

Legislative Report

BOMA/Suburban Chicago

May 18, 2018

The Illinois General Assembly stands adjourned until Monday, May 21st. Both chambers were in Session Tuesday through Friday of this week. Yesterday was the deadline to pass substantive Senate Bills out of House Committees and substantive House Bills out of Senate Committees. Deadline extensions are possible on some legislation still pending at the committee level.

May 25th is the deadline to pass bills out of the second chamber. Roughly two weeks remain in the Spring Legislative Session.

BUDGET UPDATE

Work continues on the development of the Fiscal Year 19 budget. A working group of legislators and budget staff continue to meet and work through the FY 19 budget. The four Legislative Leaders and the Governor met twice this week. There is still no agreement on the adoption of a formal revenue estimate for FY 19. Legislators and the Governor have two weeks left in the Spring Session to develop a budget for the next fiscal year. After the May 31st deadline, it will take a 3/5ths vote in each chamber to approve the budget.

The Governor and the Leaders reportedly discussed the possibility of a stand-alone capital bill including funding to build a new veteran's home in Quincy. Democratic leaders expressed their reservations over the suggestion of a stand-alone capital bill.

STATE OF ILLINOIS SUED FOR MASSIVE MEDICAID DELAY

Attorneys on behalf of thousands of low-income people filed a motion in court on Wednesday to enforce federal law and the State of Illinois' agreement to process Medicaid applications in a timely fashion. The attorneys charge that the State is violating both federal law and an Illinois court order by significantly delaying Medicaid applications and denying residents access to health coverage.

The motion, filed in U.S. District Court in Chicago, asks the court to enforce an existing consent decree that requires the State to determine eligibility for Medicaid within federal timelines, and to offer temporary medical assistance to people whose applications nonetheless pend beyond the federal time limits. The advocates allege the State is woefully behind on its processing and has not offered temporary medical assistance as a solution.

Under federal law, the State of Illinois is required to process most applications for Medicaid—the federal-state program that provides health coverage to roughly 3 million Illinoisans—within 45 days. Pursuant to the existing consent decree in *Cohen v. Wright*, if a determination has not been made in

that period, the State must notify applicants that they are eligible for temporary coverage and promptly provide it if requested.

Yet as detailed in declarations filed by enrollment assisters and healthcare providers, the Illinois Department of Human Services (DHS) is months behind in processing applications and has also stopped sending notices offering temporary eligibility. As a result, tens of thousands of low-income people throughout Illinois are being denied medical care. Among the widespread suffering and hardship, pregnant women are giving birth without health coverage, people facing mental health crises are missing treatment, and children with serious medical conditions are forgoing crucial medication.

Plaintiffs allege that delays in processing Medicaid applications have worsened in the last several months, and that eligible individuals are routinely waiting for three to six months to have their applications processed and approved. The lawsuit comes after lawyers representing the plaintiffs tried for months to resolve the issues without legal action, but were unable to compel DHS to comply.

The plaintiffs are also represented by attorneys from the Sargent Shriver National Center on Poverty Law and Sidley Austin LLP.

GUN DEALER LICENSING COMPROMISE PASSES SENATE

[SJ-R](#)

Just one day after being introduced, a gun dealer licensing compromise bill passed the Illinois Senate on Wednesday.

The legislation, Senate Bill 337, passed 35-18, with three Republicans joining the majority of Democrats in support.

If signed into law, it would require gun dealers to certify their federal license with the Illinois State Police. It also calls for a study of gun trafficking data and imposes a penalty on private dealers who fail to keep adequate records of private sales.

The effort rose from the ashes of a failed attempt to license gun shops at the state level. That bill, Senate Bill 1657, would have required gun dealers to register for a five-year license with the Illinois Department of Financial and Professional Regulation. The idea was to ensure that professional standards, like proper employee training and adequate video surveillance, were being met.

It was vetoed by Gov. Bruce Rauner in March, however, and attempts to garner support for an override were unsuccessful with opponents deeming the bill overly burdensome, duplicative and difficult to comply with and enforce.

But the new approach and willingness to compromise attracted some suburban Republicans who were previously opposed. State Sen. Chris Nybo, R-Elmhurst, said the new legislation eliminates red tape and is more focused on key objectives — to ensure dealers are complying with best practices and to punish bad actors.

