



LEGISLATIVE UPDATE

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MICHAEL T. CARRIGAN, PRESIDENT

TIMOTHY E. DREA, SECRETARY TREASURER

JASON KELLER, LEGISLATIVE DIRECTOR

The Illinois General Assembly completed its business for the week today. Both chambers will take the weekend off and return to Springfield on Monday, May 16. The House will convene at 3pm and the Senate will convene at 4pm. Both chambers are scheduled to be in session every day from May 16-31. This time will be used to consider many big issues. Those include the drawing of the new legislative district maps, workers compensation reform, pension changes, and the FY12 budget. In addition, the General Assembly will have 15 days to complete passage of the other bills remaining for consideration.

GENERAL ASSEMBLY

Education Reform Bill Goes To Governor

Legislation enacting sweeping reforms to education passed the House overwhelmingly Thursday moving it to Gov. Pat Quinn's desk, where he is expected to approve the bill.

Senate Bill 7 contains significant reforms including required training for school board members, requiring layoff decisions factor experience and performance, streamlining tenure and dismissal processes for teachers and improving mediation process.

Illinois Federation of Teachers President Dan Montgomery and Chicago Teachers Union President Karen Lewis testified Tuesday in the House Education Committee in opposition to added language in the bill.

"The passage of Senate Bill 7 today was not totally unexpected, but we are disappointed that the House didn't wait until we could finalize language that will fix the problems with the bill," Montgomery said. "We are currently working with all the stakeholders to finish a follow up bill, and we believe we are making progress."

The IFT is looking to follow with legislation to address the concerns. ■

Budget, pension storms brewing in Springfield

Budget bills released in both the Illinois House and Senate would result in extremely draconian cuts that impact tens of thousands of public employees.

Local Governments

Governor Quinn is proposing that state aid to local governments be cut by \$300 million. A cut of this magnitude will hurt many cities and counties that are already facing dire financial straits—intensifying the threat of layoffs or the demands for concessions at the bargaining table. While this proposal has not made its way into any budget bill yet, legislators of both parties and chambers have expressed support for the concept.

The Governor's proposed budget included a 6% cut in Medicaid rates that would directly impact all County Nursing Homes, as well as Cook County's Stroger Hospital and other health and human service programs provided by cities and counties. While the budget plan now under consideration in the Senate would reduce this cut to 3%, a budget bill in the House would actually cut Medicaid by 12%--which would have a disastrous impact on health services provided by local governments.

Universities

Already very tight state university budgets would be cut by 3% in legislation now before the Senate and 1 to 3% in House budget bills.

School Districts

The House budget plan cuts aid to elementary and secondary education by 4%, putting further pressure on already cash-strapped school districts.

State Agencies

The Senate budget proposal cut most personnel lines in state agencies by 5%. However, state developmental centers are cut by 25% in the DHS budget and Murphysboro IYC is cut by 50% in the DJJ budget. DOC was cut by 8%.

The House budget proposal would generally make much deeper cuts:

- IDOC, DCFS and DHFS—Personnel lines are all cut by 6.5 – 7%.
- DVA—State veterans homes are cut by 5%
- Department of Aging—Staffing is cut by 17%
- DJJ – Cuts differ by division and facility, but overall cut equals 13%
- DHS -
 - State developmental centers cut by 25%
 - State mental health centers cut by 15%

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Pensions



The We Are One Illinois coalition continues to educate the public about the real issues in this pension battle—and we are gaining supporters daily. Our powerful TV ads are making voters aware of the facts that many didn't know—and we're backing them up with hard-hitting op-eds, TV and radio interviews.

You can learn more by going to the coalition website at www.WeAreOneIllinois.org.

But it looks like the legislative leaders are still going to try to move forward with a bill that would cut public employee pensions—either by reducing benefits or by significantly increasing the contributions employees have to make out of every paycheck. House Pension committees are scheduled for the middle of next week. ■

AM 96 – Dan Seals

Sen. Munoz (D – Chicago)

Nominates Dan Seals to be Assistant Director of the Department of Commerce and Economic Opportunity.

5/12/11 – Assigned to Executive Appointments Committee.

