



LEGISLATIVE UPDATE

DECEMBER 6, 2013

PUBLISHED FOR LABOR ACTIVISTS BY THE ILLINOIS AFL-CIO

MICHAEL T. CARRIGAN, PRESIDENT

TIMOTHY E. DREA, SECRETARY TREASURER

JASON KELLER, LEGISLATIVE DIRECTOR

The Illinois General Assembly returned for one day this week, December 3. The actions taken by legislators' this week were nothing less than class warfare. It was as if it was taken directly from a nightmarish fairy tale, where they take from the poor and give to the rich. This week was no fairy tale or nightmare, it was all too real. The Illinois House and Senate will return to Springfield on Wednesday, January 29. This is also the date that Governor Quinn will give his state of the state address to the General Assembly.

GENERAL ASSEMBLY

Unconstitutional Pension Theft Law Passed

The Illinois General Assembly passed a pension theft bill this week when they returned for one day to consider public employee pension issues. SB 1 passed the Senate by a vote of 30-24-3, and then the House by a vote 62-53-1. Governor Quinn signed the bill on Thursday, PA 98-599. Despite unanimous opposition from the labor movement, tens of thousands of phone calls and dozens of legislative office visits by union members in the final days, and hours of emotional, back-and-forth debate on the floors of the state House and Senate, legislators decided to sharply reduce the pensions of active and retired state and university employees and teachers.

"If someone knocked a retiree down on the street, and took their wallet or purse, that person would be called a thief," said Michael T. Carrigan. "The We Are One coalition will take this new law to court following consultation with our lawyers. Legislators, chose to listen to corporate leaders, violate their oaths of office, trample on the Illinois Constitution, and willfully ignore the plain letter of the law. In abandoning their constitutional duties, they've voted to slash the retirement benefits of senior citizens and working families by one-third or more."

Public Act 98-599 will make it impossible for retirees to keep up with the rising cost-of-living in retirement. It unconstitutionally slashes COLAs by using a destructive formula and imposing COLA holidays of up to five years. Combined, these two COLA cuts erode the value of a person's pension by nearly one-third after 20 years in retirement—and deprive retirees of thousands of dollars in income just in the next five years.

The exact language in Article XIII, Section 5 of the Illinois Constitution states:

"Membership in any pension or retirement system of the State, any unit of local government or school district, or any agency or instrumentality thereof, shall be an enforceable contractual relationship, the benefits of which shall not be diminished or impaired."

Happy Holidays FROM THE ILLINOIS AFL-CIO

Senate Takes From the Poor, Gives to the Rich

No money for working class, plenty for corporations

Immediately following the passage of SB 1 in the Senate, which was supposedly passed to save the state from falling off a fiscal cliff, the Senate passed a corporate welfare bill for Archer Daniels Midland (ADM) in Decatur. HB 2536, sponsored by State Senator Andy Manar (D-48) in the Senate, gives ADM \$24 million of taxpayer funds so that the company can move some of their executives up to Chicago, from Decatur where they are currently located. The bill passed the Senate 39-14. It now returns to the House on order of concurrence, where Elgie Sims is currently the sponsor.

The Senate passed HB 3271 (Williams/T Cullerton) by a vote of 43-10-1. It provides corporate welfare for two companies. The newly merged OfficeMax (Naperville) and Office Depot (Florida) are trying to decide where to base their headquarters. The welfare package is worth \$53 million over 15 years for them. If the company accepts the welfare, it would add another 200 jobs and make capital investments of \$150 million. HB 3271 also included corporate welfare for Univar Inc. chemical company. This Redmond, Washington based company is considering moving its headquarters to Downers Grove. The legislation would give Univar \$5 million in tax breaks and allow the company to keep its employees' personal income tax withholdings if it retains at least 100 full time jobs in Illinois and creates at least 69 jobs. HB 3271 now returns to the House on concurrence.

UIC Faculty To Take Historic Strike Vote

First major labor action by any University of Illinois faculty

CHICAGO – Hundreds of members of the University of Illinois Chicago United Faculty union held a first ever vote this week on whether or not to strike in order to demand a fair and equitable contract from the University of Illinois Board of Trustees. More than 95 percent of Illinois Federation of Teachers and American Federation of Teachers (IFT/AFT) Local 6456 members who voted during the past three days authorized union leadership to call for a strike if necessary.

“When money was tight, UIC faculty sacrificed for students and the University. Now, with nearly a billion dollars in surplus funds, the University President refuses to use even a small fraction of those funds for faculty compensation. His position is not only unwise, it’s unfair,” said Joe Persky, President of University of Illinois at Chicago United Faculty (UIC UF), the faculty union.