Under the legislation, enforcement would shift away from Illinois Department of Financial and Professional Regulation to state police. Plus, a big box store exemption in the previous bill has been

eliminated. Gun dealers with a retail location will be charged no more than \$1,500 for a three-year certification while “kitchen table” dealers without a brick and mortar location would be charged no more than \$300.

The bill is also aimed at making private dealers more accountable for keeping records of sales. Though required by law to do so, the penalties have no teeth. If passed, a first offense would result in a misdemeanor charge while a second would be a Class 4 felony.

Most lawmakers from conservative, downstate districts voted “no.” Rising in “respectful opposition,” state Sen. Dale Righter, R-Mattoon, said the bill goes after the wrong people.

“There is no demonstrable evidence that the people who are abiding by the law and legally selling firearms in this state are the issue here,” Righter said.

But state Sen. Don Harmon, D-Oak Park, said it was impossible to simply go after the bad actors. He added it puts everyone on notice that best practices must be followed.

“Every gun used in the state of Illinois to kill someone starts as a legal gun,” Harmon said. “Somewhere between the manufacturer and the crime scene, someone who is pretending to be a law-abiding gun owner is not. This bill attacks that problem.”

The Senate also passed Senate Bill 2387, which would require a person who takes possession of firearms from someone not eligible to have them to sign an affidavit recognizing their responsibilities under the law.

Lawmakers say it could have prevented incidents like last month’s Waffle House shooting in Tennessee. The shooter’s FOID card was revoked, but his firearms were returned to him by his father, who lives in Illinois.

“While we unfortunately cannot take back what happened, we can ensure our laws are modeled to prevent this from ever happening again,” said state Sen. Julie Morrison, D-Deerfield.

Both bills now head to the House. Over there on Wednesday, Rauner received the first official response to his amendatory veto of House Bill 1468.

State Rep. Jonathan Carroll, D-Northbrook, has filed a motion to accept Gov. Bruce Rauner’s changes to the bill, which was initially approved as a 72-hour cooling period for assault weapons purchases.

The move comes two days after Rauner used his amendatory veto power to essentially rewrite the bill to expand the cooling period to include all gun purchases, create a mechanism for guns to temporarily be taken away from those deemed dangerous and, perhaps most controversially, bring back the death penalty for cop killers and mass murderers.

Carroll said he was not consulted by Rauner prior to the changes and was disappointed in the governor’s approach but that he would remain open in the interest of keeping communities safe.

“My focus remains on enacting serious gun laws that keep deadly, military-style assault rifles off our streets, and keep our children, our schools and our communities safe,” Carroll said. “I will not let the

governor end debate by forcing a political stalemate, and that is why I filed the motion to accept the governor's amendatory veto."

Carroll said he is seeking to understand the amendatory veto process better while also starting conversations on some of the items Rauner added to the bill, which is now in the Rules Committee.

STATE BOARD OF ED APPROVED INDEPENDENT MONITOR OF CPS SPECIAL ED

[Sun-Times](#)

The Illinois State Board of Education on Wednesday voted to appoint an independent state monitor to oversee Chicago Public Schools' under-fire special education program.

"The corrective action and recommendations we offered today are the right first step to helping CPS fully serve all children and families," State Superintendent of Education Tony Smith said in a statement. "The common good requires uncommonly good public schools. With the State Board's action today, the Public Inquiry process concludes, and the road to transformation begins."

The unanimous vote comes just days after state board officials said CPS has violated federal law protecting special education students.

Last month, ISBE officials found that some of CPS' special education reforms made during ousted CEO Forrest Claypool's tenure with help from consultants he'd known for years, "delayed and denied services to individual students" under the federal Individuals with Disabilities Act.

At the state board meeting Wednesday, some special education advocates said they're concerned that a single monitor won't be enough to do the needed work.

Stephanie Jones, ISBE's special counsel, said the monitor won't work "in isolation" and will oversee a team dedicated to improving the special education program.

The ISBE vote Wednesday followed a state probe begun last fall after a group of special education advocates, bolstered by reporting from WBEZ, Chicago's public radio station, asked for the state's help in examining sudden and unpopular changes to special education at CPS, changes they believed were illegal and "driven by budgetary concerns."

Among other things, state investigators held three public meetings in March and also collected some 8,600 pages of documents before releasing their report April 18.

In a press conference held after the state made its decision, Jesse Sharkey, vice president of the Chicago Teachers Union, said the city's board of education were "deaf, dumb and blind judges made of stone" to complaints that union members and parents brought before them.

