

# LEGISLATIVE REPORT

**BOMA/SUBURAN CHICAGO**

February 15, 2019

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It was a shortened week due to the State holiday on Tuesday. The Senate was off the week with the House in session Wednesday & Thursday. Most of the legislative action was conducted in committees as most proposals are still in the introductory stage.

## **Minimum Wage Increase**

Most of the attention this week was focused on the effort to raise the State's minimum wage to \$15/hour by 2025. The House passed the increase Thursday afternoon, 69-48-1. The roll call fell along party lines.

S Bill 1 calls for annual step-increase to the minimum wage of \$8.25 an hour to eventually reach \$15 an hour by 2025.

- Jan 2020 - \$9.25
- July 2020 - \$10
- 2021 - \$11
- 2022 - \$12
- 2023 - \$13
- 2024 - \$14
- 2025 - \$15

The proposal includes a tax credit on wages paid above the minimum wage that would help employers with 50 or fewer full-time employees offset some of the cost of raising wages. Employers would be able to deduct a dollar for dollar reduction in taxes due, up to 25 percent of the cost in 2020, and the credit would then scale back annually until hitting 5 percent in 2025. It would phase out entirely for employers with more than five employees in 2028.

Employers would be able to continue paying a lower wage to workers under 18 if they work fewer than 650 hours in a year. The minimum wage for younger employees — currently \$7.75 per hour — would increase to \$8 on Jan. 1 and peak at \$13 per hour in 2025.

The House and Senate are scheduled to return Wednesday Tuesday, February 19.

## ADDED TO BILL REPORT THIS WEEK

➤ **HB2178**

➤ **HB2192**

➤ **HB2652**

## UPCOMING DATES

- February 20 – Governor’s Budget Address
- February 26 – Consolidated Primary Election
- March 22 – Senate Committee Deadline
- April 2 – Consolidated Election

## LAWMAKERS APPROVE \$15 MINIMUM WAGE

[State-Journal Register](#)

Illinois House members Thursday voted to raise the state’s minimum wage to \$15 an hour by 2025.

The House voted 69-47-1 to pass Senate Bill 1, a vote that was mostly along party lines. All Republicans and four Democrats voted against the bill. One Democrat voted “present.”

With the Senate approving last week, the next step is for Gov. J.B. Pritzker to sign the bill into law. Pritzker has said he wanted to have the minimum wage increase passed and signed into law before he gives his budget speech which is scheduled for Wednesday.

Pritzker released a statement Thursday calling passage of the bill a “resounding victory for the 1.4 million Illinoisans who will soon get a hard-earned and well-deserved raise.”

Under the bill, Illinois \$8.25 an hour minimum wage will start climbing to \$15 on Jan. 1 when a \$1 increase kicks in. Another 75-cents-an-hour hike will start July 1, 2020. Additional \$1 increases will take place every Jan. 1 after that until the wage hits \$15 an hour on Jan. 1, 2025.

## GOVERNOR: ILLINOIS BUDGET DEFICIT HIGHER THAN ESTIMATED

[State-Journal Register](#)

With Gov. J.B. Pritzker’s first budget speech less than two weeks away, the Pritzker administration said the state’s financial problems are worse than expected.

In a report released Friday, former comptroller and now deputy governor Dan Hynes said the state’s budget deficit next year will hit \$3.2 billion unless steps are taken to bring it under control.

The administration said the deficit is 16 percent higher than what former Gov. Bruce Rauner’s administration projected in a report it released in November.

The report placed most of the blame for the problem on Rauner and continued fallout from the budget impasse during his administration. The report said spending pressures became obvious as various state agencies submitted budget requests to the administration that were considered maintenance budgets.

For example, obligations for human services means those projects face an additional \$275 million shortfall. State employee health insurance is facing an estimated \$170 million deficit.

The report also said that simply looking at the bill backlog gives a misleading picture of the money owed in connection with unpaid bills. The backlog stood at \$7.9 billion at the end of last year. However, the state also owes \$5.5 billion on money borrowed to help pay down the backlog and save on interest payments. There is also \$650 million to be repaid to special state funds and about \$500 million owed to state workers for unpaid step increases.

