



LEGISLATIVE UPDATE

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The General Assembly has concluded their business for 2010. The Illinois House is scheduled to return on Monday, January 3, 2011 at 3 pm to resume the 96th General Assembly. The House is scheduled to be in session January 3–7 and 9–11, with the inauguration of the 97th General Assembly on January 12. The Illinois Senate is scheduled to return Tuesday, January 4, 2011 at noon to resume the 96th General Assembly. The Senate will be in session from January 4–6. They will then return for inaugural events on January 12.

NATIONAL – Working Class Americans Take Triple Punch

Sen. Durbin Votes for Cuts to Social Security

This morning, Sen. Durbin voted with eleven other members of President Obama’s National Commission on Fiscal Responsibility and Reform to slash Social Security and Medicare for working Americans. However, the Commission’s plan fell short of success.

The plan needed yes votes from 14 of the 18 members on the panel in order to

be sent to Congress as a formal recommendation.

Labor leaders had contacted Sen. Durbin on Thursday to voice opposition to the Commission’s proposal to cut retirement benefits to working-class Americans. We received no response until this am when we were informed Sen. Durbin had submitted an op-ed to the Chicago

Tribune outlining his intention to vote yes for the cuts.

The State Labor Federation plans to respond to the op-ed and to proposals to cut Social Security while Congress fails to extend unemployment benefits or stop the Bush tax cuts for the wealthy. ■

Laid-off Illinois Worker tells her Story on Capitol Hill Republicans Turn their Backs on Millions of Unemployed Workers

Over 800,000 long-term unemployed Americans lost their financial life-lines this week as Republicans in Congress blocked the extension of UI benefits. By January, that number will have reached 2 million. It all comes at a time when working families try to celebrate the holidays without the means to provide for themselves or their children.

On Wednesday, 300 unemployed workers went to Washington to tell their stories of losing their jobs, struggling to find work and the need for unemployment benefits to pay for basic necessities. Among them was Maria Andrade a UAW worker from Chicago who was laid-off in April 2009 from Electro-Motive Diesel in LaGrange. Andrade made the trip to Washington DC at the request of the Illinois AFL-CIO. After being laid-off, Andrade worked

as a Peer Counselor through the State Labor Federation’s Member Assistance Program helping her co-workers try to find work or re-training. Andrade was at the press conference and tried to lobby Sen. Mark Kirk but was told he was not there. She left a letter for Sen. Kirk asking him to support extending unemployment benefits. Andrade said in a phone interview that she enjoyed the experience and hoped she made a difference.

The workers were supported at the press conference by the AFL-CIO, Speaker Nancy Pelosi, Senator Tom Harkin and Secretary of Labor Hilda Solis, among others.

According to government statistics, almost half of all 15 million unemployed Americans have been out of work for more than six months. That’s the highest long-term unemployment rate in recorded U.S. history.

Obama Wants Freeze on Federal Employee Wages

On Monday, President Obama announced that he is seeking to freeze the pay of all federal employees for the next two year.

Presumably bowing to pressure from Republicans, Obama took a page from the House Republicans’ pre-election “Pledge to America” where they call for a “net hiring freeze on non-security federal employees” that will “ensure that the public sector no longer grows at the expense of the private sector.”

Both AFL-CIO President Rich Trumka and AFGE President John Gage sharply criticized the President’s action.

“The President talked about the need for shared sacrifice, but there’s nothing shared about Wall Street and CEOs making record profits and bonuses while working people bear the brunt,” said Trumka. “It’s time to get our nation back on track, but we should not do so by placing an even greater burden on the middle class.”

President Gage was more pointed. “This proposal is a superficial panic reaction to the draconian cuts his deficit commission will recommend,” said Gage. A federal pay freeze saves pennies at best and, while he may mean it as just a public relations gesture, this is no time for political scapegoating.”

Congressional approval is required to implement a wage freeze for federal employees. ■



Tenaska and Leucadia Clean Coal Facilities Pass House

Many in the labor community were engaged in a fierce fight this week in and out of the Capitol. The Illinois AFL-CIO has been advocating for the Tenaska Clean Coal plant in Taylorville for years now. The legislation took the form of an amendment to SB 2485 (Sen. Demuzio/Rep. Mautino). The bill passed the House this week 63-50-1. The legislation authorizes the construction of a \$3.5 billion energy center in Taylorville. It would create 2,500 construction jobs and hundreds of permanent jobs. The business community was opposed to the legislation, citing the increased costs due to slight rate increases. Labor's position is that more power plants are needed as old plants are shut down due to environmental standards. The measure stalled in the Senate Executive Committee on Wednesday evening. It is our hope that the Senate will pass this bill in January in the waning days of the 96th General Assembly.