HB 180 – Cemetery and Funeral Pickets

Rep. Hatcher (R – Yorkville)

Sen. Wilhelmi (D – Crest Hill)

NEUTRAL

The intent of the legislation is to target the groups that protest at a fallen soldier's services, unfortunately, this could impact union pickets as well. A negotiated senate amendment coming on this bill will move the boundary back for a picket line to 300 (was 200) feet away from any ingress or egress of the funeral site.

3/29/11 – Passed House 114-0-0.

5/11/11 – Passed Senate Criminal Law 5-0-0. Second Reading.

HB 1091 – Public Private Partnerships

Rep. Nekritz (D – Des Plaines)

Sen. Steans (D – Chicago)

NEUTRAL

Creates the Public-Private Partnerships for Transportation Act. Grants to the Illinois Department of Transportation and the Illinois State Toll Highway Authority the necessary powers for the development, financing, and operation of transportation projects through public-private agreements with one or more private entities. Includes protections for prevailing wage and project labor agreements on construction projects. Provides that the authority shall not use the proceeds from the sale or lease of existing property (as of the effective date of act) towards a public private partnership. Effective immediately.

4/11/11 – Passed House 66-47-1.

5/11/11 – Passed Senate Executive 10-1-0. Second Reading.

HB 1375 – Responsible Bidder

Rep. Beiser (D – Alton)

Sen. Clayborne (D – East St. Louis)

SUPPORT

Amends the Illinois Procurement Code. In order to be considered a responsible bidder under the Code, a bidder must sign an affidavit to maintain an Illinois office as the primary place of employment for persons employed in the construction authorized by the contract. Effective immediately.

3/30/11 – Passed House 116-0-0.

5/11/11 – Passed Senate Executive 11-2-1. Second Reading.

HB 1427 – Firefighter Work Comp

Rep. Bradley (D – Marion)

Sen. Wilhelmi (D – Crest Hill)

SUPPORT

Amends the Workers' Compensation Act. Provides that a member of a fire department in any city whose population exceeds 500,000 (was 200,000) is considered an "employee" under the Act only with respect to claims for any serious and permanent disfigurement. Clarifies that firefighters in cities with an increasing population will continue to fall under the Workers' Compensation Act.

3/9/11 – Passed House 114-0-0.

5/12/11 – Passed Senate 58-0-0. Passed both chambers.

HB 2066 – Jury List

Rep. Jakobbson (D – Champaign)

Sen. Frerichs (D – Champaign)

Neutral

Amends the Jury Act and the Jury Commission Act. Provides that lists of claimants for unemployment insurance shall be added to create jury lists.

4/14/11 – Passed House 116-0-0.

5/12/11 – Passed Senate 54-0-0. Passed both chambers.

HB 3237 – Prevailing Wage

Rep. Phelps (D – Harrisburg)

Sen. Koehler (D – Peoria)

SUPPORT

House Bill 3237 will strengthen the Prevailing Wage Act resulting in tougher enforcement, more widespread compliance with the Act, and less fraud on public bodies. An amendment is pending on this legislation next week that will incorporate the original bill. It will:

- Change the penalty for violating the Act to a Class A misdemeanor across the board.
- Requires the Illinois Department of Labor (IDOL) to debar those convicted of violations under the Act for a period of 4 years.
- Permits state, local and federal law enforcement agencies to obtain relevant documents from contractors and subcontractors. Currently, only IDOL and the relevant public body have the right to obtain these documents.

4/14/11 – Passed House 67-49-0.

5/11/11 – Passed Senate Labor 9-0-0. Second Reading.

SB 1 – Executive Appointments

President Cullerton (D – Chicago)

Speaker Madigan (D – Chicago)

Monitor

This legislation would eliminate all gubernatorial appointees on holdover, meaning their term has expired, yet they continue to serve in the same capacity because no one has been appointed to take their place. There are hundreds of holdover positions. This legislation will become effective immediately if the House also overrides the Governor's Amendatory Veto. All salaried positions would cease immediately upon this legislation becoming law. Non-salaried positions would be given 30 days to vacate position upon this

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bill becoming law. For those whose term will become “heldover”, they will have 30 days after term expires.

