

Legislative Report

BOMA/Suburban Chicago

May 4, 2018

The Illinois General Assembly stands adjourned for the week. The Senate was the only chamber in action this week as the House was on a one-week break. Both chambers are set to return at noon on Tuesday, May 8th.

With only one chamber in, it was a quieter week with the Senate considering House Bills in committee.

Roughly four weeks remain in the spring legislative session.

MEDICAID MANAGED-CARE REBOOT PINCHING PHARMACIES, ADVOCATES SAY

[SJ-R](#)

Drastic cuts in what Illinois pharmacies are paid for filling Medicaid patients' prescriptions will cause many to lay off employees or close in coming months, pharmacy advocates say.

The financial crisis for owners of independent and small-chain pharmacies has accelerated since the April 1 expansion of the state's Medicaid managed-care program to all 102 Illinois counties, according to the Illinois Pharmacists Association.

Many owners of the state's more than 500 independent pharmacies and smaller chains — including those in the Springfield area — are being paid less than the "acquisition cost," or wholesale price, of the medicines they dispense to Medicaid patients.

Reynolds said pharmacies also have seen their per-prescription "dispensing fee" from Medicaid — designed to cover professional services — drop from \$5.50 for generics and \$2.40 for brand-name drugs under the previous "fee-for-service" system to the current 45 cents per prescription.

As a result, many pharmacy owners say their overall payments from Medicaid have dropped by half or more because of rate cuts instituted by companies known as pharmacy benefit managers, or PBMs.

At least one of those PBMs, CVS Caremark, pharmacy benefit manager for the huge CVS Pharmacy chain, appears to be working with CVS Pharmacy to put smaller pharmacies out of business so CVS can acquire them, Reynolds said.

"It's kind of a predatory market practice and misuse of state tax dollars," he said.

CVS officials didn't respond to requests for comment.

PBMs are hired by private companies called managed-care organizations, or MCOs, to process payments to pharmacies. MCOs have contracts with the state to carry out the Medicaid managed-care program now serving 80 percent, or 2.7 million, of Illinois' 3.14 million Medicaid recipients.

The Illinois Department of Healthcare and Family Services has said Gov. Bruce Rauner's expansion, or "reboot," of Medicaid managed care will lead to annual savings of \$200 million to \$300 million, or more than \$1 billion in savings over the life of the four-year contract for HealthChoice Illinois.

A bill that would require Healthcare and Family Services (HFS) to pay pharmacies "fair and reasonable" reimbursement rates — at least equal to the former fee-for-service rates — has bipartisan support and passed the Illinois House, 87-16, on Thursday.

Those voting "yes" to House Bill 3479 included Reps. Sara Wojcicki Jimenez, R-Leland Grove; Tim Butler, R-Springfield; and Sue Scherer, D-Decatur. Rep. Avery Bourne, R-Raymond, was absent from the vote but is listed as a co-sponsor of the bill, which now will be considered by the Senate.

Health and Family Services, an agency controlled by the Republican governor, opposes the bill but didn't respond to a request for comment from The State Journal-Register.

Also opposing the legislation are two organizations representing private companies that are part of the Medicaid managed-care program.

Samantha Olds Frey, executive director of the Illinois Association of Medicaid Health Plans, said in a written statement that the bill could require Medicaid plans to pay above fee-for-service rates.

She said the bill "removes all incentive for all pharmacies throughout the state to acquire pharmaceuticals in a cost-efficient manner."

Members of Frey's association "see great value in independent pharmacies, especially those in rural communities throughout the state," she said. "No one can argue that they are not an important part of our health-care system. However, this bill does not just address independent pharmacies. It requires more taxpayer dollars going to chains and 'big-box' stores."

Officials at Deerfield-based Walgreens — another of the state's largest pharmacy chains — declined comment.

The Pharmaceutical Care Management Association, based in Washington, D.C., and representing pharmacy benefit managers, said in a written statement that HB 3479 would "grant a 'blank check' to independent drug stores by requiring higher payments for prescription drugs in Medicaid while removing incentives to dispense lower-priced, equally effective options for patients."

