



LEGISLATIVE UPDATE

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PUBLISHED FOR LABOR ACTIVISTS BY THE ILLINOIS AFL-CIO

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The Illinois General Assembly has completed its business for the 2013 Spring session. Several bills were left unresolved on May 31, they include: Gaming (SB 1739), Constitutional pension reform (SB 2404), back pay for many state employees that was court ordered (HB 212 & SB 2587), responsible bidder (HB 924), and marriage equality (SB 10).

The Illinois House and Senate did manage to pass a conceal/carry bill, HB 183, prior to the June 9th court mandated deadline. Also, SB 26 passed, which is a bill to implement the Obamacare/Medicaid changes in Illinois. Lastly, SB 1329 was passed for implementation of the FY14 budget. It contains privatization language for a "Forever Green" grant program through the Department of Agriculture. It is something that several unions will want to monitor as it goes through the Joint Committee on Administrative Rules (JCAR).

A series of budget bills were passed to put together Illinois' FY 14 budget, totaling approximately \$35.4 billion in spending for education, public safety, and human service programs. April saw an unprecedented increase of more than \$1 billion in new state revenue. This allowed the General Assembly to appropriate more to the education funding than the Governor's budget. In addition, the state was able to pay down some debt, dropping from \$7.5 billion to \$5.9 billion. The budget outline passed by the General Assembly increases spending by nearly \$2 billion - a 3% increase that some feel is needed to keep pace with inflationary increases.

The Illinois General Assembly is scheduled to return on October 22, 2013 for the fall veto session. Though, it is quite possible for them to return prior to that date to address some of the many unresolved issues.

GENERAL ASSEMBLY

Senate Stands with Working Families on Pension Reform

Senate President Cullerton Upholds Constitutional Rights

In an ongoing battle over pension reform, Senate President Cullerton, who has been our strongest ally of the three leaders, has protected working families from harsh pension changes contained in SB 1. The We Are One coalition and Senate President Cullerton negotiated a fair compromise agreement in SB 2404. The bill now sits in House Rules. The Senate rejected Speaker Madigan's proposal (SB 1) by a vote of 16-42 last week. In addition, the Senate rejected the shifting of pension costs for higher education employees to those institutions by a vote of 21-33-5 (SB 1687, with trailer legislation in SB 2389). Both SB 1 and SB 1687 can be called for a vote at any time, since it only requires a motion to concur.

We are calling for our public employee members to thank their Senator for standing on the side of working families on this issue. The Senate may come under pressure over the summer for not passing SB 1. We believe the House should pass labor's negotiated pension bill, SB 2404. Please do anything in your power to urge your House member to pass SB 2404, constitutional pension reform.

Hydraulic Fracturing Regulation Passes

The Illinois General Assembly passed the nation's strictest regulations on hydraulic fracturing, a process to extract natural gas and oil out of shale deposits. Most of the work will be done in southern Illinois shale deposits. SB 1715 (Frerichs/Bradley) passed the House 108-9-0 and the Senate 52-3-4. The bill will soon be conveyed to Governor Quinn, who has indicated his support.

It is estimated that the bill will create tens of thousands of good, high paying jobs for Illinois residents. In addition it will produce millions of dollars in new state revenue. The hope is that by producing domestic sources of natural gas and oil, we will have to rely less on foreign sources.



Major Projects Bill Passed

The House and Senate put together a major jobs bill in the last days of spring session. SB 20 (Hutchinson/Bradley) passed the Senate 38-17-2 and the House 81-35-1. Included in this large bill were:

- **South Suburban Airport (Peotone).** IDOT is authorized to enter into one or more public-private agreements to develop, finance, construct, manage, operate and maintain the South Suburban Airport (SSA) to be located in Will County. Allows IDOT to enter into a Project Labor Agreement to construct the airport. This legislation is similar to the Public Private Agreements for the Illiana Expressway Act and contains PLA language.
- **Construction of \$1.2 Billion Cronus Tuscola Fertilizer Plant-High Impact Business.** SB 20 allows large fertilizer plants to be designated as high impact businesses and receive property tax abatement (if approved by the taxing districts). To be qualified, a fertilizer plant must invest at least \$500 million in a qualified Illinois property, create 125 full-time jobs at the property, be built in accordance with federal standards regarding set-back from other structures, maintain the appropriate insurance levels, and enter into a project labor agreement, and pay prevailing wage.
- **Brownfields Redevelopment and Intermodal Facilities for Chicago South Side and South Suburbs.** SB 20 creates the Brownfields Redevelopment and Intermodal Promotion Act by providing incremental income tax attributable to new employees of businesses located within the South Suburban Brownfields Redevelopment Zone and establishes the boundaries of the zone. The increment will be available for 6 years, with no more than \$3 million available in each year.
- **Metropolitan Pier and Exposition Authority to Build an Arena for DePaul Blue Demons.** The changes made in SB 20 allow the City of Chicago, the Metropolitan Pier and Exposition Authority ("MPEA"), and DePaul University to use tax incremental financing ("TIF") funds to acquire land located near McCormick Place for the purpose of (1) developing a 10,000 seat arena and boutique hotel; (2) developing a 1,200 room headquarters hotel; and (3) upgrading Navy Pier. MPEA will spend approximately \$55 million to acquire eleven parcels of land near McCormick Place. Five parcels will be used for an arena and boutique hotel. The remaining will be used for an anchor hotel and future developments. The arena and the boutique hotel will be located on land referred to as "Block 320." The headquarters hotel will be located across from McCormick Place, West Building. Importantly, Chicago will use tax incremental financing ("TIF") funds to reimburse MPEA for the \$55 million land acquisition. Per the agreement, the property must be acquired by December 31, 2013.
- **Changes to Navy Pier.** The upgrades and reconstruction costs at Navy Pier are as follows: MPEA: \$60 million granted to Navy Pier in 2010 and \$55 million (when Chicago reimburses TIF funds) for general upgrades, including changing the entrance and traffic pattern; Children's Museum: \$16 million from an ongoing donation drive to improve the Museum; and Restaurant/entertainment: \$35 million (estimate) for developing the new East End Entertainment District.
- **River Edge Redevelopment Fund in East St. Louis.** SB 20 creates an "income tax TIF" (similar to that of Centerpointe Properties in Joliet) in the East St. Louis River Edge Zone area. Moneys in the fund shall be used by DCEO to make grants to eligible developers for infrastructure improvements. The increment will be available for 6 years, with no more than \$3 million available in each year.
- **LUST Fund.** SB 20 allows the IEPA to require leaking underground storage tank (LUST) owners and operators to enter a Project Labor Agreement as a condition of receiving funding from the Leaking Underground Storage Tank Fund (LUST Fund). Additionally, the bill requires prevailing wages to be paid for corrective action work to clean up leaking tanks if funding from the LUST Fund is requested. The LUST Fund will receive an annual diversion of sales tax revenues to make sure adequate funding is available to meet project load. If the diverted amount is not needed in a given year, that amount will be returned to GRF.

House and Senate Approve Changes to the Election Code

Legislation creating online voter registration passed the House on a largely partisan 66-49 vote last Thursday following a largely party-line vote in the Senate Wednesday. House Bill 2418 (amendments two and three) will now move to the Governor's desk.

Online registration is a significant expansion of voter registration in Illinois. It would allow people to register using their driver's license and last four digits of Social Security to the Board of Elections. The information would be transferred to the local election authorities. The legislation also includes other changes to election and campaign finance law:

- Establishes a County Board of Election Commissioners in Lake County. The five-person board will be appointed by the Chief Judge of the Circuit Court.
- The threshold to form candidate committees and political action committees moves from \$3,000 to \$5,000.
- If independent expenditures in aggregate in support or opposition of a candidate or public official (\$250,000 for statewide/\$100,000 for all other) then all candidates for that particular race will no longer be subject to campaign finance limits. The change is in aggregate, where before it was \$250,000 per contribution.
- If two or more petitions are filed in the final hour of the filing deadline, they are deemed to have been filed simultaneously.
- Votes cast for a candidate that has withdrawn shall be deemed invalid.
- The State Board of Elections and local election authorities are authorized to issue pollwatcher credentials.
- Votes cast with provisional ballots cast in an incorrect precinct will count for all appropriate offices. Only votes those offices that would pertain specifically to that precinct would be deemed invalid.
- All in-person or mail-in absentee voter information will be transferred to the State Board of Elections within one day of voting for access by state and local political committees.

