



July 10, 2023

Honorable J.B. Pritzker  
Governor of Illinois  
207 State House  
Springfield, IL 62706

Dear Governor Pritzker,

We are writing to respectfully request your veto of House Bill 2862 which interferes with the contractual agreements between day labor staffing agencies and their third-party clients. HB 2862 also unreasonably inserts itself into the wage market of temporary and day laborers with the potential consequence of reduced wages and lost employment opportunities for the nearly 650,000 workers of day labor agencies. In addition, it mandates overly punitive and litigious penalties against third party clients which will ultimately disincentivize these employers from using day labor services harming day labor workers many of whom are women and minorities.

Industries that often use day labor services such as manufacturing, construction, warehousing and distribution provide day laborers with potential permanent employment with good pay and benefits.

House Bill 2862 places an arbitrary ceiling of 90 days after which third-party clients are required to pay these workers the same wages and benefits as the lowest paid permanent employee doing similar work. This language creates uncertainty and instability in pay as it may lead to reductions in pay for temporary hires who work for more than 90 days. It also likely will lead to third party clients from continuing the employment of marginal performing day laborers who might otherwise later transition into permanent employment. Additionally, these pay and benefit requirements fail to recognize an individual's unique skill set and experience to be considered when determining wage and benefit levels.

HB 2862 also creates an unreasonably litigious environment by allowing for an overly broad right to sue by allowing an interested party makes an allegation against a third-party client for an alleged violation of the Act. If signed into law, it essentially guarantees a right to sue letter from the Department of Labor. This occurs regardless of whether the third-party client demonstrates a cure to the alleged violation, if the Department finds the allegation unfounded or is unable to make a determination, or if the Department does not respond within a certain number of days. Thus, the language allows for no extra-judicial mediation and has little to no threshold for legal action which will lead to costly and unreasonable civil actions.

Finally, the bill language provides for punitive penalty enhancements of 200% above current law. This, coupled with the higher legal costs due to the increased litigation, will disincentivize third-party clients from utilizing day labor services which will also lead to a loss of employment opportunities for day labor workers.

Due to the negative impact these provisions will have on third-party clients and day labor workers, we respectfully request a veto of HB 2862. This action will show your support of an industry which provides significant employment opportunities, especially people of color and women. We appreciate your consideration.

Sincerely,

Keith Staats  
Interim President and CEO  
Illinois Chamber of Commerce