

SUBSTITUTE ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. The Municipal Code of the City of Chicago is hereby amended by inserting a new chapter 4-188, entitled “Day Labor Agencies,” as follows:

4-188-020 Definitions.

Whenever used in this chapter the following terms shall have the following meanings:

“City” means the city of Chicago.

“Director” means the city’s director of revenue.

“Department” means the city’s department of revenue.

“Day labor” means labor or employment that is irregular or occasional at which a person is employed for not longer than the time required to complete the assignment for which the person was hired and where wage payments are made directly or indirectly by the day labor agency or the contract employer for work undertaken by one or more day laborers. For purposes of this chapter, “day labor” does not include secretarial, clerical or professional services.

“Day laborer” means a person referred by a day labor agency to a contract employer to perform day labor, or seeking such a referral.

“Contract employer” means any person who obtains the services of one or more individuals through an agreement, regardless of whether in writing, with a day labor agency.

“Day labor agency” or “agency” means any entity engaged in providing day labor workers for a contract employer. The term does not include any not-for-profit organization.

4-188-020 License required.

No person shall engage in the business of a day labor agency without first having obtained a license pursuant to this chapter.

4-188-030 License application – contents.

An application for a license under this chapter shall be made in writing to the department of revenue, in accordance with the general requirements for license. The application shall contain:

- (a) The full name of the applicant;
- (b) The business address and telephone number of the applicant;
- (c) The full name, residence address and telephone number and percentage of interest of the individuals who own the highest percentage of beneficial interest in the applicant and of all other individuals who own a ten percent or greater beneficial interest in the applicant;
- (d) The full name, residence address and telephone of every officer, director, partner and manager of the applicant;
- (e) A description of the applicant’s day labor agency business in any other jurisdiction, including name, address, location and disciplinary history;
- (f) A copy of the applicant’s license under the Illinois Day Labor Services Act;
- (g) The license fee specified in chapter 4-5 of this code;
- (h) Such other information as the director may require concerning the operation of the applicant’s business.

4-188-040 Eligibility for license.

No applicant shall be eligible for a license under this chapter if the applicant or any of its officers, directors, partners, managers or any owner of 10% or greater beneficial interest in the applicant::

(a) has been adjudicated guilty of, has admitted guilt of, or has been under any portion of a sentence for, any crime involving moral turpitude or dishonesty within the past five years prior to filing the application; or

(b) has been involved, as owner, officer, director, partner or manager of any day labor agency whose license has been revoked within the past ten years prior to filing the application; or

(c) is under the age of 18.

For purposes of this section, an adjudication or admission of guilt may be in either civil or criminal proceedings, and in any jurisdiction. For purposes of subsection (b) of this section, "license" means any license, permit, certificate or other form of authorization given by any unit, officer or agency of any government for the operation of a day labor agency in any jurisdiction.

4-188-050 Operating standards.

(a) A day labor agency must provide toilet facilities within its place of business to accommodate the needs day laborers using the agency. The day labor agency may not charge a day laborer for the use of toilet facilities.

(b) The temperature in the area of the day labor agency where day laborers await referral or transportation to a contract employer shall not differ from the temperature of the area reserved for the agency's manager or other non-day labor employees, by more than three degrees fahrenheit.

(c) The day labor agency must obtain an occupancy card indicating the permitted capacity of the area of the day labor agency where day laborers await referral or transportation to a contract employer. Benches, chairs or a combination of benches and chairs shall be provided for the number of persons indicated on the occupancy card.

(d) A day labor agency shall pay a day laborer for each hour the laborer works, or for each hour for which the agency receives compensation from a contract employer in relation to that day laborer, whichever number of hours is greater.

(e) No day labor agency or contract employer may charge a day laborer for transportation to or from the contract employer's work site.

(f) No day labor agency may charge a day laborer for the use of any item of clothing or equipment that is returnable to the agency. No agency may require, as a condition of placing a day laborer with a contract employer, that the day laborer purchase or rent from the agency or from the contract employer any item of clothing or equipment, if the employee has in his possession substantially equivalent clothing or equipment.

(g) At the time a day laborer applies for placement with a contract employer, a day labor agency must disclose the cost of each item of clothing or equipment to be sold to a day laborer if that item is not returned.