Though the decision could mean reshaping education to better fit the needs of students with special needs, for Christine Palmieri's 9-year-old autistic son and thousands of other CPS students like him, she said the decision could be too little, too late.

“While I’m pleased by the results of the ISBE inquiry today, I’m concerned that we cannot undo the regression and the effects of what’s been done,” Palmieri said at the CTU press conference. “The trajectory of his future has been changed forever and there’s no compensatory service that can replace the time he needed the supports and services that he wasn’t receiving.”

RICH MILLER’S WEEKLY COLUMN

“Nothing’s more important for a governor than having a good budget because that allows you to manage the state to do your job.”

Let that recent quote from former Gov. Jim Edgar as reported by the State Journal-Register sink in for a bit.

“Nothing’s more important for a governor than having a good budget because that allows you to manage the state to do your job.”

The budget passed last year over Gov. Bruce Rauner’s veto was not a “good budget” because the governor’s budget office wasn’t directly involved. Legislators simply don’t have the expertise to pass a good budget without the governor’s help. The executive branch has experts who know what the agencies and programs need because they are involved with this issue every day.

And so the governor and his administration have been struggling ever since last July to implement a budget that it had almost nothing to do with. That’s insane. No one who is truly interested in governing would allow that to happen.

Whether the governor believes he will be reelected or not, it’s his job to get something done for the future of his state. And the very least he can do is provide some stability going forward by finally doing what every governor before him has done: negotiate and sign a workable budget.

I mean, seriously, we always make such a big deal out of state budgets, but this is a routine, mundane matter almost everywhere else.

House Speaker Michael Madigan told his caucus last week that he believes the governor wants an overtime session so he can blame the resulting gridlock on the Democrats. But Madigan told his House Democrats that he believes voters will blame both sides. This was taken by some of his members as a sign that Madigan finally realizes he needs to get something done one way or another. We’ll see. That assessment could be overly optimistic.

The budgeteers met via teleconference last week and not a word was said about the governor’s repeated demands for an “official” revenue estimate. Instead, they reportedly had a fairly productive discussion about various pension ideas. So, that’s a good sign. The revenue estimate demand was a giant red herring used for political and disruptive purposes.

The Democrats appear to have gamed out the end of the spring session if they can't do a deal with the governor for whatever reason.

Money for the Quincy veterans home and cash-strapped prisons, universities, etc. will all be put into the appropriations bills to entice Republicans onto the legislation. Some of the Republicans who broke ranks last year may not vote for the legislation when it passes, but may vote for it during the override motion.

Some Republican top dogs have said privately that they believe rank-and-file Democrats and Republicans who voted for the vetoed budget last year feel betrayed because they were told that the budget they passed was balanced when it actually wasn't. But in talking to those folks, that doesn't appear to be the case. Many knew what they were getting into and, besides, what's done is done and they want another budget now. Plus, some disaffected House Republicans are itching for one last fight with the governor before they retire.

House Republican Leader Jim Durkin has painstakingly put his caucus back together twice in the past year. The first time was after the budget override vote, which badly split his caucus. Members were essentially told if they voted for the education funding reform bill, all would be forgiven. And then another blow-up was threatened after Rep. Jeanne Ives nearly defeated Gov. Rauner in the GOP primary. Durkin has managed to keep things mostly cool and separated from caucus business since then.

It's abundantly clear from his public and private remarks that Senate Republican Leader Bill Brady wants a negotiated budget deal. Durkin, meanwhile, has solidly allied himself with the governor, both in public and reportedly during the leaders' meetings.

Durkin badly needs Rauner's money to fund his campaigns against Speaker Madigan this fall. But this alliance can also help move things along if Rauner's staunch ally Durkin eventually informs the governor that he needs to cut a deal for the good of the state or face yet another stinging defeat. That worked last year on the education funding reform bill.

Whatever happens, it's long past time that the governor do whatever he can to put together a "good budget" for his state.

LEGISLATIVE WATCH LIST

HB4163 **EQUAL PAY ACT-WAGE HISTORY** (MOELLER A) Synopsis As Introduced - 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.

House Floor Amendment No. 1 - Deletes language providing that an employer's wage

differential defense does not apply if an employee demonstrates that an alternative employment practice exists that would serve the same business purpose without producing the differential and the employer has refused to adopt the alternative practice.

