



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

SB2330

Introduced 2/15/2013, by Sen. Toi W. Hutchinson

SYNOPSIS AS INTRODUCED:

| | |
|----------------------|-------------------------|
| 20 ILCS 1005/1005-15 | was 20 ILCS 1005/43a.02 |
| 20 ILCS 1005/1005-75 | was 20 ILCS 1005/43a.12 |
| 30 ILCS 787/5 | |
| 30 ILCS 787/10 | |
| 30 ILCS 787/15 | |
| 30 ILCS 787/20 | |
| 30 ILCS 787/25 | |

Amends the Department of Employment Security Law of the Civil Administrative Code of Illinois and the 21st Century Workforce Development Fund Act. Authorizes the Department of Employment Security to operate a program to provide employers with pre-screened candidates for on-the-job training and to provide wage support therefor. Provides for candidate preference for young adults, veterans, and others. Provides for third parties to operate programs. Authorizes the Department to collect a fee of not less than \$500 nor more than \$1,000 from all employers with 2 or more employees to be deposited into the 21st Century Workforce Investment Fund to be expended for the purposes of the program. Effective immediately.

LRB098 09510 JLS 39653 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 1. This Act may be referred to as the Business
5 Jumpstart Act. The purposes of this Act are:

6 (1) for the Department of Employment Security to design and
7 implement a program to be known as Business Jumpstart to
8 support economic growth and enhance employment opportunities
9 for persons who are unemployed, veterans seeking jobs,
10 unemployed persons whose benefits are expiring, graduates from
11 school, and others who are entering the workforce;

12 (2) for Business Jumpstart to provide, through qualified
13 third-party intermediaries, a public-private support for
14 businesses, especially small businesses, including
15 pre-screened, prepared job candidates, support to gain tax
16 credits, pre-probationary wage support for on the job training,
17 and training;

18 (3) to re-designate the Department of Employment Security
19 as the lead agency administering the 21st Century Workforce
20 Fund, which will be used for Business Jumpstart funds; and

21 (4) to levy a fee upon businesses for dedicated funding to
22 support Business Jumpstart.

23 Section 5. The Department of Employment Security Law of the

1 Civil Administrative Code of Illinois is amended by changing
2 Sections 1005-15 and 1005-75 as follows:

3 (20 ILCS 1005/1005-15) (was 20 ILCS 1005/43a.02)

4 Sec. 1005-15. Employment opportunities.

5 (a) The Department has the power to advance opportunities
6 for profitable employment.

7 (b) The power to advance opportunities for profitable
8 employment includes, but is not limited to, the administration
9 of Business Jumpstart and the 21st Century Workforce Investment
10 Fund to advance opportunities for profitable employment.

11 (c) Business Jumpstart shall provide employers with an
12 opportunity to select from pre-screened candidates for
13 pre-probationary on-the-job training with wage support during
14 the training where a third party intermediary is the
15 time-limited employer of record) prior to employment.
16 Candidate preference shall be given to the veterans, the
17 unemployed who have exhausted benefits, young adults, and those
18 defined in Section 20 of the 21st Century Workforce Development
19 Fund Act. The Department shall select third party
20 not-for-profit or governmental intermediaries with community
21 based sites, job readiness capabilities, skill testing, and
22 other workforce experience to coordinate service delivery in
23 every community and to serve as the employer of record during
24 training.

25 (d) The Department is authorized to collect from all

1 employers with 2 or more employees a fee of not less than \$500
2 nor more than \$1,000 to be placed into the 21st Century
3 Workforce Investment Fund to fund Business Jumpstart and
4 programs authorized in the 21st Century Workforce Development
5 Fund Act.

6 (e) The Department is authorized to adopt all rules
7 necessary to implement and administer Business Jumpstart.

8 (Source: P.A. 91-239, eff. 1-1-00.)

9 (20 ILCS 1005/1005-75) (was 20 ILCS 1005/43a.12)

10 Sec. 1005-75. Jobs for summer employment of youth. The
11 Department has the power to make available through its offices
12 a listing of all jobs available in each area for the summer
13 employment of youth. The Department shall implement Business
14 Jumpstart to advance and identify opportunities for summer
15 youth employment earning wages.

16 (Source: P.A. 91-239, eff. 1-1-00.)