## BILL REPORT

### HB20 MIN WAGE-\$15 PER HOUR (*FLOWERS M*)

Amends the Minimum Wage Law. Increases the minimum wage to \$15 per hour on October 1, 2019. Effective immediately.

#### RECENT STATUS

2/20/2019 - House Labor & Commerce, (First Hearing)

2/13/2019 - To Wage Policy and Study Subcommittee

2/13/2019 - House Labor & Commerce, (First Hearing)

### HB29 CONDO/CICA ACT-HOME RULE LIMIT (*THAPEDI A*)

Amends the Common Interest Community Association Act. Limits the concurrent exercise by units of local government of powers and functions exercised by the State with respect to amendments to the community instruments and accounting practices. Amends the Condominium Property Act. Limits the concurrent exercise by units of local government of powers and functions exercised by the State with respect to an association's: budgeting practices; sale of property; notice requirements; contracts with board members; voting procedures; property improvement procedures; accounting practices; collection and sharing of records; amendment to the condominium instruments; and subdivision or combination of units. Effective immediately.

#### RECENT STATUS

2/20/2019 - House Judiciary - Civil, (First Hearing)

2/14/2019 - Added Chief Co-Sponsor Rep. Sam Yingling

2/14/2019 - Reported Back To House Judiciary - Civil ;

### HB43 PROP TX-SOUTHLAND PROPERTY (*DELUCA A*)

Amends the Property Tax Code. Provides that certain property located in Bloom, Bremen, Calumet, Rich, Thornton, or Worth Township may be certified by the South Suburban Land Bank and Development Authority as a southland reactivation site. Provides that southland reactivation property shall be valued at 33 1/3% of the fair cash value of the land, without regard to buildings, structures, improvements, and other permanent fixtures located on the property. Provides that, for the first 3 tax years after the property is certified as southland reactivation property, the aggregate tax liability for the property shall be no greater than \$75,000. Provides that, beginning with the fourth tax year after the property is certified as southland reactivation property and continuing through the twelfth tax year after the property is certified as southland reactivation property, the property's tax liability for each taxing district in which the property is located shall be increased over the tax liability for the preceding year by the percentage increase, if any, in the total equalized assessed value of all property in the taxing district.

#### RECENT STATUS

2/14/2019 - House Revenue & Finance, (First Hearing)

2/7/2019 - To Property Tax Subcommittee

2/7/2019 - House Revenue & Finance, (First Hearing)

### **HB189** ABANDONED REAL PROPERTY-TITLE *(FORD L)*

Creates the Blight Mitigation Act. Provides that a property owner that lives within one-fourth of a mile of and on the same street as residential real property that has been abandoned may, after the property has been continuously abandoned for 12 months, petition the court for title to the land. Provides that the court shall order that title to the real property be transferred to the petitioner if the petitioner presents clear and convincing evidence that: (1) the property is abandoned; (2) the owner of the property has been made a party to the action in accordance with the Code of Civil Procedure and court rules; and (3) the property is not: listed for sale on a multiple listing service; being maintained in receivership status; or under contract for sale.

#### RECENT STATUS

2/20/2019 - House Judiciary - Civil, (First Hearing)

2/14/2019 - House Commercial Law Subcommittee, (First Hearing)

2/14/2019 - House Judiciary - Civil, (First Hearing)

### **HB215** \$IHDA-REHAB ABANDONED HOUSING *(FORD L)*

Appropriates \$250,000,000 from the General Revenue Fund to the Illinois Housing Development Authority for grants to municipalities with a population over 1,000,000 for the rehabilitation of vacant and abandoned residential housing. Provides that funds may also be used for the acquisition of property and construction related to vacant and abandoned residential housing. Effective July 1, 2019.

