

David Lothspeich

From: IML Legislation [IMLLegislation@iml.org]
Sent: Tuesday, June 11, 2013 12:41 PM
Subject: Illinois Municipal League Statehouse Briefing -- June 11, 2013

IML Statehouse Briefing



On the ground news and insider information!

June 11, 2013

LGDF E-Mail: As you are aware, the General Assembly approved a FY14 Budget that protects the full municipal share of state income tax collections (LGDF). The IML respectfully requests that municipal officials throughout Illinois take a moment to thank their legislators for protecting this critical source of municipal revenue. To facilitate this thank you, we have [created a model e-mail system](#) that allows you to very quickly send an e-mail to your legislators expressing your appreciation. Please send an e-mail today!

Concealed Carry: The concealed carry legislation approved by the General Assembly includes provisions that affect municipal government. We have [written an article](#) that identifies the three primary provisions of municipal concern within the bill. The article also includes a link to a comprehensive analysis of the bill.

If you do not wish to receive information from the Illinois Municipal League via e-mail, please reply to this email include the words "Please remove from list" along with your name, municipality and email address included in the message.



Today is June 11, 2013

Search IML

- [Home](#)
- [Legislative](#)
- [Legal](#)
- [Quick Links](#)
- [Training & Events](#)
- [Resources](#)
- [IMLRMA](#)

Empower

Featured

Annual Conference

2013 Newly Elected Officials Workshops

Fire Tax

Inside IML

Review Magazine

Municipal Calendar

Endorsed Programs

Classifieds

Quick Links

General Assembly Website (ILGA)

Municipal Directory Update Login

National League of Cities (NLC)

City Managers Resource Pool

Media



TOP IML PAGES

1. Municipal Case Law
2. 2013 Newly Elected Officials Workshops
3. News Items of Municipal Interest for May 31, 2013
4. Weinberg v. City of Chicago, 310 F.3d 1029 (7th Cir. 2002)
5. Legislative Rundown for Tuesday, May 28
6. Summary of 2013 Spring Legislative Session

Illinois Municipal League

Mission Statement

About Us

Thank You for Preserving LGDF Revenue in the FY14 Budget

From: David Lothspeich

To: Senator Duffy, Representative Sullivan Jr

Subject: Thank You for Protecting Local Income Tax Revenue.

Dear Legislator:

The Village of Long Grove appreciates that the FY14 State Budget preserves the full share of income tax revenue collected by the state on behalf of municipalities and counties. We offer our gratitude to you and your colleagues in the Illinois General Assembly for fighting to keep any reduction to the local share out of the state budget.

The absence of any reduction to the local income tax share demonstrates that you understand the need to fully-fund the basic services that a majority of Illinoisans use or benefit from every day. This includes basic and essential services such as police and fire protection, road maintenance and repair, water and sewer maintenance and repair, and snow removal during the winter months. State-collected local government income tax revenue is absolutely critical to the ability of local government to provide these and other services to our residents.

Once again, the Village of Long Grove thanks you for your support for preserving the full local income tax share.

[Back to Correct](#) [Send Email](#)

David Lothspeich

From: IML Legislation [IMLLegislation@iml.org]
Sent: Friday, June 07, 2013 10:50 AM
Subject: Illinois Municipal League Statehouse Briefing - June 7, 2013

IML Statehouse Briefing



On the ground news and insider information!

June 7, 2013

2013 Session Summary: We have prepared a [summary of the 2013 Spring Legislative Session](#). The article discusses the major issues that formed the backdrop of the spring session, key issues of interest that were approved by both chambers, and several noteworthy bills that did not make it to the Governor's desk. We hope that you will find this document informative and useful.

Telecom Rewrite: The General Assembly revisited the telecommunication and cable statutes and [approved several changes to the law](#). These changes within SB 1664 (Sen. Harmon, D-Oak Park/Rep. K. Burke, D-Evergreen Park) are less comprehensive than those made during the previous rewrites of the statutes in 2007 and 2010.