Leucadia, or the Chicago Clean Energy project, is a privately financed project that would bring over \$4 billion dollars in economic activity to the state of Illinois. This project will entail the construction of a \$3 billion industrial facility to create substitute natural gas from Illinois coal and petroleum coke (a waste product from oil refineries). During the 36-month construction period, the project will create a daily average of about 1,200 full-time construction jobs and an additional 626 jobs in supporting businesses. Once operational, the plant will require more than 200 highly-paid

on-site workers, and generate over 460 additional jobs in supporting businesses.

This week the project was introduced in the form of an amendment to SB 3388 (Sen. Trotter/Rep. Colvin). The bill passed the House 86-27-2. SB 3388 stalled in the Senate Executive Committee this week as well. Again, it is our hope that the Senate will pass this in January. ■

Illinois State Senate Passes FOIA Override, Becomes Law

Senator Kimberly Lightford (D – Chicago) led the State Senate in voting to override an amendatory veto by Governor Quinn. HB 5154, an initiative of the Illinois AFL-CIO and its public employee affiliates, passed the General Assembly earlier this year. The underlying legislation sought to protect public employees from having their professional personnel evaluations made public under a Freedom of Information Act (FOIA) request. Governor Quinn amendatorily vetoed the legislation in July to limit its protection to just state and local peace officers. The House previously voted 77-36-0 to override the Governor's AV. The Senate followed suit with a 48-3-0 vote on Wednesday evening. This completes the nearly year long effort to protect public employee evaluations from being made public. This legislation now becomes

Firefighter and Police Pension Law Passes

The General Assembly passed sweeping changes to police and fire employee pensions. The benefit changes will only impact police & fire employees that are newly hired into positions covered by the pension code on or after January 1, 2011. **Current employees' benefits will not be affected by this legislation.** SB 3538 passed the House 95-18-0 and the Senate 46-4-2 this week. The legislation includes the following changes:

- No change in employee contributions.
- Maximum benefit will be 75% of final average salary at 30 years of service and 55 years of age.
- Final average salary is defined as "the average monthly salary obtained by dividing the total salary of the fire fighter officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period." (i.e. - best 8 of last 10 years).
- Maximum salary for pension purposes is capped at \$106,800 for 2011. The cap will be increased each year thereafter by 3% or ½ of urban consumer price index, whichever is less.
- Survivor's annuity benefits will be 66 2/3 of the de-

ceased employee's salary at time of death.

- Cost of Living Allowances – Both retirees and survivors will receive COLAs equal to 3% or ½ of urban consumer price index the year after their 60th birthday.

It also includes some very important and momentous funding compliance language that is designed to insure that firefighter pension funds remain stable and solvent for all current and future public safety retirees and employees. Contribution enforcement has been the centerpiece of municipal public safety employee reform efforts for the last three years and we are very pleased that this provision is included in the bill.

While the Associated Fire Fighters of Illinois was opposed to some of the benefit reductions for new employees, they were successful in maintaining current employees' benefits, all contribution levels, minimizing benefit reductions for new employees, and much to the disappointment of municipal employers - securing meaningful funding compliance language for all of the funds.

The bill now goes to the Governor's desk for his consideration. ■

Gaming Expansion

Senator Link (D – Lake Bluff) introduced legislation that includes new casinos for Danville, Rockford, Lake County and the South Suburbs. In addition, it would include a large casino for Chicago with 4,000 gaming positions that would be owned by the city. Existing riverboat casinos could expand to 1,600 positions by 2013. The bill, which the Illinois AFL-CIO supports, also permits slot machines at horse-racing tracks. The addition-

al gaming for Illinois contained in the bill is estimated to generate \$1 billion annually in new tax revenue for a state that is approximately \$13 billion in the red. The bill passed the Senate 31-20-2. It will now go to the House where it will be heard in January, but must first meet the six day posting requirement for a public hearing. ■

Workers' Compensation and Medicaid Committees Continue to Meet

As reported in our last legislative update, the Illinois Senate formed two committees to look at workers' compensation and Medicaid in Illinois. Both committees met this week for the first time. The workers' compensation committee mostly focused on how costs to businesses in the state could be reduced. President Carrigan testified before the workers' compensation committee this week to defend injured workers around the state. "My purpose here today is to clearly convey to all members of this Committee that if the intent of these proceedings is to revamp the 2005 Workers' Compensation bill to the detriment of injured workers or without an agreed bill process, the Illinois AFL-CIO will oppose any future legislation with the full force and solidarity of our membership." The Senate Special Committee on Workers' Compensation has scheduled a second hearing, December 8, 10am at the Thompson Center in Chicago in Room 16-503.