#### RECENT STATUS

2/20/2019 - House Appropriations-General Services, (First Hearing)

2/6/2019 - House Appropriations-General Services, (First Hearing)

1/29/2019 - Assigned to House Appropriations-General Services

## **HB220** WAGE INSURANCE ACT *(FLOWERS M)*

Creates the Wage Insurance Act. Establishes a wage insurance program to be administered by the Department of Employment Security. Provides that an individual is eligible for benefits if the individual is a claimant under the Unemployment Insurance Act at the time the individual obtains reemployment and is not employed by the employer from which the individual was last separated. Provides for benefits in an amount sufficient to pay the individual the difference between the wage the individual received at the time of separation from the employer by which the individual was employed immediately before becoming a claimant under the Unemployment Insurance Act and the wages received from reemployment. Imposes a 0.4% tax on payroll beginning January 1, 2020. Provides that claims may be made beginning July 1, 2020. Provides for recovery of erroneous payments, hearings, penalties, unpaid tax, rules, and other matters. Creates the Wage Insurance Fund, provides for the continuing appropriation from the Fund of amounts necessary for the purposes authorized by the Act, and amends the State Finance Act to include the Wage Insurance Fund as a special fund in the State treasury. Makes a corresponding change in the Freedom of Information Act.



### RECENT STATUS

2/20/2019 - House Labor & Commerce, (First Hearing)

2/13/2019 - To Wage Policy and Study Subcommittee

2/13/2019 - House Labor & Commerce, (First Hearing)

## **HB255** RENT CONTROL PREEMPTION ACT *(GUZZARDI W)*

Repeals the Rent Control Preemption Act.



### RECENT STATUS

2/20/2019 - House Judiciary - Civil, (First Hearing)

2/14/2019 - House Commercial Law Subcommittee, (First Hearing)

2/14/2019 - House Judiciary - Civil, (First Hearing)

## **HB270** LOCAL ROT-SOURCING-COLLECTION *(MURPHY M)*

Amends the Retailers' Occupation Tax Act. Provides that if a purchaser makes payment over the phone, in writing, or via the Internet, and the property is delivered to a location in this State, then the sale shall be sourced to the location where the property is delivered. Provides that the sale shall be deemed to have occurred at the customer's address if the property is delivered and the delivery location is unknown. Amends the Counties Code, the Illinois Municipal Code, the Flood Prevention District Act, the Local Mass Transit District Act, and the Regional Transportation Authority Act. Provides that a unit of local government may require a retailer to

collect and remit certain use and occupation taxes if the retailer qualifies as a "retailer maintaining a place of business in this State" under certain provisions of the Use Tax Act.

#### RECENT STATUS

2/14/2019 - Added Co-Sponsor Rep. Bob Morgan

2/14/2019 - House Revenue & Finance, (First Hearing)

2/7/2019 - Added Chief Co-Sponsor Rep. Robert Rita

### **HB320** PROP TX-PTELL FREEZE *(MCSWEENEY D)*

Amends the Property Tax Code. Provides that, beginning with the 2019 levy year, the Property Tax Extension Limitation Law applies to all taxing districts, including home rule units. Provides that, for the 2019 levy year, the limiting rate under the Property Tax Extension Limitation Law shall be calculated by reducing the district's 2016 aggregate extension by 5%. Provides that, for the 2020 levy year, the limiting rate under the Property Tax Extension Limitation Law shall be calculated by reducing the district's 2018 aggregate extension by 10%. Provides that, beginning with the 2021 levy year, the extension limitation is 0%. Preempts home rule. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

#### RECENT STATUS

2/14/2019 - To Property Tax Subcommittee

2/14/2019 - House Revenue & Finance, (First Hearing)

2/5/2019 - Assigned to House Revenue & Finance

### **HB832** VACANCY FRAUD ACT *(MARTWICK R)*

Creates the Vacancy Fraud Act. Allows a taxing body or representative of a taxing body to file a vacancy fraud complaint with the county board of review if property is receiving vacancy relief and the property owner is not actively attempting to lease, sell, or alter the property. Sets forth factors in determining whether or not vacancy fraud has occurred. Sets forth penalties. Effective immediately.

#### RECENT STATUS

2/14/2019 - To Property Tax Subcommittee

2/14/2019 - House Revenue & Finance, (First Hearing)

2/5/2019 - Assigned to House Revenue & Finance

### **HB834** EQUAL PAY ACT-WAGE HISTORY *(MOELLER A)*

Amends the Equal Pay Act of 2003. Prohibits an employer from: (i) screening job applicants based on their wage or salary history, (ii) requiring that an applicant's prior wages satisfy minimum or maximum criteria, and (iii) requesting or requiring as a condition of being interviewed or as a condition of continuing to be considered for an offer of employment that an applicant disclose prior wages or salary. Prohibits an employer from seeking the salary,

including benefits or other compensation or salary history, of a job applicant from any current or former employer, with some exceptions. Limits defenses. Provides for penalties and injunctive relief.