Special Session: Governor Quinn has called a special session for Wednesday, June 19 to address comprehensive pension reform. It remains highly uncertain whether any progress will be made on the issue when legislators return to Springfield. Both Fitch and Moody's elected to downgrade Illinois' bond rating in the days following adjournment as a direct consequence of the failure to send a pension reform bill to the Governor that would reduce the state's \$100 billion unfunded pension liability. Illinois' pension debt continues to accrue at approximately \$17 million per day.

THANK YOU ONCE AGAIN TO OUR MEMBERSHIP FOR SUPPORTING OUR LEGISLATIVE PROGRAM DURING THE SPRING SESSION. IT IS OUR HONOR TO SERVE YOU.

If you do not wish to receive information from the Illinois Municipal League via e-mail, please reply to this email include the words "Please remove from list" along with your name, municipality and email address included in the message.



Today is June 11, 2013

Search IML

[Home](#)[Legislative](#)[Legal](#)[Save Our Cities](#)[Training & Events](#)[Resources](#)[IMLRMA](#)[Pension Policy](#)[Revenue Protection](#)[Video Gaming Act](#)[Advocate](#)[Legislation](#) > [98th General Assembly](#) > [News](#) > [2013 News](#) >

Featured

[General Assembly Dashboard](#)[LGDF Late Payment Calculator](#)[2013 Legislative Session](#)[Legislative Calendar](#)[Statehouse Briefings](#)[Legislative Agenda](#)[Tracked Bills](#)[Agenda Bills](#)[Bill Positions](#)[2012 Post Session Materials](#)[Summary](#)[Legislation Approved by Both Chambers](#)[Archived News](#)[2012 Session News](#)[2011 Session News](#)[Resources](#)[2013-2014 Legislative Directory](#)[GA Website](#)[GA Office Holders](#)[Federal Affairs](#)[IL Board of Elections Boundaries Map](#)[Internet Links](#)[Legislative Archives](#)[Public Acts by Year](#)[Social Media](#)**TOP LEGISLATIVE PAGES**

Summary of 2013 Spring Legislative Session

By [Joe McCoy](#), Legislative Director, IML

Published on Thursday June 06, 2013

Municipal governments had a good Spring Legislative Session in 2013. This article provides a general summary of what transpired. The intent of this article is to highlight the many issues that were reported on in IML *Statehouse Briefings* during the legislative session. Included within the article is an overview of how the FY13 state budget will impact municipalities, a summary of the failed attempt to address pension reform, the passage of several bills of municipal interest, and a compilation of legislation that failed to achieve passage through both chambers. **The information in this article will be updated to reflect any actions taken by the Governor on legislation that was approved by both chambers.** It should be noted that, per the Illinois Constitution, the General Assembly has 30 days to send approved legislation to the Governor. Upon receiving the legislation, the Governor has 60 days to take action. Most bill signings typically occur prior to August 15.

LGDF REVENUE UNTOUCHED! *Small Amount of CPPRT Revenue Diverted*

LGDF revenue is safe for another year! The Budget Implementation (BIMP) bill was drafted to ensure that cities and counties will continue to collect a full six percent share of total income tax collections. This means that local governments will share in any income tax growth during the FY14 state fiscal year.

The BIMP does include an authorization for the state to divert Corporate Personal Property Replacement Tax (CPPRT) revenue each year beginning in FY14. House Majority Leader Barbara Flynn Currie has estimated the FY14 revenue loss to be about \$18 million on a statewide basis. The estimated municipal loss would be \$3.6 million spread across every community that receives CPPRT revenue. As we have previously reported, if your community receives CPPRT revenue, you can expect a loss of approximately 1.5 percent of what you would have received had no CPPRT ever been diverted. Another way to calculate the loss is to assume that you would lose an additional 0.5 percent from what you received during the current state fiscal year.