(h) A day labor agency is responsible for the conduct and performance of any person who transports a day laborer from the agency to a work site, unless the transporter is (1) the Chicago Transit Authority or another component of the Regional Transportation Authority; or (2) the day laborer providing his or her own transportation; or (3) selected exclusively by the day laborer without reference to, approval by or consultation with the day labor agency.

(i) A day labor agency shall not refer a day laborer to any person for transportation to a work site unless that person is (1) the Chicago Transit Authority or another component of the Regional Transportation Authority; or (2) a public passenger vehicle licensed under chapter 9-112 of this code; or (3) providing the transportation without charge to the day laborer. If the agency refers a day laborer to a public passenger vehicle licensee for transportation, the agency shall ensure that the vehicle and its operator are in compliance with chapter 9-112 and all regulations issued thereunder.

(j) A day labor agency must post in a conspicuous location a sign in English, Polish and Spanish, describing the rights and obligations of the agency and day laborers. The content of the notice shall be determined by the director.

4-188-060 Human Rights Ordinance applicable.

The Chicago Human Rights Ordinance, chapter 2-160 of this code, shall be applicable to every decision and action of a day labor agency in the selection, hiring, assignment, compensation, retention, and all other conditions of employment of day laborers.

4-188-070 Duty to retain records.

A day labor agency chapter shall create an accurate record of each transaction by which a day laborer was sent to a contract employer. The record shall include:

- (a) the date of the transaction;
- (b) the name and address of the day laborer;
- (c) the race and gender of the day laborer, as provided by the laborer;
- (d) the name, address and telephone number of the contract employer;

- (e) the name and title of the individual at the contractor employer's place of business responsible for the transaction;
- (f) the type of work to be performed;
- (g) any specific qualifications or attributes of a day laborer, requested by the contract employer;
- (h) the hourly rate of pay to the day laborer;
- (i) the compensation payable by the contract employer to the agency;
- (j) the number of hours worked by the day laborer;
- (k) detailed deductions from the day laborer's compensation made either by the contract employer or by the agency for the day laborer's transportation, food, equipment, withheld income tax, withheld social security payments, and every other deduction;
- (l) the nature, brand and unit price of any equipment given to the day laborer for which a deduction is taken from the laborer's pay; and
- (m) any additional information required by regulations issued by the department.

The day labor agency shall maintain all records under this section for a period of five years from their creation. The records shall be open to inspection by the department during normal business hours. An individual day laborer's records shall be available to him on demand during normal business hours. It is a violation of this section to make any false, inaccurate or incomplete entry into any record required by this section, or to delete required information from any such record.

4-188-080 Day laborer to receive work ticket.

A day labor agency shall provide to each day laborer a work ticket, signed by the manager of the agency. If the day laborer is not placed with a contract employer for that

day, the ticket shall include the items described in subsections (a), (b) and (m) of section 4-188-070, plus the time that the day laborer receives the ticket. If the day laborer is placed with a contract employer, the ticket shall include the information described in subsections (a), (b), (d), (f), (h), (l) and (m) of section 4-188-070, plus the time the day laborer is dispatched to the contract employer and the time of return. If the day laborer returns to the agency at the conclusion of the work day, the agency shall add items (j) and (k) to the ticket.

4-188-090 Department to issue regulations.

The department may issue regulations not inconsistent with the provisions of this chapter, to aid in the enforcement of this chapter. Any violation of any such regulation is a violation of this section.

4-188-100 Penalty for violations.

Any person who violates any portion of this chapter shall be subject to a fine of not less than \$200 and not more than \$500 for each offense. Each day that a violation shall continue shall constitute a separate and distinct offense. Any licensee who violates any provision of this chapter or any rule issued by the department shall be subject to suspension or revocation of his license.

SECTION 2. Section 4-5-010 of the Municipal Code of the City of Chicago is hereby amended by inserting the language underscored, as follows:

4-5-010 Establishment of license fees.

This chapter shall establish fees for various licenses created by this title unless otherwise provided. The following fees shall apply for the specified licenses. The

chapter in which each fee requirement is created is also provided. Unless otherwise stated, fees shall be assessed on an annual basis.

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<u>(16) Day labor agency (4-188)</u>	<u>\$1,000.00</u>
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SECTION 3. This ordinance shall take effect 30 days after its passage and publication.

Alderman, 26th Ward