- Precinct by precinct voting totals will be made available on the State Board's web site with 52 days after each election.
- Signature requirement for nominations for alderman of any ward in Chicago goes from 2 percent of voters in the previous election to 4 percent.
- County clerks or county board of commissioners will handle nominating petitions and challenges for local school boards.

In other bills:

- **HB 215 (Madigan/Cullerton)** - Public Safety Appropriation. Contains \$38 million to continue Amtrak service in Illinois. *Passed both chambers 69-47-1. Passed Senate 38-20-1. Passed both chambers. Labor supports.*
- **HB 922 (Hurley/Holmes)** - Requires contractors to keep hard copy or electronic versions of certified payroll records for 5 years (was 3). *Passed Senate 40-10. Passed House 75-42-0. Passed both chambers. Labor supports.*
- **HB 2649 (Cunningham/Arroyo)** - Based upon the experience gained in administering the Employee Classification Act over the last four years, the Illinois Department of Labor (IDOL) proposed changes to the Act as follows:
 - Adds provisions dealing with investigations and provides for a formal hearing process to resolve cases to expedite the process for achieving resolutions and to insure both complainants and respondents a fair forum on a more cost effective basis.
 - To distribute 10% of the civil penalties recovered by the Department to all affected employees, in addition to the remedial benefits for loss of wages and benefits misclassified employees may be entitled under the Act.
 - Lowers the civil penalties for violating the Act from \$1,500 to \$1,000 per violation in the first audit, and from \$2,500 to \$2,000 per violation in subsequent audits.

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- The present statute allows persons who misclassify their employees to escape liability by ceasing operation in name only and re-establishing new or multiple entities to avoid enforcement actions. This amendment adds a provision with a two part condition which provides that any officer of a corporation or agent of an employer who 1) knowingly permits such employer to violate provisions of the Act and 2) where the employer fails to satisfy the requirements of a responsible bidder as defined by the Procurement Code, may be held individually liable for violations and penalties assessed by the Department.

Passed Senate 34-20-1. Passed House 67-49-1. Passed both chambers. Labor supports.

- **HB 2869 (G Harris/Cullerton)** - \$2.7 billion in additional bond authorization for construction. \$1.52 billion of it is for CDB which would allow financing to finish the FY10 Capital Bill. *Passed Senate 55-2-0. Passed House 114-0-3. Passed both chambers. Labor supports.*
- **HB 3104 (Sosnowski/Jacobs)** - Will allow Nicor Gas to use a more streamlined depreciation study filing process that is acceptable to the Illinois Commerce Commission. The ICC will review the study and set depreciation rates, but there will be no impact to the rates customers pay for gas service. *Passed House on concurrence 98-19-1. Passed both chambers. Labor Supports.*
- **HB 3125 (Mautino/Forby)** - Unemployment Insurance agreed bill between labor, business and the IL Department of Employment Security (IDES). Gives IDES subpoena power to inspect the records of businesses who knowingly refuse to file UI wage reports (will assist IDES in pursuing independent contractor violations). Pursuant to federal funding, specifies a veteran outreach officer in each full service IDES office and requires State contractors (other than construction contractors) to post job vacancies on Illinois JobLink.com. *Passed House 118-0. Passed both chambers. Labor supports.*
- **HB 3390 (Sims/Mulroe)** – Makes non-controversial administrative changes to the workers' compensation act at the request of the Illinois Workers' Compensation Commission. *Passed both chambers unanimously. Labor took no position.*
- **SB 1568 (Delgado/Hoffman)** - Amends the Illinois Wage Payment and Collection Act. Provides for the imposition of administrative fees payable to the