AV: Recommends that the provisions of the bill that amend the Illinois Governmental Ethics Act and that pertain to a salaried office apply on and after July 1, 2011. Recommends that the provisions of the bill that amend the Illinois Governmental Ethics Act and that pertain to an office other than a salaried office apply on and after October 1, 2011.

2/10/11 – Passed Senate 48-0-0.

2/17/11 – Passed House 103-6-1.

4/19/11 – Governor Amendatory Veto

5/13/11 – Senate Votes to Override Veto 55-0-0.

SB 4 – Film and Edge Tax Credit

Sen. Forby (D – Benton)

Rep. Bradley (D – Marion)

Neutral

This legislation allows Continent Tire, based in Mount Vernon, to apply for a tax credit that would be used for a \$200 million investment and the creation of 350 jobs and retaining 250 full time jobs. On Thursday, Continental Tire announced that it was adding 444 jobs at its Mt. Vernon facility. The investment

will be used for an expansion of their existing facility. Sunsets the EDGE tax credit on December 31, 2016. Sunsets the Film Production Services Tax Credit five years after the effective date of the Act.

2/17/11 – Passed the Senate 50-0-0.

3/17/11 – Passed the House 90-20-1.

4/13/11 – Senate concurs with House Amendment #3, 53-0-2.

Passed both chambers.

5/6/11 – Signed by Governor,

PA 97-0002.

SB 398 – Film Tax Credit

Sen. Martinez (D – Chicago)

Rep. Dunkin (D – Chicago)

NEUTRAL

SB 4 (Forby/Bradley - PA 97-0002) contained a sunset provision for the film services tax credit 5 years after the effective date of the bill. SB 398 extends the sunset of the film production services tax credit to 10 years and allows future General Assemblies to extend it further by 5 year increments.

3/30/11 – Passed Senate 53-0-3.

4/8/11 – Passed House 110-0-0.

5/6/11 – Signed by Governor,

PA 97-0003.

SB 400 – Construction Stimulus

Sen. Clayborne (D – East St. Louis)

SUPPORT

This Bill is intended to be a private stimulus measure. In the current environment, not-for-profit entities are finding it difficult to raise capital through commercial lenders for construction of new facilities. The alternate is to undertake a sale/leaseback of their property with a private developer, but under current law, this would jeopardize the tax-exempt nature of the property. With a sale/leaseback, as long as the property continues to be used for charitable purposes, the leasee is treated as if it were still the owner for purposes of evaluating the tax-exempt nature of the property. This bill should receive a full floor vote next Tuesday. Currently, there are an estimated \$1 billion in not-for-profit hospital projects alone that are ready to be built if private capital can be made available. This legislation contains protections for prevailing wage and project labor agreements.

5/13/11 – Senate Amendment #3 passed Senate Judiciary 8-0-0.

Third Reading.

US Department of Labor develops a Time Sheet App

Free App keeps track of hours and wages on smartphones

On Monday the U.S. Department of Labor (US DOL) announced the launch of a smartphone application that allows employees to track hours and wages on their phone. The free application which can be downloaded at http://www.dol.gov/whd/Highlights/archived.htm#May9_2011 allows users to conveniently track regular work hours, break time and any overtime hours they have earned. The app also includes easy-to-understand information about workers' rights, and wage laws. Users will be able to add comments on any information related to their work hours, view a summary of work hours in a daily, weekly and monthly format; and email the summary of work hours and gross pay as an attachment.

The free app is currently compatible with the iPhone and iPod Touch. For workers without a smartphone, the US DOL Wage and Hour Division has a printable work hours calendar to track rate of pay, work start and stop times, and arrival and departure times.

GOP Challenges Remap Procedure

In an effort viewed by some as a stall tactic, the Illinois Republican Party filed a lawsuit challenging the procedures used for drawing congressional and state legislative districts.

The General Assembly redistricting committees recently completed extensive statewide public hearings to gather input on drawing the districts. It is likely the legislature will complete its work and approve new districts before the end of session on May 30.

The legislation need only simple majorities in the Democrat-controlled House and Senate and the Governor's signature for ratification.

The lawsuit asks the Supreme Court to declare the tie-breaking provision of the politically prickly redistricting process in violation of the state's constitution, and stop the General Assembly from completing the redistricting process until the court makes a decision.



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