

Item #6:
Village President Underwood
Legislative Update

To: IML Legislation
Subject: RE: Illinois Municipal League Statehouse Briefing - March 26, 2014

From: IML Legislation [<mailto:IMLLegislation@iml.org>]
Sent: Wednesday, March 26, 2014 2:57 PM
Subject: Illinois Municipal League Statehouse Briefing - March 26, 2014

IML Statehouse Briefing



On the ground news and insider information!

March 26, 2014

Overview of Governor Quinn's Budget Address

Governor Quinn presented his Budget Address to the Illinois General Assembly today (March 26, 2014). That address covered the big picture of the Governor's budget proposal. Of significant interest to municipalities, the Governor announced that his plan would protect State funding to local governments so that they share in the State's economic recovery.

Governor Quinn began the address by discussing the steps that the State has taken over the last five years to stabilize its financial condition. Over the past five years, the State has cut its spending by \$5.7 billion. Today, according to the Governor, the cost of running the State government is below the 2007 levels.

Next, Governor Quinn outlined his budget plan going forward. The Governor's proposal would do the following:

- Make the temporary tax increase permanent by keeping the tax rates at their current levels.
- Establish spending caps for State government.
- Build reserves in the State budget.
- Provide a \$500 property tax refund for every homeowner.
- Double the value of the Earned Income Tax Credit over a five-year period.
- Provide job-training tax credits for businesses.
- Create a bipartisan working group to develop a new capital plan.
- Increase school funding by \$1.5 billion over a five-year period.
- Allocate \$1.5 billion to the Birth to Five Initiative.
- Double MAP scholarships.

The Governor specifically stated that his budget plan would protect State funding to local governments. He recognized that local government provides vital services to Illinois' citizens and that they are affected by the same economic conditions as the State government. Governor Quinn stated that local governments should share in Illinois' economic growth and recovery. The speech did not cover the specifics of how that funding will work and what percentage of the income tax proceeds would be distributed to local governments. The IML will release further information on that issue as it becomes available.

From: IML Legislation [IMLLegislation@iml.org]
Sent: Friday, March 28, 2014 1:28 PM
Subject: Illinois Municipal League Statehouse Briefing - March 28, 2014

IML Statehouse Briefing



On the ground news and insider information!

March 28, 2014

A frenetic week of legislative activity, punctuated by the Governor's Budget Address, ensured that the deadline week for moving bills out of House and Senate Committees would have relevance for the November election.

Budget Address

Governor Quinn delivered his annual Budget Address on Wednesday. Governor Quinn used his speech to outline the broad parameters of what he would like to accomplish over the next five years. One year ago the Governor's proposed budget included limitations on state income tax distributions to local governments. What a difference a year makes. Local governments should be pleased that the Governor's proposed budget for FY2015 includes a call for the protection of local government revenue allocations from the state. This is no guarantee that local revenues are safe, but it is encouraging that the Governor recognizes that local governments provide critical services that require funding at adequate and responsible levels.

The most substantive, and controversial, proposal offered by the Governor was for the temporary income tax to be made permanent at current levels. According to Governor Quinn, the only way to avoid severe budget cuts is through a permanent extension of the higher income tax rates. The percentage of LGDF revenue disbursed to cities and counties on these higher rates remains unspecified at this time. Our summary of the Governor's Budget Address can be read [here](#).

Tax Issues Take Center Stage

Following the Budget Address, both Speaker Madigan and Senate President Cullerton voiced support for the Governor's proposal to make the temporary tax increase permanent. In addition, Speaker Madigan advanced a constitutional amendment ([HJRCA 51](#)) out of the House Revenue and Finance Committee on Thursday that would ask voters to approve a 3 percent surcharge on income in excess of one million dollars. If approved by a three-fifths vote of both chambers by May 5, what is being referred to as the "millionaire tax" would be placed as a referendum question on the November ballot. Revenue derived from the surcharge would be earmarked to fund education.