500 days after UIC UF was legally recognized as the collective bargaining unit for all UIC full-time tenured (TT) and non-tenured faculty (NTT), and after more than 50 bargaining sessions with the University’s Administration, the union has been open to working with the Administration to achieve a fair contract. This includes not only faculty pay, but also working conditions which directly affect students and their success at UIC, along with many aspects of faculty shared governance on how the university spends its money and student tuition as reflected in the University’s own statutes.

However, the University Administration continues to resist any serious effort to bring the negotiations beyond anything beyond on non-monetary and hortatory issues. It continues

to reject every financial proposal UICUF presented, and has yet to provide a serious counter-offer. A federal mediator joined the bargaining sessions a few weeks ago.

“It is outrageous that the University has increased tuition and burdened students with debt, all while socking away almost a billion dollars of students’ money,” said Dan Montgomery, President of the Illinois Federation of Teachers, the statewide union with which UICUF is affiliated. “Just as outrageous is that the Administration has spent the students’ tuition dollars on increasing the number of administrative positions and reducing the number of faculty.”

While the union and administration have reached agreement on a number of points, vital issues remain unresolved. At its core UICUF is fighting to preserve UIC’s academic and urban mission as the largest public research institution in the greater Chicago metropolitan area. As faculty members committed to the university’s students, research and services, this includes:

- A living wage, multi-year contracts and a real system of promotion for a high quality NTT faculty.
- Faculty Control of Governance and Curriculum through the Senate, including expanding its role in budgetary decisions.
- A commitment to improve students’ learning conditions in classrooms, labs, and access to support.
- A compensation proposal that acknowledges how, in the past, faculty took furloughs and salary freezes in the past, and moves forward with a system of compensation and promotion that is based on merit, responds to equity disparities, and resolves long-standing problems with salary compression.

Tentative agreement reached in Will County

After two weeks on the picket line – and 15 months of difficult negotiations – over 1,000 members of AFSCME Local 1028 return to work Thursday after reaching a tentative agreement with the county.

“The strike lasted more than two weeks during which time members of Local 1028 stood strong,” Council 31 Executive Director Henry Bayer said. “They will now be returning to work with their heads held high.”

The strike began on Nov. 18 after 15 months of negotiations. Local 1028 members walked off the job after the county refused to agree to a contract that included fair wages and affordable health insurance costs.

County employees have already gone four years without a cost-of-living increase and 40 percent were making less than \$30,000 a year. Despite that, they were asked to accept a proposal that would have drastically increased health care costs without adequate wage increases, making it effectively a pay cut for many workers.

“This strike was won because of the determination of the Will County employees who stood on the picket line day and night fighting for fairness,” Bayer said. “This is a victory not only for them, but also for the Will County residents, other AFSCME locals and members of other unions who supported them every day.”

ABC Gets in Holiday Spirit... By Kicking Disabled and Veterans to Curb

Modern Day Ebenezer Scrooge Found in Associated Builders & Contractors

The Associated Builders and Contractors (ABC) has filed an injunction to prevent the implementation of a new rule by the U.S. Department of Labor that would encourage the hiring of disabled Americans and military veterans, calling it “wasteful and burdensome.”

That rule updates requirements of the Vietnam Era Veterans’ Readjustment Assistance Act of 1974 (VEVRA), and requirements under Section 503 of the Rehabilitation Act of 1973. It requires federal contractors and subcontractors to establish “annual hiring benchmarks for protected veterans,” using one of several methods described in the rule. The rule, for federal contractors and subcontractors, establishes a nationwide 7 percent hiring goal for qualified individuals with disabilities.

Contractors must also document and update annually “several quantitative comparisons for the number of veterans who apply for jobs and the number of veterans they hire.”

It is worth the effort to remind your local leaders that where the unionized construction industry invests over \$1 billion a year in skilled craft workforce development; the ABC shuns such investments. And that is why they have been actively and aggressively seeking a new and expanded foreign guest worker program in the US Congress - so its members can continue to have ready access to a low-wage, low-skill, and easily exploitable workforce that extracts tremendous social and economic costs from communities all across the nation.

And where the unionized construction industry is proactive in working to create structured pathways for disadvantaged Americans (women, minorities, military veterans, etc.) to secure quality career training and skills development opportunities in the construction industry, the ABC criticizes and actually devotes significant resources to oppose such efforts.