Department of Labor when an employer is ordered to pay wages, final compensation, or wage supplements. Provides for the amount of the fee to increase based upon the amount of unpaid wages. *Passed House 111-0. Labor Supports.*

- **SB 1664 (Harmon/K Burke)** – Telecommunications re-write promotes private sector investment in broadband networks to create jobs across all sectors of the state's economy. Promotes additional video service competition for consumers from prospective new video market entrants and existing providers, including AT&T's U-verse. *Passed both chambers unanimously. Labor supports.*
- **SB 1910 (Harmon/Bradley)** - Under SB 1556 from the 97th GA, thousands of public employees lost their collective bargaining rights. SB 1910 would make clear that those employees represented by the Laborers #2002, Operating Engineers #399, and Teamsters #916 would not lose their collective bargaining rights. *Passed House 89-29-0. Passed Senate 47-8-0. Passed both chambers.*
- **SB 2255 (Clayborne/Beiser)** - Amends the Coal Mining Act. Provides that the State Mining Board shall call an examination at least twice a year for mine electricians. Provides that each applicant for a certificate of competency as mine electrician shall produce evidence of at least one year of experience in performing electrical work in a coal mine or acceptable, related industry. Provides that the applicant shall pass an examination as to his or her practical and technical knowledge. *Passed House 117-0. Labor Supports.*
- **SB 2266 (Koehler/Phelps)** – Natural gas modernization act - Utility Modernization Act. Legislation brings the Illinois regulatory system into the 21st century by providing a mechanism for natural gas utilities to recover, in a timelier manner, prudent investments made to upgrade and improve their natural gas distribution systems. Supports over 1,000 highly skilled jobs. *Passed House 84-32-1. Passed Senate 53-3-0. Passed both chambers. Labor Supports.*
- **SJR 32 (Manar/W Davis)** - Creates the General Assembly's Advisory Committee on Education Funding to conduct a thorough review of the existing distribution methods and expenditures of education funding and make recommendations to implement an education funding system. *Passed Senate 53-0. Passed House 109-8-0. Passed both chambers.*

Governor makes Appointments

Governor Quinn made several appointments yesterday. Two notable appointments included:

Tumia Romero as Assistant Director of Illinois Department of Labor; and Thomas Johnson as Executive Director of Illinois Pollution Control Board.

Under Article 5/9B of the Illinois Constitution, the appointments filed yesterday can serve up to October 22 (or the next scheduled session day). If Governor Quinn files appointment messages with the Senate on these individuals, these individuals can serve until the Senate acts on the appointment message.

Phone Banks for Comprehensive Immigration Reform

The Illinois AFL-CIO and Chicago Federation of Labor have scheduled phone banks to support Comprehensive Immigration Reform. The grassroots effort will focus on local union communication and direct contact with union households by phone, patching through calls to Sen. Mark Kirk's office. Call Bill Looby at 217-494-4014 to volunteer.

Chicago – IUPAT DC 14

1456 West Adams Street - Monday/Tuesday, 3:30-6:30 pm
June 3-4, 10-11, 17-18, 24-25 / July 1-2, 8-9, 15-16, 22-23

Burr Ridge – IL AFL-CIO

999 McClintock Drive / Monday/Tuesday, 5-8 pm
June 3-4, 10-11, 17-18, 24-25 / July 1-2, 8-9, 15-16, 22-23

Westmont - IFT

500 Oakmont Lane / Wednesday/Thursday, 5-8:00 pm
June 5-6, 12-13, 19-20, 26-27



Illinois AFL-CIO 6th Annual **COPE Golf Outing** **Monday, June 10, 2013**

Last Chance to Register Your Team

The RAIL Golf Course

1400 S. Club House Drive, Springfield, IL

\$150 per player

Includes green fees, cart, lunch, dinner, and prizes
1 PM - Shotgun Start / 6 PM - Dinner

For information contact Terri Payne at terrip@ilaf-cio.org or 217-492-2622.