During the same hearing, a proposed constitutional amendment to establish a progressive income tax was defeated ([HJRCA 33](#)). The call for a permanent extension of the temporary income tax and the advancement of a proposed millionaire surcharge all but guarantee that tax policy will be a significant issue during the fall campaign. If you recall, we [identified tax policy as a likely general election issue](#) back in November.

IML Opposed Fire Legislation Remains on House and Senate Floors

[HB 5485](#) (Rep. Mayfield, D-Waukegan) would change the law to make minimum manning in fire departments a mandatory subject of collective bargaining and interest arbitration. The bill remains on

Third Reading in the House. We strongly urge that our members contact their state representatives and request that they oppose this municipal budget buster. **IML OPPOSES**

SB 1681 (Sen. Link, D-Waukegan) would allow for the creation of a new unit of local government through a cumbersome process involving petitions, joint labor/management committees, special mediators, impractical service standards, and referenda. The bill would also prohibit taxpayers from receiving the full savings that might result from the creation of a Regional Fire Protection Agency. The savings would instead go toward firefighter pension funds. The bill remains on Third Reading in the Senate. Please contact your state senators and urge that they oppose this burdensome and impractical legislation. **IML OPPOSES**

Several bills of municipal interest advanced during the week. They are included below. A complete list of bills being tracked by the IML is available [here](#).

BILL PASSED OUT OF THE HOUSE

HB 4216 (Rep. DeLuca, D-Chicago Heights) would provide that any person who knowingly, without lawful authority and with the intent to defraud any party, public officer, or entity, alters, destroys, defaces, removes, or conceals any public record commits a Class 4 felony. This bill takes the penalty provisions that are currently contained elsewhere in the Criminal Code and places them in the Local Records Act. A similar change was previously made to the State Records Act. This legislation does not impose any new penalty that does not already exist under current law. The bill was approved by the full House 112-0.

Several bills of municipal interest were debated and approved by House and Senate Committees during the Committee deadline week. These bills are included below:

BILLS OUT OF HOUSE COMMITTEES DURING DEADLINE WEEK

A significant number of "shell" bills were passed out of the House Executive Committee for possible use in the coming weeks. Shell bills can receive amendments to advance legislative proposals later in the session. In addition, Speaker Madigan advanced five shell bills that will be used for the FY2015 state budget. These Budget Implementation (BIMP) bills are HB 3786, 3787, 3788, 3789, and 3790. We will be monitoring these bills with particular attentiveness during the month of May.

HB 3898 (Rep. Conroy, D- Villa Park) was amended to eliminate the IMRF supplemental pension payment for current and future employees. The supplemental payment is often referred to as the "13th check." The bill was approved by the House Personnel and Pensions Committee by a vote of 10-0.

HB 4075 (Rep. Zalewski, D-Riverside) would impose regulations on ridesharing services and prohibits all municipalities, including those with home rule powers, from licensing and regulating ridesharing services in a manner that is less restrictive than the state. The bill was approved by the House Business and Occupational License Committee by a vote of 9-2. **IML OPPOSES**

HB 4272 (Rep. Gabel, D-Evanston) creates the Illinois Family Care Provider Act. The bill mandates that an employer must provide up to 12 weeks of unpaid family medical leave to an employee during any 12-month period for one or more of these purposes: the birth or adoption of a grandchild in order for the employee to care for such grandchild; because of the placement of a grandchild with the employee for adoption or foster care; or in order for the employee to care for a grandchild if such grandchild has a serious health condition or the employee to care for a grandparent if such grandparent has a serious health condition. The bill contains provisions concerning notification and certification. The bill also authorizes an employee to file a civil action for enforcement. The IML joined private sector employers in opposing the bill as an unfunded mandate. The bill was approved by the House Labor and Commerce Committee by a vote of 11-4, but there will be additional negotiations with employer groups and the bill is only likely to advance if an agreement is reached. **IML OPPOSES**