#### RECENT STATUS

2/20/2019 - House Labor & Commerce, (First Hearing)

2/13/2019 - House Labor & Commerce, (First Hearing)

2/5/2019 - Added Co-Sponsor Rep. Will Guzzardi

#### **HB841** CRIM CD-FIRST RESPONDER *(WILLIS K)*

Amends the Criminal Code of 2012. Creates the offense of first responder endangerment. Provides that a person commits the offense when he or she knowingly creates a dangerous condition and intentionally conceals the dangerous condition in a commercial property under his or her management or operational control and the dangerous condition is found to be the primary cause of the death or serious bodily injury of a first responder in the course of his or her official duties. Provides that a violation is a Class 4 felony. Defines various terms.

#### RECENT STATUS

2/19/2019 - House Judiciary - Criminal, (First Hearing)

2/13/2019 - House Judiciary - Criminal, (First Hearing)

2/6/2019 - Added Co-Sponsor Rep. Frances Ann Hurley

#### **HB880** PROPERTY TAX-AIRPORT PROPERTY *(MCDERMED M)*

Amends the State Finance Act. Provides that, beginning on January 1, 2028 (currently, January 1, 2021), moneys received from the rental of land, buildings, or improvements on property held for the development of an airport in Will County by the Department of Transportation shall be paid into the General Revenue Fund instead of the Tax Recovery Fund. Amends the Property Tax Code. Provides that, with respect to real property in Will County owned by the State for the purpose of developing an airport, payments made to compensate taxing districts for leasehold taxes shall be calculated based on the 2019 property tax year (currently, 2002). Effective immediately.

#### RECENT STATUS

2/14/2019 - To Property Tax Subcommittee

2/14/2019 - House Revenue & Finance, (First Hearing)

2/11/2019 - Added Chief Co-Sponsor Rep. Lindsay Parkhurst

#### **HB881** EQUAL PAY ACT WAGE INFORMATION *(MCDERMED M)*

Amends the Equal Pay Act of 2003. Provides that it is unlawful for an employer to require an employee to sign a contract or waiver that would prohibit the employee from disclosing or discussing the employee's wage or salary; however, an employer may prohibit a human

resources employee, a supervisor, or any other employee whose job responsibilities require or allow access to other employees' wage or salary information from disclosing such information without prior written consent from the employee whose information is sought or requested. Provides that it is unlawful for an employer to seek the wage or salary history of a prospective employee from the prospective employee or a current or former employer or to require that a prospective employee's prior wage or salary history meet certain criteria, with some exceptions. Provides that an employer against whom an action is brought alleging a violation of the Act's prohibition against gender-based wage differentials and who, within the previous 3 years and prior to the commencement of the action, has completed a self-evaluation of the employer's pay practices in good faith and can demonstrate that reasonable progress has been made toward eliminating wage differentials based on gender for the same or substantially similar work in accordance with that evaluation shall have an affirmative defense to liability. Provides that an employer who cannot demonstrate that the evaluation was reasonable in detail and scope shall not be entitled to an affirmative defense, but shall not be liable for any civil fine in excess of: (1) \$500 per employee affected, if the employer has fewer than 4 employees; or (2) \$2,500 per employee affected, if the employer has 4 or more employees. Provides that if an employee recovers unpaid wages under the Act and also files a complaint or brings a sex discrimination action under the federal Fair Labor Standards Act of 1938 that results in additional recovery under federal law for the same violation, the employee shall return to the employer the amounts recovered under State law or the amounts recovered under federal law, whichever is less.



