Administrative Code of Illinois is  
17 amended by adding Sections 605-813 as follows:

18 (20 ILCS 605/605-813 new)

19 Sec. 605-813. Public awareness campaign concerning  
20 disability issues. The Department, in cooperation with the  
21 Department of Human Services, shall develop and implement a

1 public awareness campaign designed to increase statewide  
2 awareness of issues that affect individuals with a disability.  
3 The public awareness campaign must address, without  
4 limitation, issues concerning:

5 (1) the State's duties and responsibilities concerning  
6 the employment of individuals with a disability;

7 (2) the availability of income tax credits for  
8 taxpayers who employ individuals with a disability under  
9 Sections 218 and 219 of the Illinois Income Tax Act;

10 (3) the availability of income tax credits for  
11 individuals with disabilities under Section 220 of the  
12 Illinois Income Tax Act;

13 (4) the availability of the Medicaid for Working  
14 Persons with Disabilities program; and

15 (5) other programs and services available to  
16 individuals with a disability under State and federal law.

17 Section 15. The Department of Human Services Act is amended  
18 by adding Section 10-56 as follows:

19 (20 ILCS 1305/10-56 new)

20 Sec. 10-56. Certifications of disability for certain tax  
21 credits. The Department, in cooperation with the Department of  
22 Revenue, shall establish procedures and adopt rules for the  
23 certification of employees with a disability and individuals  
24 with a disability with respect to the tax credits set forth

1 under Sections 218, 219, and 220 of the Illinois Income Tax  
2 Act.

3 Section 20. The Illinois Procurement Code is amended by  
4 changing Section 15-25 and by adding Section 45-90 as follows:

5 (30 ILCS 500/15-25)

6 Sec. 15-25. Bulletin content.

7 (a) Invitations for bids. Notice of each and every contract  
8 that is offered, including renegotiated contracts and change  
9 orders, shall be published in the Bulletin. The applicable  
10 chief procurement officer may provide by rule an organized  
11 format for the publication of this information, but in any case  
12 it must include at least the date first offered, the date  
13 submission of offers is due, the location that offers are to be  
14 submitted to, the purchasing State agency, the responsible  
15 State purchasing officer, a brief purchase description, the  
16 method of source selection, information of how to obtain a  
17 comprehensive purchase description and any disclosure and  
18 contract forms, and encouragement to prospective vendors to  
19 hire qualified veterans, as defined by Section 45-67 of this  
20 Code, individuals with a disability, and Illinois residents  
21 discharged from any Illinois adult correctional center.

22 (b) Contracts let or awarded. Notice of each and every  
23 contract that is let or awarded, including renegotiated  
24 contracts and change orders, shall be published in the next

1 available subsequent Bulletin, and the applicable chief  
2 procurement officer may provide by rule an organized format for  
3 the publication of this information, but in any case it must  
4 include at least all of the information specified in subsection  
5 (a) as well as the name of the successful responsible bidder or  
6 offeror, the contract price, the number of unsuccessful  
7 responsive bidders, and any other disclosure specified in any  
8 Section of this Code. This notice must be posted in the online  
9 electronic Bulletin prior to execution of the contract.

10 (c) Emergency purchase disclosure. Any chief procurement  
11 officer, State purchasing officer, or designee exercising  
12 emergency purchase authority under this Code shall publish a  
13 written description and reasons and the total cost, if known,  
14 or an estimate if unknown and the name of the responsible chief  
15 procurement officer and State purchasing officer, and the  
16 business or person contracted with for all emergency purchases  
17 in the next timely, practicable Bulletin. This notice must be  
18 posted in the online electronic Bulletin within 3 business days  
19 after the execution of the contract.

20 (d) Other required disclosure. The applicable chief  
21 procurement officer shall provide by rule for the organized  
22 publication of all other disclosure required in other Sections  
23 of this Code in a timely manner.

24 (Source: P.A. 94-1067, eff. 8-1-06; 95-536, eff. 1-1-08.)

1       Sec. 45-90. Encouragement to hire qualified individuals  
2 with a disability. A chief procurement officer may, as part of  
3 any solicitation, encourage prospective vendors to consider  
4 hiring qualified individuals with a disability and to notify  
5 them of any available financial incentives or other advantages  
6 associated with hiring such persons.