HB 4418 (Rep. Hoffman, D-Collinsville) was amended to require that a municipality that owns and operates a fire department cannot close down that fire department unless the voters approve such a

closure through a referendum. The original bill would have required a referendum for “the cessation of operations or maintenance at a fire facility.” This broader language would have compelled a referendum if a municipality sought to close down a single fire station. The impact of the bill has been narrowed significantly with the amendment, but the IML remains opposed to the referendum requirement. The bill as amended was approved by the House Public Safety: Police and Fire Committee by a vote of 20-2. **IML OPPOSES**

[HB 4609](#) (Rep. Feigenholtz, D-Chicago) provides that the Office of the State Fire Marshal may not adopt rules imposing new statewide mandates or changes to existing or future statewide mandates requiring the installation of fire sprinkler systems in specific types of buildings or other structures. New statewide mandates or changes to existing or future mandates requiring the installation of fire sprinkler systems in specific types of buildings or other structures must be authorized by means of a bill passed by the General Assembly. The bill was approved by the House State Government Administration Committee by a vote of 17-2. **IML SUPPORTS**

[HB 4691](#) (Rep. Phelps, D-Harrisburg) amends the Downstate Police Article of the Illinois Pension Code. The bill is intended to address funding shortfalls created when an Article 3 pension fund is initially created and accepts police officers that were participating members of an IMRF pension fund. Under the bill, the municipal IMRF fund would transfer the following funds to the newly created fund within 30 days: (1) the amounts actually contributed by or on behalf of the officer to the Article 7 Fund as municipal police officer employee contributions, plus interest on those amounts at the rate of 6% per year, compounded annually, from the date of contribution to the date of transfer to the Article 3 Fund and (2) an amount representing employer contributions, equal to the total amount determined under subdivision (1), plus interest on those amounts at the rate of 6% per year, compounded annually, from the date of contribution to the date of transfer. Participation in IMRF would terminate on the date of the transfer. The bill was approved by the House Personnel and Pensions Committee by a vote of 10-0.

[HB 5454](#) (Rep. Poe, R-Springfield) provides that the salaries set for water commissioners under Section 11-135 of the Illinois Municipal Code shall be determined based upon the adoption of a resolution by a majority of the appointing authorities rather than the adoption of a resolution by all appointing authorities. This legislation is an initiative of the Otter Lake Water Commission. The bill was approved by the Cities and Villages Committee by a vote of 16-0.

[HB 5592](#) (Rep. Martwick, D-Chicago) amends IMRF concerning the election of a reversionary annuity. The bill deletes the requirement that the election be made at the time retirement annuity begins and provides that the election is irrevocable. The bill was approved by the House Personnel and Pensions Committee by a vote of 10-0.

[HB 5507](#) (Rep. Sandack, R-Downers Grove) would remove the State Treasurer as the intermediary custodian for IMRF. The bill was approved by the House Personnel and Pensions Committee by a vote of 10-0.

[HB 5696](#) (Rep. Poe, R-Springfield) amends IMRF to include provisions regarding omitted service, removing obsolete references to closed transfer windows, and no longer requiring an election if there is only one certified candidate.

[HB 5701](#) (Rep. Mayfield, D-Waukegan) would prohibit employers from inquiring into the criminal background of a prospective employee prior to the interview process or, in the absence of an interview process, until a conditional offer of employment is made. The bill provides for both civil actions and Department of Labor imposed fines for violations. The bill was approved by the House Labor and Commerce Committee by a vote of 11-3. The IML joined private sector employer groups in opposing the bill. The Illinois Chamber of Commerce is drafting an amendment that would exempt small employers and allow for employers to screen for certain types of criminal convictions earlier in the hiring process. The IML will continue to work in solidarity with the private sector employer groups on the bill. **IML OPPOSES**

[HB 5919](#) (Rep. Ives, R-Wheaton) amends the Downstate Police and Firefighter Articles of the