## RECENT STATUS

2/20/2019 - House Labor & Commerce, (First Hearing)

2/13/2019 - House Labor & Commerce, (First Hearing)

2/5/2019 - Assigned to House Labor & Commerce

## HB902 CANNABIS LEGALIZATION *(AMMONS C)*

Creates the Cannabis Legalization Equity Act. Provides that notwithstanding any other provision of law, except as otherwise provided in the Act, the following acts are lawful and shall not be a criminal or civil offense under State law or the law of any political subdivision of this State or be a basis for seizure or forfeiture of assets under State law for persons 21 years of age or older: (1) possessing, consuming, using, displaying, purchasing, or transporting cannabis accessories; (2) possessing, growing, processing, or transporting on one's own premises no more than 24 mature cannabis plants and possession of the cannabis produced by the plants on the premises where the plants were grown; (3) possessing outside one's premises no more than 224 grams of cannabis; and (4) assisting another person who is 21 years of age or older in any of the acts described in items (1) through (3). Provides that an excise tax is imposed at the rate of 10% of the sale price of the sale or transfer of cannabis from a cannabis cultivation facility to a retail cannabis store or cannabis product manufacturing facility. Provides that at least 51% of the licenses issued by the Department of Agriculture for cannabis cultivation facilities and at least 51% of the licenses issued by the Department of Financial and Professional Regulation for retail

cannabis stores shall be in communities disproportionately harmed by the war on drugs. Amends various other Acts to make conforming changes. Effective immediately.

#### RECENT STATUS

1/28/2019 - Referred to House Rules

1/28/2019 - FIRST READING

1/25/2019 - Filed with the Clerk by Rep. Carol Ammons

### **HB926** HUMAN RIGHTS-REAL ESTATE *(TARVER, II C)*

Amends the Illinois Human Rights Act. Provides that it is a civil rights violation for an owner or any other person engaging in a real estate transaction because of, among other things, source of income, to: refuse to engage in a real estate transaction or to discriminate in making available such a transaction; alter the terms, conditions, or privileges of a real estate transaction; refuse to receive or to fail to transmit a bona fide offer to engage in a real estate transaction from a person; refuse to negotiate for a real estate transaction; represent to a person that real property is not available for inspection, sale, rental, or lease when it is available, or fail to bring a property listing to his or her attention, or refuse to permit him or her to inspect real property; make, print, circulate, post, mail, publish, or cause to be made, printed, circulated, posted, mailed, or published, any notice, statement, advertisement, or sign that indicates any preference, limitation, or discrimination based on unlawful discrimination based on source of income, or an intention to make any such preference, limitation, or discrimination; or offer, solicit, accept, use, or retain a listing of real property with knowledge that unlawful discrimination on the basis of source of income in a real estate transaction is intended. Defines "source of income" as the lawful manner by which an individual supports himself or herself and his or her dependents.

#### RECENT STATUS

2/20/2019 - House Judiciary - Civil, (First Hearing)

2/14/2019 - House Constitutional Law Subcommittee, (First Hearing)

2/14/2019 - House Judiciary - Civil, (First Hearing)

### **HB1636** ENTERPRISE ZONE-HYDROPONICS *(KIFOWIT S)*

Amends the Illinois Enterprise Zone Act. Provides that businesses that intend to establish a new qualified hydroponics facility or expand production at an existing qualified hydroponics facility to engage in the practice of hydroponics are considered high impact businesses. Define terms. Effective immediately.

#### RECENT STATUS

2/13/2019 - Assigned to House Revenue & Finance

2/1/2019 - Referred to House Rules

2/1/2019 - FIRST READING

## **HB2178** VEH CD-MINIMUM AUTO COVERAGE *(UNES M)*

Amends the Illinois Vehicle Code. Increases the minimum mandatory coverage amounts for liability insurance policies in this State and increases the amounts sufficient to satisfy a judgment following a motor vehicle accident as follows: bodily injury or death to any one person from \$25,000 to \$50,000; bodily injury or death to more than one person from \$50,000 to \$100,000; and injury or destruction of property of others from \$20,000 to \$40,000.