FY14 STATE BUDGET APPROVED

The General Assembly sent the Governor a \$35.4 billion budget - or \$2 billion more than what was spent last year. This budget essentially keeps spending flat for schools and universities. The backlog of unpaid state bills will reportedly also be reduced from \$7.5 billion to \$5.9 billion. Lawmakers were able to stave off \$400 million in cuts to education thanks in large part to an unanticipated influx of revenue in April of approximately \$1.5 billion. In addition to deferring cuts to education spending, the General Assembly used \$600 million of this "surplus" revenue to pay off past human services bills. The remainder was applied toward next year's revenue estimate and also used to offset anticipated cuts to the Department of Corrections. There was discussion about how the state would pay for raises that were awarded to state employees. This money is not included within the budget, but each state agency was provided personnel money in a lump sum along with the responsibility of determining how to pay for the raises. The budget bills are as follows:

[HB 206](#) - Supplemental Appropriation
[HB 208](#) - Education Appropriation
[HB 213](#) - Human Services Appropriation
[HB 214](#) - General Services Appropriation
[HB 215](#) - Public Safety Appropriation
[SB 2555](#) - Education Appropriation
[SB 2556](#) - Higher Education Appropriation
[SB 1329](#) - Budget Implementation Bill

1. Legislative Rundown for Tuesday, May 28
2. Summary of 2013 Spring Legislative Session
3. Omnibus Election Bill Includes Municipal Election Provisions

Contact Us

About Us

Legislative Staff Directory

Legislator Search

Search by:

- Municipality
- District
- Zip Code

Search

PENSION REFORM REMAINS GRIDLOCKED

The lack of comprehensive pension reform was probably the biggest disappointment of the session. The House and Senate considered several different proposals throughout the spring. Some of these proposals were even advanced out of one chamber and sent to the opposite chamber. In the last days of the session, however, only two major proposals remained under consideration to reduce benefits for Tier 1 participants within four of the five state-funded pension systems (SERS, TRS, GARS, and SURS)

SB 1 was crafted by Speaker Madigan (D-Chicago) and was the more financially impactful of the two bills. The legislation was estimated to save approximately \$150-\$180 billion over thirty years. SB 1 was narrowly approved by the House by a vote of 62-51.

SB 2404 was drafted in the Senate based upon Senate President Cullerton's (D-Chicago) "offer and acceptance" model. The legal theory behind SB 2404 is that a reduction in pension benefits is only constitutional if, like a contract re-negotiation, affected persons receive something in return for agreeing to a reduction in their pension benefits. The choice as presented within SB 2404 was between either a compounded cost-of-living-adjustment, or some degree of subsidized retiree health insurance. Confronted with significant political pressure to negotiate a pension benefit, labor unions comprising the "We Are One" coalition embraced SB 2404 as the more benign proposal. Unlike the significant cost savings associated with SB 1, SB 2404 was estimated as saving a more modest \$45 billion over 30 years. SB 2404 was approved in the Senate by a vote of 40-16.

On May 30, the Senate called SB 1 for a vote. After passionate debate, the bill was defeated by a stunning vote of 16-42. Following debate, Governor Quinn remarked that "the people of Illinois were let down tonight." Speaker Madigan lamented a "lack of leadership" in the Senate, prompting President Cullerton to acknowledge that the Speaker was likely expressing his disappointment with the outcome of the vote.

The final opportunity to secure some degree of pension reform fell by the wayside when the House adjourned on May 31 without having called the Senate pension reform bill, SB 2404, for a vote. As a consequence, both Fitch and Moody's downgraded Illinois' bond rating during the week following adjournment.

KEY LEGISLATION APPROVED BY BOTH CHAMBERS**PSEBA Transparency**

The IML worked closely with Senate Minority Leader Christine Radogno to make some progress toward PSEBA reform. While we are yet to achieve a definition of "catastrophic injury," we did partner with Leader Radogno to draft and advance a PSEBA reporting requirement that will bring about much-needed transparency with respect to the number of beneficiaries, costs, nature of injuries, and available insurance options. The IML believes that the biennial COGFA report resulting from SB 1245 will strengthen our argument that PSEBA is a necessary, albeit flawed law in need of sensible eligibility reforms. The first report would be published no later than June 1, 2014. SB 1245 represents the first notable change to the PSEBA statute since its inception in 1997. PSEBA reform is a key element of our "Save Our Cities" Agenda. SB 1245 (Sen. Radogno, R-Lemont/Rep. Williams, D-Chicago) was approved by both chambers and will next be considered by the Governor. **IML SUPPORTS**

Concealed Carry

HB 183 (Representative Phelps, D-Harrisburg/Senator Forby, D-Benton) was approved by both chambers. The legislation would expand upon the list of prohibited locations for guns and preempt home rule to create a statewide concealed carry permitting process without restricting other gun-related ordinances. The bill also requires 16-hours of training and a 5-year permit fee of \$150.