The Senate Special Committee on Medicaid also met this week in Springfield. The hearing lasted nearly four hours in which state agencies and provider groups testified. DHFS director Julie Hamos, offered suggestions to the committee as well. Those suggestions included tightening eligibility verification. She offered the idea of allowing DHFS to match data with other state departments, like revenue or employment security. Hamos testified it would help them to eliminate Medicaid patients who no longer qualify for benefits. Patient advocates testified that paper work produced for Medicaid benefits should be easier for patients to understand to avoid unnecessary emergency room visits. The committee also discussed that by 2014 the federal Affordable Care Act could result in about 700,000 more Medicaid patients in Illinois, increasing the Medicaid population from 19 to 24 percent of the health

care market. This should result in giving the state more leverage in bargaining with providers to improve access and care. No further committees on Medicaid have been scheduled at this time.

The Illinois House has now formed their own committees to look at the same issues.

The House Special Committee on Medicaid will consist of: Co-Chair Currie, Co-Chair Bellock, Rep. Feigenholz, Rep. Flowers, Rep. Gabel, Rep. Golar, Rep. Hernandez, Rep. Jakobsson, Rep. Leitch, Rep. Mautino, Rep. Mulligan, Rep. Pritchard, Rep. Rose, Rep. Senger, and Rep. Tryon. It consists of eight Democrats and seven Republicans. Four hearings have been scheduled thus far. All hearings will be held in C-600, 6th floor of the Michael A. Bilandic building in Chicago.

- December 3 at 11am
- December 8 at 1pm
- December 13 at 10am
- December 14 at 1pm

The House Special Committee on Workers' Compensation Reform will consist of: Co-Chair Bradley, Co-Chair Brady, Rep. Nekritz, Rep. Reis, Rep. Sacia, Rep. Thapedi, Rep. Winters, and Rep. Zalewski. It consists of four Democrats and four Republicans. Only one hearing has been scheduled thus far. It was held today at 1:30pm in C-600, 6th floor of the Michael A. Bilandic building in Chicago.

The Illinois AFL-CIO requests our affiliates to please reach out to the members on each committee to stress working families should not be asked to shoulder the responsibility of balancing the state's deficit. Reform shouldn't mean workers lose.

CALL TO ACTION

Please call your legislators on these issues between now and January.

Senator Gary Dahl Resigns

Gary Dahl (R – 38th District) resigned his seat in the Illinois Senate on Thursday. The Peru Republican leaves a two-year unexpired term that will be filled by appointment.

Dahl indicated his post would be filled by appointment, with the Republican Party chairmen from the eight counties in his district voting on a successor.

Susan Thornton, chairman of the La Salle County Republican Central Committee, said she would organize a meeting with the seven other GOP county chairmen to discuss a replacement and hold interviews. Each chairman will have a vote that is weighted according to how much population Dahl's vacant seat encompasses.

General Assembly Mourns Loss of Rich Myers

As the House prepared to adjourn on Wednesday, State Representative Joe Lyons (D – Chicago) was the acting Chair of the House. With a nod towards statesmanship and bipartisanship, Representative Lyons wished everyone Happy Holidays and added "please say a special prayer for Rich Myers."

By Thursday morning it was reported that State Rep. Rich Myers (R – Colchester) died Wednesday evening with his family at his side. Myers, 62, had been diagnosed with prostate cancer earlier this year. He had been a member of the General Assembly for 16 years and was just re-elected last month.

The Myers family will receive friends at a visitation for State Representative Rich Myers from 3–7pm Saturday, December 4 at the Scotland Trinity Presbyterian Church, 14950 North 900th Road in Macomb.

A memorial service will be held Sunday at 2 pm. at the University Union Grand Ballroom on the campus of Western Illinois University.

Burial will follow at Mt. Auburn Cemetery in Colchester. Mt. Auburn Cemetery is located on the north side of Colchester on the west side of the road to Argyle Lake.

Memorials can be made to Scotland Trinity Presbyterian Church, the McDonough District Hospital, and the Representative Rich Myers Agricultural Scholarship at Western Illinois University.

Those wishing to send flowers should have them delivered to the Scotland Trinity Presbyterian Church.

Inauguration Events Scheduled

Inauguration events for the state constitutional officers have been scheduled for January 10th in Springfield. Governor Quinn, Lieutenant Governor Simon, Attorney General Madigan, Secretary of State White, Treasurer-elect Rutherford and Comptroller-elect Topinka will be sworn in at a ceremony at the Prairie Capital Convention Center from 11am-1pm. The doors will open at 8 am.

The Executive Mansion Open House will be held from 2:30 – 4:30 pm on January 10th. Governor Quinn and Lieutenant Governor Simon will greet people. Following that will be the Inaugural Ball from 8 pm to midnight at the Prairie Capital Convention Center.

The General Assembly Inauguration will be held January 12th. The Senate will hold their ceremony in the Senate chamber at noon. The House will hold their ceremony at the University of Illinois – Springfield Public Affairs Center at noon that day. Further gatherings for General Assembly members will develop, as we hear of them we will update you.