Illinois Pension Code. The bill provides that, if at any time the Public Pension Division of the Department of Insurance finds that a pension has been calculated using compensation that should not have been included in salary or final average salary, then the beneficiary of that pension shall pay back to the fund an amount equal to the benefit incurred by using that compensation. The bill was approved by the House Personnel and Pensions Committee by a vote of 10-0. **IML SUPPORTS**

[HB 5416](#) (Rep. Brady, R-Bloomington) increases the penalty for failure to yield the right-of-way to an emergency vehicle or police vehicle making use of audible and visual signals from a business offense with a fine of not less than \$100 or more than \$10,000 to a Class B misdemeanor and if the offense results in the death of another person it is a Class 4 felony in addition to suspension of the person's license for 2 years. The bill was approved by the House Transportation: Vehicles and Safety Committee by a vote of 10-0.

[HB 5548](#) (Rep. Schmitz, R-Batavia) provides that the definition of "ambulance" includes any public or privately owned on-road vehicle that has the capability to carry water for the purposes of operation as a fire truck, but is otherwise primarily designed, constructed, or modified and equipped for the emergency transportation of persons who are sick, injured, wounded, or otherwise incapacitated or helpless or for the non-emergency medical transportation of persons who require the presence of medical personnel to monitor the individual's condition or medical apparatus being used on such individuals. The bill was approved by the House Health Care Licenses Committee by a vote of 8-0.

[HB 5634](#) (Rep. Crespo, D-Hoffman Estates) amends the County Motor Fuel Tax Law in the Counties Code and the Home Rule Municipal Use Tax Act in the Illinois Municipal Code. The bill provides that the State Treasurer shall retain 2 percent of the amount to be paid to each county or municipality under those provisions (not including credit memoranda or refunds) to cover the costs incurred by the Department of Revenue in administering and enforcing those provisions. The bill provides that the 2 percent shall be transferred to the Tax Compliance and Administration Fund. Current law allows the State Treasurer to retain "up to 2 percent" and this full allowance is collected in many cases. The bill was approved by the House Revenue and Finance Committee by a vote of 10-0.

[HB 5709](#) (Representative DeLuca, D-Chicago Heights) would reduce the cost of obtaining right-of-way or temporary easements by allowing municipal employees, *with the proper training*, to complete federal valuation waivers for right-of-way or temporary easements if the value of the parcel or easement is under \$10,000 without hiring a licensed appraiser. The bill was approved by the House Business and Occupational Licenses Committee by a vote of 7-3. **IML SUPPORTS**

[HB 5666](#) (Representative DeLuca, D-Chicago Heights) requires any municipality located in Cook county or the collar counties that has never awarded a commercial franchise agreement for waste hauling to delay awarding a franchise for a minimum of three years after an ordinance is adopted stating the municipality's intent. This legislation also preempts home rule. This legislation was approved by the House Cities and Villages Committee by a vote of 14-2. **IML OPPOSES**

[SB 1381](#) (Rep. Gordon-Booth, D-Peoria) would amend the Vehicle Code to allow a vehicle or pedestrian to enter an intersection under direction of a flashing yellow traffic-control signal. Pedestrians must yield the right-of-way to vehicles lawfully within the intersection at the time that the flashing yellow indication is first displayed. The bill was approved by the House Transportation: Vehicles and Safety Committee by a vote of 10-0.

BILLS OUT OF SENATE COMMITTEES DURING DEADLINE WEEK

[SB 2829](#) (Sen. Link, D-Waukegan) would award attorneys' fees to plaintiffs in a successful appeal under the Administrative Review Law. Administrative review applies to a large number of issues concerning local government. These issues include zoning decisions, pension board decisions, decisions of the boards of fire and police commissioners, and administrative adjudications of ordinance violations. The IML testified against the bill in the Senate Judiciary Committee. While the bill was approved by a vote of 8-1-1, several Senators recognized the problems with the bill and indicated that their votes were simply to get the bill out of Committee. Committee members also offered recommendations on how the bill might be amended. **IML OPPOSES**

[SB 3106](#) (Sen. Connelly, R-Naperville) provides that every unit of local government or school district outside of Chicago that maintains an Internet website other than a social media or social networking website shall post to its website a method to contact each elected official by e-mail. The bill was approved by the Senate Local Government Committee by a vote of 13-0.