Current Status: 5/23/2018 - Senate Labor, (First Hearing)

Recent Status: 5/15/2018 - Added as Alternate Co-Sponsor Sen. Omar Aquino
5/11/2018 - Rule 2-10 Committee Deadline Established As May 31, 2018

Notes: **AFL-CIO Support**

HB4268 HOME REPAIR-CONSUMER NOTICES (THAPEDI A) Amends the Home Repair and Remodeling Act. Provides that "residence" means a single-family home or dwelling or a multiple-family home or dwelling containing 6 or fewer apartments, condominiums, town houses, or dwelling units, used or intended to be used by the consumer as his or her dwelling place (instead of "by occupants as dwelling places"). In the home repair consumer rights pamphlet, replaces notice language concerning lien waivers with the following: "Illinois law requires that, before payment, your contractor give you a sworn statement which lists: (1) all the persons or companies your contractor hired to work on your home and their addresses; and (2) the amounts previously paid, the amounts about to be paid, and the total amount owed after the payment to these persons or companies. The sworn statement should be fully completed, signed, and notarized. When the contractor's sworn statement lists an amount due or to become due to a subcontractor, or when a subcontractor gives you notice of an amount due to the subcontractor, you must retain sufficient funds to pay that subcontractor. Subcontractors give the contractors lien waivers when they are paid. Ask your contractor for copies of these lien waivers. If your contractor tells you he or she needs a payment from you in order to pay subcontractors, you have the right to pay the subcontractors directly."

Current Status: 5/18/2018 - House Bills on Third Reading

Recent Status: 5/17/2018 - House Bills on Third Reading
5/16/2018 - House Bills on Third Reading

HB4293 INC TX-INVESTMENT SERVICES (WELCH E) Amends the Illinois Income Tax Act. Imposes a privilege tax on partnerships and S corporations engaged in the business of conducting investment management services. Provides that the tax shall be imposed at the rate of 20% of the fees calculated by reference to the performance of the investment portfolio funds and not from the investment itself. Defines "investment management services".

Current Status: 5/17/2018 - Added Co-Sponsor Rep. Andr? Thapedi

Recent Status: 5/17/2018 - Added Co-Sponsor Rep. Kathleen Willis
5/17/2018 - Added Co-Sponsor Rep. Litesa E. Wallace

HB4324 WAGE LIEN ACT (WELCH E) Creates the Wage Lien Act. Provides that a lien exists on an employer's property for the amount of unpaid wages owed to an employee. Defines terms and includes provisions concerning creation of the lien; exemptions; notice; limitations; recording of the lien; enforcement; other claims on the employer's property; successor obligations; and construction.

House Floor Amendment No. 2 - Replaces everything after the enacting clause. Amends the Illinois Wage Payment and Collection Act. Provides that the Department of Labor shall adjudicate claims under the Act within 30 days. Provides that the Department of Labor shall request that an employer deposit up to 10% of a disputed wage claim with the Department pending adjudication of the claim. Increases the administrative fees imposed

upon an employer who has been demanded or ordered by the Department of Labor or a court to a pay wage settlement. Authorizes the placement of a judgment lien upon and employer's real estate and authorizes action under the Code of Civil Procedure for a citation or a supplementary proceeding to discover assets.

Current Status: 5/23/2018 - Senate Labor, (First Hearing)

Recent Status: 5/16/2018 - Added as Alternate Co-Sponsor Sen. Linda Holmes
5/16/2018 - Senate Labor, (First Hearing)

Notes: **AFL-CIO Support**

HB4569 ABOVEGROUND FUEL STORAGE (PARKHURST L) Amends the Gasoline Storage Act. Provides that each facility used for: (i) agricultural purposes at an agriculture site; (ii) refueling construction equipment at a construction site; or (iii) parking, operating, or maintaining a commercial vehicle fleet may store up to 12,000 gallons of any single type of fuel for dispensing in aboveground storage tanks that are constructed of steel, made vapor tight, and outside of buildings. Effective immediately.

House Committee Amendment No. 1 - Replaces everything after the enacting clause. Amends the Gasoline Storage Act. Provides that a facility used for: (i) agricultural purposes at an agricultural site; (ii) refueling construction equipment at a construction site; (iii) parking, operating, or maintaining a commercial vehicle fleet; or (iv) fueling at railway yards, may store an aggregate total of 12,000 gallons of fuel for dispensing in aboveground storage tanks, as long as the facility complies with all other requirements of the rules of the Office of the State Fire Marshal. Effective immediately.