The proposed law, according to the PCMA, "pads the profit margins of Illinois independent drug stores at a time when consumers are concerned about rising health costs and the state faces serious budget challenges."

Reynolds responded that pharmacy benefit managers are the ones getting a blank check from the state because of the state's lack of oversight.

“We’re trying to keep pharmacies operational to be available to patients in their communities,” he said.

Pharmacist David Falk, who supports HB 3479, is the owner of the Decatur-based Sav-Mor Pharmacy chain, which includes stores in Virden, Nokomis and 11 other downstate communities.

Falk said his drug stores posted an average profit per Medicaid prescription of \$6.77 under the fee-for-service system. That profit took into account the wholesale cost of medicines and dispensing fees.

Under Rauner’s reboot of managed care, however, Falk’s average profit has dropped to 89 cents per Medicaid prescription. Depending on the store, Medicaid represents between 18 percent and 42 percent of his stores’ total revenue, Falk said.

Unless the situation changes, he said, “I will go out of business.”

Two of his pharmacies — in Neoga and Toledo, both in Cumberland County, northeast of Effingham — “won’t make it until the end of the year,” he said.

The financial pain has been similar for Michelle Dyer, a pharmacist and owner of Michelle’s Pharmacies in Carlinville, Gillespie and Bunker Hill, where Medicaid makes up about 40 percent of total revenues.

“I can’t pay my bills,” she said, adding that she has had to borrow to make ends meet.

Pharmacist Byron Berry, who owns and operates Pharmacy Plus sites in Carrollton, Roodhouse, Winchester and Barry, gets 25 percent to 35 percent of his revenues from Medicaid.

The pharmacy owners said it’s wrong when CVS Caremark hits small pharmacies with low payment rates for serving Medicaid patients and CVS Pharmacy follows up with letters to those same pharmacies containing offers to purchase.

A copy of one such letter, distributed to lawmakers by the Illinois Pharmacists Association, says CVS wants to ease the stress of what the letter describes as “mounting challenges” that include “declining reimbursements.”

Not all pharmacies that end up going out of business will end up being acquired, Berry said. Some will close and leave large swaths of downstate Illinois without a local pharmacy, he said.

“We take care of our people in these small towns,” Berry said.

Several states are taking a closer look at how Medicaid managed care is affecting small pharmacies, Reynolds said. Arkansas lawmakers and that state’s governor recently approved a new law to regulate pharmacy benefit managers.

At an Illinois House subcommittee last week, several lawmakers were receptive to pharmacy owners’ complaints about pharmacy benefit managers. Lawmakers said fewer pharmacies will mean less access to care for patients.

URBAN FARM TAX CREDIT PLAN GETS ILLINOIS HOUSE APPROVAL

[WUIS](#)

The Illinois House has voted to allow tax breaks for those who take vacant land and use it for urban farming. The aim is to give an economic boost to the state's low-income areas.

The idea comes from state Representative Sonya Harper, a Democrat from Chicago. She explained during the debate that the people she represents on the south and west sides of the city live in food deserts. That means they don't have easy access to fresh food.

But what those neighborhoods do have is vacant land.

Harper's bill would allow city governments across the state to offer special incentives like tax abatements and lower utility rates. But there would be limits on the dollar amount of those incentives. Some Republicans say less tax money coming on those properties could result in higher taxes for everyone else.

The Chicago Democrat says the aim is to give people in low income communities a reason to grow their own food and create jobs.

"One of the biggest reasons why we use urban agriculture is to put our vacant land back to productive use, especially in communities that are food insecure or food deserts," she explained. "In those same communities we have tracts and tracts, and even acres, of vacant land that's just sitting there."

The bill now moves to the Illinois Senate.

ILLINOIS DEBATES EFFECTIVENESS OF RACIAL PROFILE DATA

A state law requiring police departments to keep statistics on the race of motorists they pull over is set to expire, and debate is underway about whether the 14-year-old program is effective or simply an expensive, burdensome task for officers.

The landmark study to determine whether Illinois police engage in racial profiling on the roadways — a practice derisively described as combatting the offense of "driving while black" — was one of the major pieces of legislation achieved by former President Barack Obama when he served in the Illinois Senate.