[SB 3425](#) (Sen. McCann, R-Carlinville) provides that the salaries set for water commissioners under Section 11-135 of the Illinois Municipal Code shall be determined based upon the adoption of a resolution by a majority of the appointing authorities rather than the adoption of a resolution by all appointing authorities. This legislation is an initiative of the Otter Lake Water Commission. The bill was approved by the Senate Local Government Committee by a vote of 13-0.

[SB 3144](#) (Sen. Syverson, R-Rockford) amends the Video Gaming Act to provide that a licensed truck stop establishment may operate up to 10 (rather than 5) video gaming terminals on its premises at any time. The bill was approved by the Senate Executive Committee by a vote of 11-2-1. **IML SUPPORTS**

[SB 3419](#) (Sen. Cunningham, D-Chicago) is intended to give municipalities flexibility and additional controls over what bars and restaurants may offer video gaming. The Licensed Beverage and the Coin Operators Associations opposed the legislation. Senator Cunningham indicated that he would work with those opponents in an attempt to address their concerns. With that understanding, the Senate Executive Committee approved the legislation by a vote of 9-0. **IML SUPPORTS**

[SB 3517](#) (Sen. Biss, D-Evanston) provides that the effective date of a retirement annuity may not be more than 2 years (rather than one year) prior to the date on which the application for the annuity is received by the Fund. Also limits the application of the change made by the underlying bill to members of the Teachers' Retirement System who are not eligible to retire on the effective date of this amendatory Act. This legislation creates parity between IMRF and other pension funds with respect to disbursing earned pension payments to individuals that did not file to begin collecting their benefits upon becoming eligible. IMRF has determined that the bill will not increase costs. The bill was approved by the Senate Executive Committee by a vote of 13-0.

[SB 3563](#) (Sen. Kotowski, D-Park Ridge) clarifies that a home rule municipality that imposed a tax on tobacco products prior to July 1, 1993 is not prohibited from imposing a similar tax on or after July 1, 1993. The bill was approved by the Senate Executive Committee by a vote of 9-3.

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From: IML Legislation [IMLLegislation@iml.org]
Sent: Tuesday, April 01, 2014 10:46 AM
Subject: Illinois Municipal League Statehouse Briefing - April 1, 2014

IML Action Alert



On the ground news and insider information!

April 1, 2014

Legislative activity will be focused on Floor action over the next two weeks ahead of the April 11 3rd Reading deadline for moving bills out of the House and Senate. Watch our [Statehouse Preview](#) video, read this Statehouse Briefing, and then take action to defeat the onerous bills that would have a negative impact on municipal governments.

LEGISLATION ON THE HOUSE FLOOR

Minimum Manning Unfunded Mandate

We want to continue to remind our members that the House may vote at any time on legislation to make fire department minimum manning requirements, and ultimately staffing levels, a mandatory subject of collective bargaining and interest arbitration.

Here are the reasons for IML opposition to [HB 5485](#) (Rep. Mayfield, D-Waukegan):

- The bill changes the law to make what is now a permissive subject of bargaining into a mandatory subject of bargaining;
- The bill restricts the choices that elected officials can make with respect to allocating the resources necessary to fund an array of critical public services;
- The bill eviscerates the three-part balancing test that is used by Illinois courts to make a careful determination as to whether bargaining should be required based upon a unique set of facts;
- The bill ignores the role of existing initial aid and service sharing agreements that ensure sufficient personnel are dispatched to the scene of an emergency from multiple jurisdictions;
- The bill will penalize employees of other municipal departments that do not have the headcount protection provided by the imposition of minimum manning standards.

