

**Item #12:**  
**Village Clerk Schultheis**  
**Legislative Updates**

David Lothspeich

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**From:** IML Legislation [IMLLegislation@iml.org]  
**Sent:** Wednesday, January 09, 2013 9:48 AM  
**Subject:** IML Statehouse Briefing - January 9, 2013

# IML Statehouse Briefing



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**On the ground news and insider information!**

**January 9, 2013**

**Sine Die:** Both the House and Senate adjourned early Tuesday evening. A last minute bid to move forward with pension reform failed after a bill to create a pension reform commission to address the unfunded liability among the state-funded pension systems passed out of the House Personnel and Pensions Committee, but did not receive a vote on the House Floor. Legislation advancing gun control and same-sex marriage stalled during the lame duck session. The House did approve legislation authorizing the Secretary of State to issue temporary driver's licenses to undocumented immigrants. That legislation, [SB 957](#) (Senate President Cullerton, D-Chicago and Representative Acevedo, D-Chicago), is expected to be signed into law by Governor Quinn. The 98<sup>th</sup> General Assembly will be inaugurated into office on Wednesday, January 9. Once again, the precarious state budget situation and the need for substantive pension reforms will be ongoing issues in need of resolution.

**Pension Reform:** A surprise amendment emerged on Tuesday in the House to create a commission to approve pension reforms for the state-funded retirement systems. The commission was modeled on the federal base closure commission system. The amendment to SB 1673 (Representative Nekritz, D-Des Plaines) did not receive a floor vote in the House prior to adjournment. [Click here for more information.](#)

**Local Revenue:** Legislation to permit the state to borrow \$9.6 million from the Local Government Tax Fund was not considered by the full House after being approved by the House Executive Committee on Monday. Majority Leader Barbara Currie (D-Chicago) spoke with the IML on Tuesday and indicated that the bill would be introduced in the 98<sup>th</sup> General Assembly. The Majority Leader reiterated that the money transferred out would be repaid to the Local Government Tax Fund in accordance with the language within the bill. Per our [Statehouse Briefing](#) on Monday, the transfer of the funds to the State Medical Disciplinary Fund would not result in reduced sales tax payments to municipal governments. This is because the money being transferred is from the "float" that exists because of the time that elapses between collections and disbursements. The IML has indicated that we would not oppose this legislation if used as a one-time cash management solution with a repayment provision, but would object if the General Assembly sought to use such transfers in the future.

**Prevailing Wage:** Legislation that would have reduced competition and therefore increased costs to local governments was not called for a vote in the House prior to adjournment. [SB 2643](#) (Representative Lilly, D-Chicago) would have resulted in fewer contractors being eligible to bid on public works projects under the Prevailing Wage Act because eligible bidders would be required to demonstrate participation within a United States Department of Labor approved apprentice and training program. The IML anticipates that this legislation will return in the 98<sup>th</sup> General Assembly. We

will continue our opposition.

**State Employee Unionization:** Senator Harmon (D-Oak Park) released his procedural hold on legislation to prohibit or strip union membership from approximately 3,400 state employees. SB 1556 (Senate President Cullerton, D-Chicago and Representative Currie, D-Chicago) would remove state agency deputy directors, legislative liaisons and other managers from union membership. The bill was introduced to address concerns that over 90 percent of state employees belong to a union. The bill was approved by the Senate on January 3, but Senator Harmon made a motion to reconsider the vote to allow more time for negotiation between the Governor and unions. The bill will next be considered by the Governor. The IML encourages our members to speak with their legislators about the need for similar relief for local governments that have certain employees in bargaining units despite the fact that those positions should be considered “managerial.”

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**David Lothspeich**

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**From:** IML Legislation [IMLLegislation@iml.org]  
**Sent:** Monday, January 07, 2013 12:19 PM  
**Subject:** IML Statehouse Briefing - January 7, 2013

# IML Statehouse Briefing



**On the ground news and insider information!**

**January 7, 2013**

**House Introduces an Amendment to Borrow Money from Local Governments' Sales Tax:** The House Executive Committee approved SB 2580 as amended (Representative Currie, D-Chicago) on Monday, January 7. This bill would allow the State to borrow money from sales-tax proceeds for cities and counties.

The bill transfers \$9.6 million from the Local Government Tax Fund (sales tax revenue) to the Illinois State Medical Disciplinary Fund and requires the money to be paid back after two years. The Local Government Tax Fund contains extra money each month (significantly more than being transferred by the bill), so the money being transferred to the Illinois State Medical Disciplinary Fund won't impact local sales tax revenue disbursements. The money is being transferred to avert significant staff layoffs among those involved in regulating the medical profession at the Department of Financial and Professional Regulation.

The IML is neutral at this time because the bill requires that the money will be repaid and local governments will not see any reduced sales tax payments from the bill. The IML would be opposed if the transfer were to become a permanent funding source for other purposes.

More [information on this legislation is available on the IML website.](#)

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