"When I was in Illinois I passed racial profiling legislation," said Obama of the measure in a 2013 news conference in reference to the slaying of Trayvon Martin, which sparked a national debate over racial profiling. "And it actually did just two simple things. One, it collected data on traffic stops and the race of the person who was stopped. But the other thing was it resourced us training police departments across the state on how to think about potential racial bias and ways to further professionalize what they were doing."

Obama's replacement, Sen. Kwame Raoul, now a candidate for state attorney general, wants the program extended when it expires in 2019, calling it "a useful tool for law enforcement," one that police departments can use to see what they're "doing, right or wrong."

The measure, which has wide Democratic support, could come up for a vote as early as next week. Republican Gov. Bruce Rauner did not respond to requests for comment on whether he'd support an extension.

Raoul has seen to it that the practice has been extended several times since the Illinois Department of Transportation began collecting data in 2004, but experts differ on what the results show.

Generally, minorities get stopped more often than whites. More importantly, once a law enforcement officer stops a motorist, the data show minorities are more often subject to vehicle searches.

There's been no standardized statewide police training to come out of the program, nor has police racial profiling ever been criminalized — an attempt in 2015 never got off the ground.

Raoul said the data was referenced in a 2015 police reform plan that mandates departments have implicit bias training, but that measure is light on training specifics.

Jim Kaitschuk, executive director of the Illinois Sheriffs' Association, said it's time for the program to end. Individual departments can collect the data if they want, he said.

"Originally, the traffic stop data was set up to be temporary, where we'd evaluate the data and see what needs to be changed," he said. "Fourteen years later and we've kicked the can on (doing anything with) the study. What's this data providing?"

The 2016 report, the most recent one available, shows minorities statewide were 38 percent more likely to be stopped than whites. That's up from the previous year, when minorities were 25 percent more likely to be stopped.

But Alexander Weiss, the study's lead consultant, notes that police often can't see the driver's race when they decide to pull a car over. Instead, it's more helpful to look at police behavior during the stop, specifically whether an officer conducts what's known as a consent search, which is when an officer has a hunch that the motorist is involved in a crime and asks permission to search the vehicle without a warrant. The study looks at the so-called "hit rate," or when an officer's hunch is correct and he finds contraband in the vehicle. Whether the "hit rate" is different for whites and minorities is an essential question for those concerned with racial profiling.

"We've pointed out evidence of racial disproportionality in consent searches," said Weiss, former director of the Northwestern University Center for Public Safety. "What we've seen over the course of the study is that there are substantially fewer consent searches than there were when we began." Moreover, the gap between the number of searches involving minorities and whites is closing, Weiss said. But only about two in five police departments in Illinois conduct more than 100 vehicle searches a year.

Weiss added that more than half of states collect traffic stop data and that Illinois was a "pioneer" in the field. Illinois started collecting data on pedestrian stops, too, in 2016.

MEASURE TO ALLOW STATE TREASURER TO USE INVESTMENT MONEY TO PAY BILL BACKLOG ADVANCES

A new report from the state's comptroller shows Illinois has been hit with \$1.1 billion in late payment interest penalties since 2015. That's \$100 million more in penalties than the previous 18 years.

The April report from Comptroller Susana Mendoza blames Gov. Bruce Rauner for the ballooning penalties. The report shows that between fiscal years 1998 and 2015, late payment interest penalties owed to vendors providing services to the state totaled \$1.0396 billion. In the past two-and-a-half-years, Illinois accrued \$1.1396 billion in late payment interest penalties, according to the report.

The report comes as one state senator is working to get support for a bill she says will fix the bill backlog problem by using investment funds held by the state treasurer for taxpayers, units of government and those saving for college.

Under state law, taxpayers are on the hook for up to 12 percent interest a year on bills 90 days past due. The state's Vendor Assistance Program allows qualified purchasers to buy delinquent bills and profit from the interest penalties.

State Sen. Heather Steans' Senate Bill 2858 would allow the state treasurer to use investment dollars to buy the debt at 3 percent, rather than 12 percent. She said it would save money.