7       Section 25. The Illinois Income Tax Act is amended by  
8 adding Sections 218, 219, and 220 as follows:

9           (35 ILCS 5/218 new)

10       Sec. 218. Credit for wages paid to employees with a  
11 disability.

12       (a) For taxable years ending on or after December 31, 2008,  
13 each taxpayer who, during the taxable year, pays wages to an  
14 employee with a disability is entitled to credit against the  
15 tax imposed by subsections (a) and (b) of Section 201 of this  
16 Act in an amount set forth under subsections (b) and (c) of  
17 this Section.

18       (b) For a taxpayer who is a large business, the amount of  
19 the credit under this Section is:

20           (1) an amount equal to 45% of up to the first \$6,000 of  
21 wages paid to each full-time employee with a disability  
22 during his or her second consecutive year of employment  
23 with the taxpayer; and

24           (2) an amount equal to 30% of up to the first \$6,000 of

1 wages paid to each part-time employee with a disability  
2 during his or her second consecutive year of employment  
3 with the taxpayer.

4 (c) For a taxpayer who is a small business, the amount of  
5 the credit under this Section is:

6 (1) if the taxpayer receives the federal Work  
7 Opportunity Tax Credit and if at least 20% of the  
8 taxpayer's employees are employees with a disability, then  
9 an amount equal to:

10 (A) 45% of up to the first \$6,000 of wages and 5%  
11 of up to the second \$6,000 of wages paid to each  
12 full-time employee with a disability during his or her  
13 second consecutive year of employment with the  
14 taxpayer; and

15 (B) 30% of up to the first \$6,000 of wages and 3%  
16 of up to the second \$6,000 of wages paid to each  
17 part-time employee with a disability during his or her  
18 second consecutive year of employment with the  
19 taxpayer; or

20 (2) if the taxpayer does not receive the federal Work  
21 Opportunity Tax Credit or if less than 20% of the  
22 taxpayer's employees are employees with a disability, then  
23 an amount equal to:

24 (A) 45% of up to the first \$6,000 of wages and 7%  
25 of up to the second \$6,000 of wages paid to each  
26 full-time employee with a disability during his or her

1 second consecutive year of employment with the  
2 taxpayer, but not to exceed \$420 for any one employee  
3 or \$2,100 for all employees; and

4 (B) 30% of up to the first \$6,000 of wages and 5%  
5 of up to the second \$6,000 of wages paid to each  
6 part-time employee with a disability during his or her  
7 second consecutive year of employment with the  
8 taxpayer, but not to exceed \$300 for any employee or  
9 \$1,500 for all employees.

10 (c) A taxpayer may take this credit in only one taxable  
11 year with respect to any one employee with a disability.  
12 Throughout all taxable years, no more than one taxpayer may  
13 claim a credit under this Section with respect to wages paid to  
14 any one employee with a disability.

15 (d) It is unlawful for a taxpayer to intentionally  
16 manipulate the number of employees for the purpose of obtaining  
17 a credit under this Section. Each violation of this subsection  
18 is a business offense subject to a fine of not less than  
19 \$5,000.

20 (e) For partners, shareholders of Subchapter S  
21 corporations, and owners of limited liability companies, if the  
22 liability company is treated as a partnership for purposes of  
23 federal and State income taxation, there shall be allowed a  
24 credit under this Section to be determined in accordance with  
25 the determination of income and distributive share of income  
26 under Sections 702 and 704 and Subchapter S of the Internal



1 Revenue Code.

2 (f) The credit under this Section may not be carried  
3 forward or back and may not reduce the taxpayer's liability to  
4 less than zero.

5 (g) The Department, in cooperation with the Department of  
6 Human Services, must adopt rules to administer this Section.

7 (h) This Section is exempt from the provisions of Section  
8 250 of this Act.

9 (i) For the purposes of this Section:

10 "Employee with a disability" means an employee of the  
11 taxpayer who has been certified by the Department of Human  
12 Services as (i) meeting the definition of an "individual with a  
13 disability" under the federal Americans with Disabilities Act  
14 of 1990 and (ii) having a disability that constitutes an  
15 impediment to obtaining or maintaining employment or to making  
16 the transition from school to work.

17 "Full-time employee with a disability" means an employee  
18 with a disability employed for at least 35 hours per week.