Current Status: 5/18/2018 - Senate Floor Amendment No. 1 Recommend Do Adopt Environment and Conservation; 006-000-000

Recent Status: 5/18/2018 - House Bills on Third Reading
5/17/2018 - Placed on Calendar Order of 3rd Reading May 18, 2018

SB2211 FIRE SPRINKLER - DATABASE (HARMON D) Amends the Fire Sprinkler Contractor Licensing Act. Provides that an individual who performs inspection and testing of fire sprinkler systems and control equipment must possess on his or her person a photo identification card issued by the State Fire Marshal as proof of compliance with the Act. Provides that the photo identification card shall be issued by the State Fire Marshal annually at a fee determined by the State Fire Marshal by rule. Provides that all inspections and testing of fire sprinkler systems and control equipment must be recorded on an inspection report issued by the State Fire Marshal and provides requirements for the inspection reports. Provides that all fire sprinkler systems must be affixed with a pre-printed label bearing specified information that shall be purchased by the licensed contractor from the State Fire Marshal. Provides that a copy of the inspection report must be forwarded to the State Fire Marshal within 24 hours after completion of the inspection. Provides that the fees for an inspection form and photo identification card shall be determined by the State Fire Marshal by rule. Provides that the State Fire Marshal has the power and duty to establish a database of all persons involved in the inspection or testing of existing fire sprinkler systems or control equipment.

Current Status: 5/18/2018 - Senate Bills on Third Reading

Recent Status: 5/17/2018 - Senate Bills on Third Reading
5/16/2018 - Senate Bills on Third Reading

Notes: **Currently postponed but we need to make sure it does not resurface
" it will be another inspection fee just like the State Certification
inspection of elevators**

SB3215 **PROP TX-SALE IN ERROR** (BARICKMAN J) Amends the Property Tax Code. In provisions concerning sales in error, provides that, in cases where improvements upon the property sold have been substantially destroyed or rendered uninhabitable or otherwise unfit for occupancy, the court may order the holder of the certificate of purchase to assign the certificate to the county collector, upon request of the county collector. Provides that the county collector may further assign the certificate to the county, acting as trustee for taxing districts, or to a taxing district having an interest in the taxes sold. Provides that, if the certificate of purchase is assigned to the county delinquent tax agent because the improvements have been substantially destroyed or rendered uninhabitable or otherwise unfit for occupancy, then the county delinquent tax agent shall extend the redemption period by 36 months.

Senate Floor Amendment No. 1 - Makes changes to the introduced bill to provide that, if a certificate has been assigned to the county collector by court order, then the period of redemption shall be extended for a period of time designated by the holder of the certificate, which may not exceed 36 months from the date of the assignment to the collector (in the introduced bill, extended for 36 months).

Current Status: 5/18/2018 - Placed on Calendar 2nd Reading - Short Debate

Recent Status: 5/17/2018 - Do Pass / Short Debate Revenue & Finance Committee; 011-000-000
5/17/2018 - House Revenue & Finance, (First Hearing)

SB3394 **PROF LICENSING-VARIOUS-MIN AGE** (ALTHOFF P) Amends the Community Association Manager Licensing and Disciplinary Act, the Home Inspector License Act, and the Real Estate License Act of 2000. Reduces the minimum age requirement for licensure as a community association manager, supervising community association manager, home inspector, broker, or managing broker to 18 years of age (rather than 21 years of age). Makes a conforming change. Effective immediately.

Senate Committee Amendment No. 1 - Replaces everything after the enacting clause. Reinserts the provisions of the introduced bill with the following changes: Removes the changes made to the Real Estate License Act of 2000 regarding the minimum age requirement for licensure as a broker or managing broker. Effective immediately.

Current Status: 5/18/2018 - Senate Bills on Third Reading

Recent Status: 5/17/2018 - Senate Bills on Third Reading
5/16/2018 - Placed on Calendar Order of 3rd Reading - Short Debate

Notes: Make sure if this passes that we inform our members as all third-party managers have this license

SB3561 **BLDG COMMISSION-DESIGN-BUILD** (MUNOZ A) Amends the Public Building Commission Act. Changes various repeal dates from June 1, 2018 to June 1, 2023 in provisions concerning allowing public building commissions to use the design-build delivery method for public projects. Makes conforming changes.

Current Status: 5/18/2018 - Senate Bills on Second Reading

Recent Status: 5/17/2018 - Senate Bills on Second Reading
5/16/2018 - Senate Bills on Second Reading