Illinois Treasurer Michael Frerichs reported about \$25 billion in the state's investment portfolio in 2017.

State Sen. Jil Tracy, R-Quincy, said Stean's bill isn't the answer. Tracy said it's time to go back to square one and rework the Prompt Payment Act that tacks on interest of up to 1 percent a month.

Steans said reforming the Prompt Payment Act too quickly could lead vendors to stop providing services for group health insurance for state employees, a program that has a large backlog of unpaid bills.

One of the qualified purchasers, Illinois Financing Partners, has former Gov. Jim Edgar on its board. IFP has nearly a billion dollars of group health debt, with hundreds of millions in interest it's still owed.

Steans' measure passed Wednesday. She said the measure will be amended in the House before it passes back to the Senate for concurrence.

RICH MILLER'S WEEKLY COLUMN

Several months ago, Illinois House Speaker Michael Madigan's chief of staff, Tim Mapes, made copies of candidate nominating petitions for what appeared to be every single candidate in the state, regardless of party or office sought. Madigan's spokesperson was mum when asked why.

It turns out that a database was constructed of the names of all the people who circulated petitions during the primary.

Here's why that matters:

Last week, state Sen. Sam McCann, R-Plainview, pulled the trigger on a third-party bid for governor. McCann, an avowed foe of Gov. Bruce Rauner, will have to collect 25,000 valid petition signatures by June 25 to get onto the November ballot.

There's a catch, however. Under state law, all signatures for McCann gathered by people who also circulated petitions for partisan primary candidates will be invalidated. Now, thanks to the new data base, it is a relatively simple matter of plugging in names of potential McCann petition circulators to weed out the potential problems.

If McCann gets on the ballot, the idea is to establish a new party's identity with one specific goal in mind. Its name is the Conservative Party. Its mission is to attract conservative Republican voters who are upset with Rauner's views and actions on abortion, "sanctuary state" and other stuff, including possibly guns.

Four years ago, Operating Engineers Union Local 150 backed the Libertarian Party's candidate to hurt Rauner, but that candidate also got a number of votes from folks who didn't like Democratic Gov. Pat Quinn. The new Conservative Party will focus on disaffected Republicans and attempt to continue the theme that Rauner is unable to unify his own party after his narrow GOP primary victory over Rep. Jeanne Ives.

If McCann survives the petition process, one challenge will be finding money for this race.

Lots of union leaders and others believe that billionaire Democrat J.B. Pritzker has this race in the bag. They're convinced Pritzker's personal fortune along with a strong national Democratic wave will destroy the Republican incumbent.

But the folks behind this Conservative Party idea (including Local 150) firmly believe they need a "Plan B" in case something goes horribly wrong.

Pritzker could be hit with some unforeseen opposition research, for example. The national political climate could suddenly change for any number of reasons. Rauner could somehow get his act together.

And even if the Democrats' stars remain aligned all the way through November, a McCann candidacy could help the Democrats run up the score on Rauner.

But the plan has its detractors. Democratic legislative candidates in Republican-leaning districts have been hoping that the national "blue wave" that so many see heading this way, combined with Gov. Rauner's horrible unpopularity, will lead to lower turnout among Republicans and help them squeak through. Putting McCann on the ticket gives disaffected Republican voters a reason to head to the polls and they won't be voting for Democrats down the ballot.

And while calling it an "interesting play," a top Republican official with close ties to the governor said Sen. McCann could attract some Democratic votes as well.

Pritzker, after all, has far more liberal stances than Rauner on immigration, guns, abortion, etc. Rauner has repeatedly said in recent weeks that he strongly opposes illegal immigration and flatly denies that a bill he signed into law created a “sanctuary state.” The governor also claims to be a National Rifle Association member and vetoed a bill last month that would’ve regulated gun dealers.

Pritzker’s vast holdings include several companies that have really bad records when it comes to their employees.

In other words, it’s more than conceivable that the Rauner campaign could use targeted media to try and drive conservative, pro-union Democrats and independents to McCann.