### RECENT STATUS

2/7/2019 - Referred to House Rules

2/7/2019 - FIRST READING

2/6/2019 - Filed with the Clerk by Rep. Michael D. Unes

## **HB2192** RENT CONTROL-TENANCY PROCEDURE *(FLOWERS M)*

Creates the Rent Control Act. Establishes 6 regional rent control boards in the State. Provides for the election of 7 members to each board beginning in the 2021 consolidated election. Provides that a board shall establish regulations concerning rent stabilization rates for specified lessors and shall impose rent control registration fees to fund a Small Rental Property Owner Repairs and Improvement Fund. Includes enforcement provisions against landlords who charge rent in excess of amounts allowed by the Act. Limits home rule powers except in home rule units that enact a specified rent stabilization regime. Amends the Election Code making conforming changes. Amends the Illinois Income Tax Act. Creates rent-controlled and rental property capital improvement tax credits. Amends the Code of Civil Procedure. Creates procedures for terminating a tenancy or lease of one year or more after expiration of the lease. Provides that a lessor may terminate a lease and recover possession, after providing specified notice and monetary relocation assistance: if the lessor or a qualified relative will reside at the premises; if the lessor is going to substantially rehabilitate, remodel, or repair the premises; or if the lessor intends to demolish or permanently remove the premises from residential use. Provides for damages for failure to pay lessee relocation assistance or for failure to act in good faith in seeking to recover possession under the provisions. Provides that a demand or notice must be accessible to a lessor by being presented in the language of the lessor and contain a statement that the lessor may seek legal advice. Makes other changes. Repeals the Rent Control Preemption Act. Effective immediately.



### RECENT STATUS

2/7/2019 - Referred to House Rules

2/7/2019 - FIRST READING

2/7/2019 - Filed with the Clerk by Rep. Mary E. Flowers

## **HB2652** CDB-ENERGY CONSERVATION *(STUART K)*

Amends the Energy Efficient Building Act. Provides that references to the International Code Council's International Energy Conservation Code includes Appendix RB. Effective immediately.

#### RECENT STATUS

2/14/2019 - Referred to House Rules

2/14/2019 - FIRST READING

2/14/2019 - Filed with the Clerk by Rep. Katie Stuart

#### **SB1** EMPLOYMENT-TECH (*LIGHTFORD K*)

Amends the Minimum Wage Law. Makes a technical change in a Section concerning the short title.

Senate Floor Amendment No. 1 - Replaces everything after the enacting clause. Amends the Illinois Income Tax Act and the Minimum Wage Law. Provides for an increase in the minimum wage and for a credit against withholding payments in relation to the increase. Increases the minimum wage to \$9.25 per hour beginning January 1, 2020. Provides for annual increases in the minimum wage culminating in a minimum wage of \$15 per hour beginning on January 1, 2025. Provides to employers with 50 or fewer full-time equivalent employees a credit against tax withheld beginning January 1, 2020. Reduces the credit beginning January 1, 2021. Provides employers may claim the credit amount in effect on January 1, 2025 until December 31, 2026 and that employers with no more than 5 employees may claim that credit until December 31, 2027. Authorizes the Department of Labor to perform random audits of employer to ascertain compliance with the Minimum Wage Law. Authorizes a penalty of \$100 per employee for failure to maintain required records. Effective immediately.

#### RECENT STATUS

2/15/2019 - Sent to the Governor

2/14/2019 - Passed Both Houses

2/14/2019 - Third Reading - Short Debate - Passed 069-047-001

#### **SB7** CANNABIS-TECH (*STEANS H*)

Creates the Cannabis Regulation and Taxation Act. Contains only a short title provision.

#### RECENT STATUS

1/9/2019 - Referred to Assignments

1/9/2019 - FIRST READING

1/9/2019 - Filed with Secretary by Sen. Heather A. Steans

#### **SB30** WORKPLACE TRANSPARENCY ACT (*BUSH M*)

Creates the Workplace Transparency Act. Provides that employers shall not require an employee or prospective employee to sign a nondisclosure agreement that contains any

provision that has the purpose or effect of: limiting the disclosure of sexual misconduct, retaliation, or unlawful discrimination; suppressing information relevant to an investigation into a claim of sexual misconduct, retaliation, or unlawful discrimination; impairing the ability of any person to report a claim of sexual misconduct, retaliation, or unlawful discrimination; or waiving a substantive or procedural right or remedy of any person relating to a claim of sexual misconduct, retaliation, or unlawful discrimination. Provides that any such provision is void as against public policy and unenforceable, and that agreements that contain such provisions and were entered into before the effective date of the Act are voidable by a party who entered into the agreement under specified circumstances.



## RECENT STATUS

2/15/2019 - Added as Co-Sponsor Sen. Laura M. Murphy

2/14/2019 - Added as Co-Sponsor Sen. Heather A. Steans

2/14/2019 - Added as Co-Sponsor Sen. Cristina Castro