



June 2, 2011

GENERAL ASSEMBLY PASSES STRENGTHENED PREVAILING WAGE BILL***Measure Protects Workers and the Public from Fraud and Abuse***

Springfield — Attorney General Lisa Madigan today said the legislature took a bold stand for the hard-working men and women of Illinois by approving legislation that will help ensure the payment of fair and honest wages on publicly funded projects.

Madigan assisted in authoring House Bill 3237 with sponsors Rep. Brandon Phelps (D-Harrisburg) and Sen. David Koehler (D-Pekin). The measure won approval on concurrence in the Senate this week.

"This legislation ensures that employees working on projects paid for by the taxpayers are compensated fairly for their work," said Attorney General Madigan.

HB 3237 will toughen enforcement of the Prevailing Wage Act by making violations a Class A misdemeanor punishable by up to one year in prison. It would also subject offending contractors and subcontractors to automatic and immediate debarment by the Illinois Department of Labor for four years, with no right to a hearing.

"This amendment to the state's Prevailing Wage law is a strong incentive to contractors doing business with the people of Illinois to pay their workers the wages to which they are entitled by law," said Sen. Koehler.

"In today's tough times, we needed to make the statement that hard-working men and women deserve a fair wage and should not be shut out of work by contractors who outbid honest Illinois companies by undercutting wages," Rep. Phelps said.

If enacted into law, the Prevailing Wage Act will be amended to:

- Permit state, local and federal law enforcement agencies to obtain relevant documents from contractors and subcontractors. Currently, only IDOL and the relevant public body have the right to obtain these documents.
- Reduces the amount of notice contractors and subcontractors have prior to the inspection of documents by government entities from seven to three days.

The legislation also proposes more technical modifications to the existing language of the Act in order to make criminal prosecutions easier:

- Ensures that officers and agents of corporations who perform prevailing wage work are held accountable for the actions of their corporations.
- Clarifies the timeframe when certified payrolls must be filed and how long certified payroll records must be retained.

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