Medical Marijuana

HB 1 (Representative Lang, D-Skokie/Senator Haine, D-Alton) was approved by both chambers and would create a statewide medical marijuana pilot program. The bill includes background checks for both patients and caregivers and allows the state to control how much marijuana a patient can possess.

Telecom Rewrite

SB 1664 (Senator Harmon, D-Oak Park/Representative Burke, D-Evergreen Park) was approved by both chambers and would rewrite the telecom statute. Municipalities retained their control over public rights-of-way, and local revenues were not diminished in the rewrite of the statutes. More information about this legislation is [available here](#).

Alternate Bonds

HB 983 (Representative McSweeney, R-Barrington Hills/Senator Althoff, R-McHenry) would increase the number of days to schedule a backdoor referendum while also reducing the number of signatures required to trigger the referendum following the issuance of alternate bonds. More information about this legislation is [available here](#). Both chambers approved the legislation.

Natural Gas Infrastructure

SB 2266 (Senator Koehler, D-Peoria/Representative Phelps, D-Harrisburg) was approved by both chambers to allow natural gas utilities to impose a surcharge for the purpose of funding infrastructure improvements.

Omnibus Election Bill

HB 2418 (Representative Currie, D-Chicago/Senator Harmon, D-Oak Park) was approved by both chambers and makes several changes to election law. Some of these changes include provisions of interest to municipal government. One change includes a standard referendum ballot question regarding the adoption and repeal of home rule status. This provision was supported by the IML as part of our 2013 Legislative Agenda. Another would render a municipal official ineligible to continue service if they are late to pay a debt to the municipality. More information about these provisions is available on our website.

Medicaid Expansion

SB 26 (Senator Steans, D-Chicago/Representative Feigenholtz, D-Chicago) was approved by both chambers and would expand Medicaid eligibility under the Affordable Care Act. The expansion is estimated to include 350,000 childless adults between the ages of 19 and 64 with incomes below 138 percent of the federal poverty level. The expanded rolls will be fully-funded for three years by the federal government. Once the three-year period expires, the federal government will fund 90 percent of the cost.

Hydraulic Fracking

SB 1715 (Senator Frerichs, D-Champaign/Representative Bradley, D-Marion) was approved by both chambers and would create a statewide regulatory framework for hydraulic fracking. Fracking is a process that involves drilling and water pressure to extract natural gas. Fracking supporters contend that the legislation will create thousands of new jobs in Illinois while injecting \$9.5 billion into the state economy.

Capital Infrastructure Reauthorization Bill

HB 2869 (Representative G. Harris, D-Chicago/President Cullerton, D-Chicago) was approved by both chambers and would reauthorize approximately \$2.7 billion in bonds as part of the \$16 billion "Illinois Jobs Now" capital infrastructure program that was originally approved by the General Assembly in 2009. The money includes \$2.23 billion in General Revenue bonds for roads, universities, school construction and other projects and \$543 million in Build Illinois bonds for member initiatives and other projects.

Prevailing Wage Certified Payroll Records

HB 922 (Representative Hurley, D-Chicago/Senator Holmes, D-Aurora) would require that public bodies retain certified payroll records for five years instead of three. The bill arrived in the Senate with a requirement that the payroll records be retained for ten years, but this was negotiated down to five years in the Senate. The new five-year requirement would apply to payroll records accrued following the effective date of the legislation. Both chambers approved the legislation.

Workers' Compensation Changes

HB 3390 (Representative Sims, D-Chicago/Senator Mulroe, D-Chicago) makes several agreed-upon changes to the workers' compensation law. These include: (1) access to an interpreter paid for by Commission; (2) a clean-up of the arbitrator appointment process; (3) the availability of a handbook on the Commission website; (4) elimination of copying charges for certification by Commission to circuit court; (5) the need for a receipt from the Commission for certification; and (6) transfer of funds to the Injured Workers Fund. The bill was approved by both chambers.