The AFFI is telling legislators that court cases are upholding their claim that minimum manning is already a mandatory subject of bargaining statewide. Our [Issue Brief](#) includes several arbitration and Illinois Labor Relations Board decisions that **affirm minimum manning as a permissive subject of bargaining.**

The AFFI is also telling legislators that "clarifying" the law will end pointless litigation over manning issues. AFFI claims that ending the litigation will save cities and taxpayers money. This argument runs contrary to the fact that the costs associated with overstaffing (training, salary, pensions, overtime, workers' compensation, arbitration costs, etc.) far outpace litigation costs.

Take Action to OPPOSE HB 5485!

We urge that you [contact your State Representatives](#) and request that they oppose this mandate that

would tie the hands of municipal officials!!! **We need maximum outreach to State Representatives if we hope to defeat this expensive and restrictive mandate that erodes managerial rights!!!**

Loss of Municipal Control to Pursue Alternative Fire Protection Coverage

HB 4418 was amended to impose a referendum requirement before a municipality can close down its fire department as a result of deciding to obtain fire protection through alternative means (i.e., intergovernmental cooperation agreement with a fire protection district).

Here are some reasons for IML opposition to [HB 4418](#) (Rep. Hoffman, D-Belleville):

- The bill imposes a referendum requirement that effectively takes the decision over how to provide fire protection for the community away from locally elected officials;
- The bill could hinder more cost effective fire service protection even when the fire protection is of equal or greater quality than what is provided by the municipal department;
- The bill has a statewide impact despite being aimed at a small number of cities that could benefit from alternative fire protection options because their fire departments have become unaffordable.

Take Action to OPPOSE HB 4418!

HB 4418 is currently on Second Reading and may receive another amendment to correct a technical error. Please [contact your State Representatives](#) and request that they oppose this mandate that would limit local options.

LEGISLATION ON THE SENATE FLOOR

Regional Fire Protection Agency Act Legislation Could Receive Vote This Week

The full Senate may vote on legislation this week that would create a cumbersome alternative model for fire service consolidations.

Here are some reasons for IML opposition to [SB 1681](#) (Sen. Link, D-Waukegan):

- The bill creates a **new unit of local government** with a hybrid structure that can hardly be considered as an effective model for service consolidation;
- The bill uses a low-threshold petition requirement to kick-start a process involving courts, joint labor/management committees, special mediators, and unworkable service standards;
- The bill also **prevents local taxpayers from receiving 100% of the savings** that might occur from a consolidation under this process;
- The bill entitles the new unit of government to state-shared income tax revenue in the same manner as cities and counties. This would have the effect of **reducing per capita LGDF distributions**.

Take Action to OPPOSE SB 1681!

An IML Fact Sheet about the bill is available [here](#). Please [contact your State Senators](#) and urge that they oppose this cumbersome and unnecessary “consolidation” bill.

State Prohibition on Local Law Enforcement Performance Measures

[SB 3411](#) would provide that a county or municipality may not require a law enforcement officer to issue a specific number of citations or warnings within a designated period of time. The bill also provides that a county or municipality may not, for purposes of evaluating a law enforcement officer's job performance, compare the number of citations or warnings issued by the law enforcement officer to the number of citations or warnings issued by any other law enforcement officer who has similar job duties.

Here are the reasons for IML opposition to SB 3411 (Sen. Munoz, D-Chicago):

- The bill prevents municipal governments from using a critical metric to determine the contribution of a police officer toward the overall traffic enforcement strategy of the police department;
- It is appropriate for the state to set rules for how the State Police execute their traffic enforcement strategy, but local traffic enforcement strategies and metrics are the proper jurisdiction of local governments;
- Vigorous and measurable traffic enforcement enhances the overall safety of Illinois communities.

SB 3411 is presently on Second Reading in the Senate. Please [contact your State Senators](#) and urge that they oppose this prohibition that would undermine local law enforcement efforts.

Take Action to OPPOSE SB 3411!

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.