19 "Large business" means a business concern that is not a  
20 small business.

21 "Part-time employee with a disability" means an employee  
22 with a disability employed for at least 10 hours per week.

23 "Small business" means a business concern, including its  
24 affiliates, that is independently owned and operated, not  
25 dominant in its field, and employs fewer than 100 employees or  
26 has gross annual sales of less than \$3,000,000.

1       "Year" means a 12-month period.

2           (35 ILCS 5/219 new)

3       Sec. 219. Credit for employment of employees with a  
4 disability receiving State services.

5       (a) For taxable years ending on or after December 31, 2008,  
6 each taxpayer is entitled to a credit against the tax imposed  
7 by subsections (a) and (b) of Section 201 in an amount equal  
8 to: (i) \$5,000 for each net new qualified employee with a  
9 disability hired on a full-time basis by the taxpayer during  
10 the taxable year; and (ii) \$2,000 for each net new qualified  
11 employee with a disability hired on a part-time basis by the  
12 taxpayer during the taxable year.

13       (b) It is unlawful for a taxpayer to intentionally  
14 manipulate the number of employees for the purpose of obtaining  
15 a credit under this Section. Each violation of this subsection  
16 is a business offense subject to a fine of not less than  
17 \$5,000.

18       (c) If the taxpayer is a partnership or Subchapter S  
19 corporation, the credit is allowed to the partners or  
20 shareholders in accordance with the determination of income and  
21 distributive share of income under Sections 702 and 704 and  
22 Subchapter S of the Internal Revenue Code.

23       (d) The credit may not be carried forward or back. In no  
24 event shall a credit under this Section reduce the taxpayer's  
25 liability to less than zero.

1       (e) The Department, in cooperation with the Department of  
2 Human Services, must adopt rules to administer this Section.

3       (f) This Section is exempt from the provisions of Section  
4 250 of this Act.

5       (g) For the purposes of this Section:

6       "Full-time" means employment for at least 35 hours per week  
7 for at least 12 consecutive months.

8       "Net new employees with a disability" means the number of  
9 Illinois-based employees with a disability on the taxpayer's  
10 withholding rolls on the last day of the current taxable year  
11 less the number of Illinois-based employees with a disability  
12 on the taxpayer's withholding rolls on the last day of the  
13 immediately preceding taxable year.

14       "Part-time" means employment for at least 10 hours per week  
15 for at least 12 consecutive months.

16       "Qualified employee with a disability" means a employee  
17 with a disability, as defined under subsection (i) of Section  
18 218, who, at the time that he or she is hired by the taxpayer,  
19 receives assistance that is directly related to his or her  
20 disability and that is administered under a program operated by  
21 the Department of Human Services or the Department of  
22 Healthcare and Family Services.

23       (35 ILCS 5/220 new)

24       Sec. 220. Credit for individuals with a disability.

25       (a) For taxable years ending on or after December 31, 2008,

1 each taxpayer who is a qualified individual with a disability  
2 is entitled to a credit against the tax imposed by subsections  
3 (a) and (b) of Section 201 in an amount equal to 25% of the tax  
4 otherwise imposed on that individual under subsections (a) and  
5 (b) of Section 201.

6 (b) The credit may not be carried forward or back. In no  
7 event shall a credit under this Section reduce the taxpayer's  
8 liability to less than zero.

9 (c) The Department, in cooperation with the Department of  
10 Human Services, must adopt rules to administer this Section.

11 (d) This Section is exempt from the provisions of Section  
12 250 of this Act.

13 (e) For the purposes of this Section, "qualified individual  
14 with a disability" means an individual who has been certified  
15 by the Department of Human Services as (i) meeting the  
16 definition of an "individual with a disability" under the  
17 federal Americans with Disabilities Act of 1990 and (ii) having  
18 a disability that constitutes an impediment to obtaining or  
19 maintaining employment or to making the transition from school  
20 to work.

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

1 INDEX

2 Statutes amended in order of appearance

3 20 ILCS 405/405-122 new

4 20 ILCS 605/605-813 new

5 20 ILCS 1305/10-56 new

6 30 ILCS 500/15-25

7 30 ILCS 500/45-90 new

8 35 ILCS 5/218 new

9 35 ILCS 5/219 new

10 35 ILCS 5/220 new