Cell Phone Driving Ban

HB 1247 (Representative D'Amico, D-Chicago/Senator Mulroe, D-Chicago) was approved by both chambers and would prohibit the use of a cell phone while driving, unless hands-free technology is utilized.

Litigation Exposure

SB 1210 (Senator Silverstein, D-Chicago/Representative Welch, D-Westchester) would create the "Bill of Rights for the Homeless Act." The bill sets forth certain rights of homeless persons and provides that in any civil action alleging a violation of the Act, the court may award appropriate injunctive and declaratory relief, actual damages, and reasonable attorney's fees and costs to a prevailing plaintiff. This legislation could make it difficult, if not impossible, for municipal governments to effectively enforce public loitering ordinances. The bill was approved by both chambers. **IML OPPOSES**

KEY LEGISLATION NOT APPROVED BY BOTH CHAMBERS

(Some of these bills still remain viable)

LGDF Direct Deposit

The IML introduced HB 961 to provide for the prompt payment of the local income tax share collected by the state on behalf of cities and counties. We worked exceedingly hard with our sponsor, Representative Anthony DeLuca, D-Chicago, to find over 30 co-sponsors and pass the bill out of the House of Representatives with 109 votes! Unfortunately, the bill was not advanced in the Senate, but moving this important legislation out of the

House was a significant achievement that we hope to build upon in the future as we continue to pursue timely payments to local governments. **IML SUPPORTED**

Same Sex Marriage

SB 10 (Senator Steans, D-Chicago/Representative G. Harris, D-Chicago) was approved by the Senate only to remain in the House when the sponsor opted not to call the bill for lack of sufficient votes. The issue will likely be considered by the House during the Fall Veto Session.

Fire Service Consolidation Barriers

SB 1681 (Senator Link, D-Waukegan), as amended, proposed a new "Unified Fire Protection District Act." The legislative framework envisioned two paths to fire service consolidations under the Act. One path involves the existing intergovernmental cooperation agreement process. A second path allows for a consolidation to be triggered through a citizen petition and referendum process. The bill would have created significant obstacles and cumbersome requirements for fire service consolidations. More information about SB 1681 is available here. The legislation did not advance out of the Senate. **IML OPPOSED**

Fire Facility Closures

An amendment to SB 1456 was sent to the House Floor and would have required a referendum approval before a municipality could cease operations at one or more fire facilities. This legislation would have jeopardized the effective management of fire department budgets while complicating service consolidations. The amendment was eventually tabled. **IML OPPOSED**

TIF Repayment to School Districts

HB 197 (Representative Mayfield, D-Waukegan) would have amended the TIF statute to provide that three years after a redevelopment project area is established, the portion of taxes levied by a school district located in the redevelopment project area shall be allocated and paid to the school district in the manner required by law in the absence of the adoption of tax increment allocation financing. This bill would have had obvious negative implications for TIF financing because it would have withered the amount of the increment before the project could become functional. The bill failed to advance out of the House. **IML OPPOSED**

Reduced Property Tax Collections

HB 89 (Representative Franks, D-Woodstock) would have prevented tax-capped local governments from collecting sufficient property taxes to keep up with inflationary increases. The limitation provided for in the bill would apply to those jurisdictions that experience a decline in assessed property value over that of the prior year. The bill failed to advance out of the House. **IML OPPOSED**

FOIA Commercial Requesters

HB 2326 (Representative Chapa-Lavia, D-Aurora) would have made the following changes with respect to commercial FOIA requests: (1) extends the definition of commercial purpose to include more than just sales or solicitations; (2) allows a public body to charge a fee for commercial requests that includes the cost of time, materials, equipment, and personnel in copying or producing the record; and (3) provides for a penalty for any person who improperly uses FOIA to obtain records for a commercial purpose. The bill did not advance out of the House. **IML SUPPORTED**

Gaming Expansion

SB 1739 (Representative Rita, D-Blue Island/Senator Link, D-Waukegan) would have expanded gaming to include five additional casinos. The bill was approved by the Senate, amended in the House Executive Committee, and not called for a vote before the full House.