17 Section 10. The 21st Century Workforce Development Fund Act
18 is amended by changing Sections 5, 10, 15, 20, and 25 as
19 follows:

20 (30 ILCS 787/5)

21 Sec. 5. The 21st Century Workforce Development Fund.

22 (a) The 21st Century Workforce Development Fund is created
23 as a special fund in the State Treasury. The Fund shall be

1 administered by the Department of Employment Security ~~Commerce~~
2 ~~and Economic Opportunity~~ ("the Department"), in consultation
3 with other appropriate State agencies, and overseen by the 21st
4 Century Workforce Development Fund Advisory Committee ("the
5 Advisory Committee"). There shall be credited to the Fund any
6 moneys, fees, or surcharges specifically collected for or
7 designated for deposit into the Fund, including State
8 appropriations, set asides from public expenditures on capital
9 projects, federal funds, gifts, grants, and private
10 contributions. Earnings attributable to moneys in the fund
11 shall be deposited into the fund.

12 (b) The Department is authorized to collect from all
13 employers with 2 or more employees a fee of not less than \$500
14 nor more than \$1,000 to be placed in the 21st Century Workforce
15 Investment Fund to fund Business Jumpstart and programs
16 authorized by rule.

17 (Source: P.A. 96-771, eff. 8-28-09.)

18 (30 ILCS 787/10)

19 Sec. 10. Purpose. The purpose of the 21st Century Workforce
20 Development Fund is to promote the State's interest in
21 supporting employers through the creation and maintenance of a
22 diverse and skilled workforce for the economic development of
23 the State. The Fund is intended to support rapid attachment,
24 integrated, innovative, and emergency workforce development
25 strategies that promote local economic development and a

1 continuum of workforce and education strategies, including
2 workforce development activities to prepare individuals for
3 occupations in the energy efficiency and renewable energy
4 industries, as well as other occupations that are created or
5 transformed by the implementation of policy to reduce
6 greenhouse gas emissions, to prevent and remediate pollution,
7 and to promote energy-efficient, healthy, and lead-safe homes
8 in Illinois.

9 (Source: P.A. 96-771, eff. 8-28-09.)

10 (30 ILCS 787/15)

11 Sec. 15. Use of Fund.

12 (a) Role of Fund. Subject to appropriation, resources from
13 the Fund are intended to be used flexibly to support innovative
14 and locally-driven strategies, to leverage other funding
15 sources, to advance opportunities for profitable employment,
16 and to fill gaps in existing workforce development resources in
17 Illinois. They are not intended to supplant existing workforce
18 development resources.

19 (b) Distribution of funds. Funds shall be distributed
20 through competitive grantmaking processes, fee for service
21 contracting, or both, administered by the Department and
22 overseen by the Advisory Committee. No more than 6% of
23 obligated funds used for grants may be retained by the
24 Department for administrative costs or for program evaluation
25 or technical assistance activities. Funds awarded to a third

1 party not-for-profit intermediary for technical assistance,
2 provision of payroll services, or administrative coordination
3 of multiple subcontractors shall count against the 6%.

4 (c) Grantmaking. The Department must administer funds
5 through competitive grantmaking in accordance with the
6 priorities described in this Act. Grantmaking must be used to
7 support workforce development strategies consistent with the
8 priorities outlined in this Act. Strategies may include, but
9 are not limited to the following:

10 (i) Expanded grantmaking for existing State workforce
11 development strategies, including the Job Training and
12 Economic Development Program and programs designed to
13 increase the number of persons traditionally
14 underrepresented in the building trades, specifically
15 minorities and women.

16 (ii) Workforce development initiatives that help the
17 least skilled adults access employment and education
18 opportunities, including transitional jobs programs and
19 educational bridge programming that integrate basic
20 education and occupational skills training.

21 (iii) Sectoral strategies that develop
22 industry-specific workforce education and training
23 services that lead to existing or expected jobs with
24 identified employers and that include services to ensure
25 that low-income, low-skilled adults can be served.

26 (iv) Support for the development and implementation of

1 workforce education and training programs in the energy
2 efficiency, renewable energy, and pollution control
3 cleanup and prevention industries.

4 (v) Support for planning activities that: ensure that
5 workforce development and education needs of low-skilled
6 adults are integrated into industry-specific career
7 pathways; analyze labor market data to track workforce
8 trends in the State's energy-related initiatives; or
9 increase the capacity of communities to provide workforce
10 services to low-income, low-skilled adults.

11 (d) Allowable expenditures. Grant funds are limited to
12 expenditures for the following:

13 (i) Basic skills training, adult education,
14 occupational training, job readiness training, and
15 soft-skills training for which financial aid is otherwise
16 not available.

17 (ii) Workforce development-related services including
18 mentoring, job development, support services,
19 transportation assistance, and wage subsidies, that are
20 tied to participation in training and employment.

21 (iii) Capacity building, program development, and
22 technical assistance activities necessary for the
23 development and implementation of new workforce education
24 and training strategies.

25 No more than 5% of any grant may be used for administrative
26 costs.

1 (e) Eligible applicants. For grants under this Section,
2 eligible applicants include the following:

3 (i) Any private, public, and non-profit entities that
4 provide education, training, and workforce development
5 services to low-income individuals.