Firefighter Duty Disability Expansion

HB 1377 (Representative Dan Burke, D-Chicago) would have expanded eligibility for 65% of salary duty disability pension benefits by defining "act of duty" to include participation in training activities designed to enhance the skills and abilities of the firefighter, whether within or away from the municipality he or she serves as a firefighter, if the assignment is related to the fire protection service of the municipality. The bill would provide that such activity shall continue to be considered an "act of duty" even if performed without compensation. The bill did not advance out of the House Personnel and Pensions Committee. **IML OPPOSED**

Arbitration Award Reform

HB 1490 (Representative Kay, R-Edwardsville) would have restricted arbitrators from issuing awards based upon the premise that a municipality can increase taxes to pay for the increase in wages or benefits. The bill was approved by the House State Government Administration Committee, but did not advance beyond Second Reading in the House. **IML SUPPORTED**

FOIA Attorneys' Fees

SB 1514 (Senator Biss, D-Skokie) would have amended FOIA to expand the situations in which a public body would be liable to pay attorneys' fees. The bill failed to emerge from the Senate. **IML OPPOSED**

Additional ITAP Filing Requirements

HB 1555 (Representative Sandack, R-Downers Grove) as introduced would have required local governments to annually provide to the state information concerning employees and individual consultants, expenditures, grant funds received, contracts of all units of local government with taxing powers, and pension data. The information would be made available on the Department of Central Management Services' Illinois Transparency and Accountability Portal (ITAP). The IML was able to negotiate some of these provisions out of the bill and limit the municipal reporting requirements to involve reports already prepared by municipal governments. The bill was approved by the House and did not advance in the Senate.

Local Government Website Transparency

HB 3312 (Representative Ives, R-Wheaton) as introduced would have amended the Local Records Act to require local governments or school districts with an annual budget of \$1 million or more to maintain an Internet website and post various types of materials and financial information on the website. The bill was amended to make the requirements permissive and to exempt from FOIA any information made available on a local government website. The bill was not advanced out of the House.

Firefighter Health Insurance Continuation

HB 2237 (Representative Lang, D-Skokie) would have allowed firefighters that voluntarily waive their health insurance continuation rights to force their way back into the municipal health insurance pool years after retirement. The bill would create "adverse selection" and increase municipal health insurance costs. The bill was not approved in the House. **IML OPPOSED**

SB 2207 (Senator Frerichs, D-Champaign) is identical to HB 2237. The bill was not approved in the Senate. **IML OPPOSED**

Prevailing Wage Responsible Bidder

HB 924 (Representative Hoffman, D-Belleisle/Senator Raoul, D-Chicago) would have required that contractors adhere to the "responsible bidder" requirements of the Illinois Procurement Code. The amendment would result in fewer contractors being eligible to bid on public works projects under the Prevailing Wage Act because eligible bidders would have to demonstrate participation within a United States Department of Labor approved apprentice and training program. The result would be less competition between contractors and higher costs for local projects. The bill was approved by the House, but did not emerge from the Senate. **IML OPPOSED**

Open Meetings Act

HB 2872 (Representative Halbrook, R-Charleston) would have amended the Open Meetings Act to require that, if a person requests information from the corporate authorities of a public body during a meeting and if the corporate authorities of the public body do not respond to the request during the meeting, then the corporate authorities of the public body shall provide a written response to the request prior to or at the next meeting of the public body. The bill was not approved in the House. **IML OPPOSED**

Elimination of Local Electoral Boards

SB 1689 (Senator Biss, D-Skokie/Speaker Madigan, D-Chicago) would have abolished municipal, township and community college district electoral boards and transfer all hearing matters to the county electoral boards. The bill was approved by the Senate, but was amended to remove the language in the House. **IML OPPOSED**

Chicago Police and Fire Pension Funding Changes

HB 3088 (Senator Cullerton, D-Chicago) was an initiative of the City of Chicago to adjust the required tax levy used to fund pensions, extend the amortization period for the City's police and fire pension systems, and push back the date for when the City's police and fire pension funds can divert state-collected local government revenue to compensate for shortfalls in the annual pension payment owed by the City. The police and fire pension language was amended onto the bill in the Senate Executive Committee, but the bill was not presented for a vote before the full Senate.