6 (ii) Educational institutions.

7 (iii) Labor and business associations.

8 (Source: P.A. 96-771, eff. 8-28-09; 97-581, eff. 8-26-11.)

9 (30 ILCS 787/20)

10 Sec. 20. Priorities. The Department shall implement
11 grantmaking using the following priorities, and the Advisory
12 Committee shall monitor the application of these priorities to
13 grantmaking:

14 (a) Priority populations. Priority shall be given to
15 workforce education and training strategies that target
16 individuals with barriers to employment including, but not
17 limited to, criminal backgrounds, low incomes, residents of
18 public or subsidized housing, and individuals with limited
19 literacy, math skills, or English proficiency. Priority may
20 also be given to workers with jobs that are affected by the
21 implementation of State energy and environmental policy.

22 (b) Priority industries. Priority shall be given to
23 workforce education and training strategies for the following:

24 (i) Industries that will reduce carbon emissions,
25 promote recycling/reuse, prevent and remediate pollution,

1 and support local food production, including but not
2 limited to the following:

3 (A) Energy efficient building construction,
4 retrofit, and assessment industries.

5 (B) Renewable electric power generation and
6 transmission industries.

7 (C) Deconstruction and materials use industries.

8 (D) Manufacturers that produce sustainable
9 products using environmentally sustainable processes
10 and materials.

11 (E) Local food systems.

12 (ii) Industries identified by the Department to be
13 facing a critical shortage of skilled workers.

14 (iii) Small employers with fewer than 100 employees and
15 no separate human resources department identified by the
16 Department or its agent.

17 (c) Other priority factors. The Department must implement
18 grantmaking by giving priority to grant applications that
19 demonstrate collaboration amongst local workforce, education,
20 and economic development stakeholders in their community;
21 demonstrate collaboration with outreach programs designed to
22 connect community residents with training opportunities;
23 integrate lead-safe work practices into their training; or
24 serve communities with high rates of unemployment,
25 underemployment, and poverty.

26 (Source: P.A. 96-771, eff. 8-28-09.)

1 (30 ILCS 787/25)

2 Sec. 25. 21st Century Workforce Development Fund Advisory
3 Committee. The 21st Century Workforce Development Fund
4 Advisory Committee shall review, advise, and recommend for
5 approval or denial all grant requests from the Fund. The
6 Department is responsible for the administration and staffing
7 of the Advisory Committee.

8 (a) Membership. The Committee shall consist of 21 persons.
9 Co-chairs shall be appointed by the Governor with the
10 requirement that one come from the public and one from the
11 private sector.

12 (b) Eleven members shall be appointed by the Governor, and
13 any of the 11 members appointed by the Governor may fill more
14 than one of the following required categories:

15 (i) Four must be from communities outside of the City
16 of Chicago.

17 (ii) At least one must be a member of a local workforce
18 investment board (LWIB) in his or her community.

19 (iii) At least one must represent organized labor.

20 (iv) At least one must represent business or industry.

21 (v) At least one must represent a non-profit
22 organization that provides workforce development or job
23 training services.

24 (vi) At least one must represent a non-profit
25 organization involved in workforce development policy,

1 analysis, or research.

2 (vii) At least one must represent a non-profit
3 organization involved in environmental policy, advocacy,
4 or research.

5 (viii) At least one must represent a group that
6 advocates for individuals with barriers to employment,
7 including at-risk youth, formerly incarcerated
8 individuals, and individuals living in poverty.

9 (c) The other 10 members shall be the following:

10 (i) The Director of Employment Security ~~Commerce and~~
11 ~~Economic Opportunity~~, or his or her designee who oversees
12 workforce development services.

13 (ii) The Secretary of Human Services, or his or her
14 designee who oversees human capital services.

15 (iii) The Director of Corrections, or his or her
16 designee who oversees prisoner re-entry services.

17 (iv) The Director of the Environmental Protection
18 Agency, or his or her designee who oversees contractor
19 compliance.

20 (v) The Chairman of the Illinois Community College
21 Board, or his or her designee who oversees technical and
22 career education.

23 (vi) A representative of the Illinois Community
24 College Board involved in energy education and sustainable
25 practices, designated by the Board.

26 (vii) Four State legislators, one designated by the

1 President of the Senate, one designated by the Speaker of
2 the House, one designated by the Senate Minority Leader,
3 and one designated by the House Minority Leader.

4 (d) Appointees under subsection (b) shall serve a 2-year
5 term and are eligible to be re-appointed one time. Members
6 under subsection (c) shall serve ex officio or at the pleasure
7 of the designating official, as applicable.

8 (Source: P.A. 96-771, eff. 8-28-09.)

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.