It’s also very possible that Rauner will go all-out negative against McCann. A far-right group aired a very nasty radio ad during the March primary about the governor and his wife. So, the Rauner folks may feel free to go just as negative on McCann.

Operating Engineers Union Local 150 contributed \$50,000 to McCann’s campaign fund just a few days before McCann’s announcement and will be very involved in his effort. The union is known for its unorthodox political moves, like working with conservative activist Dan Proft during the primary against House Republican Leader Jim Durkin.

But the involvement of Local 150 also gives Rauner the ability to use the “Madigan issue” against McCann because the union local has close ties to the House Speaker.

If you thought the weirdness ended on primary day, it’s actually just beginning.

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: 4/25/2018 - Assigned to Senate Labor

Recent Status: 4/2/2018 - Added as Alternate Co-Sponsor Sen. Patricia Van Pelt
3/29/2018 - Added as Alternate Co-Sponsor Sen. Iris Y. Martinez

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: 5/8/2018 - Senate Judiciary, (First Hearing)

Recent Status: 5/3/2018 - Added as Alternate Chief Co-Sponsor Sen. Kwame Raoul
5/2/2018 - Assigned to Senate Judiciary

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: 4/30/2018 - Added Co-Sponsor Rep. William Davis

Recent Status: 4/26/2018 - Added Co-Sponsor Rep. Theresa Mah
4/25/2018 - Added Co-Sponsor Rep. Jaime M. Andrade, Jr.

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: 5/10/2018 - Senate Labor, (First Hearing)

Recent Status: 5/9/2018 - Senate Labor, (First Hearing) 5/2/2018 - Added as Alternate Co-Sponsor Sen. Thomas Cullerton

Notes: [AFL-CIO Support](#)

HB4390 CRIM CD-CRIMINAL BUILDING MGMT (WILLIS K) Amends the Criminal Code of 2012. Defines "commercial property", "dangerous condition", "first responder", "management or

operational control", "person", and "serious bodily injury". Provides that first responder endangerment is committed when a person knowingly creates a dangerous situation and intentionally conceals the dangerous condition in a commercial property under his or her management or control and the dangerous condition is the primary cause of death or serious bodily injury of a first responder during the course of his or her official duties. Provides that first responder endangerment is a Class 4 felony.

House Committee Amendment No. 1 - Replaces everything after the enacting clause. 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.

Current Status: 5/2/2018 - To Subcommittee on CLEAR Compliance

Recent Status: 4/25/2018 - Assigned to Senate Criminal Law
3/9/2018 - Referred to Senate Assignments

Notes: Chicago has been working hard on and Ron actually testified in hearings on this one. This may be a bill that we could actually team up with Chicago on. The bill has serious ramifications if it passes and you work for a landlord who does not want to spend money.

HB4538 PROP TX-NATURAL DISASTER (HAYS C) Amends the Property Tax Code. In a Section granting a natural disaster homestead exemption, removes language providing that the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. Removes provisions providing that the taxpayer's initial application for a natural disaster homestead exemption must be made no later than the first taxable year after the residential structure is rebuilt. Provides that, if the square footage of the rebuilt structure exceeds 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster, then the amount of the natural disaster homestead exemption is the equalized assessed value per square foot of the rebuilt structure multiplied by 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster minus the base amount. Provides that the amendatory Act is retroactive to the 2012 taxable year. Sets forth provisions concerning the valuation of farm improvements that have been rebuilt following a natural disaster. Effective immediately.

Current Status: 4/13/2018 - Rule 19(a) / Re-referred to Rules Committee

Recent Status: 4/11/2018 - House Revenue & Finance, (First Hearing)4/11/2018 - House Property Tax Subcommittee, (First Hearing)

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: 5/3/2018 - Senate Environment and Conservation, (First Hearing)

Recent Status: 4/27/2018 - Added as Alternate Co-Sponsor Sen. Steven M. Landek
4/25/2018 - Assigned to Senate Environment and Conservation

HB4774 LOCAL-LOWEST RESPONSIBLE BID (KIFOWIT S) Amends the Counties Code. In provisions regarding determination of the lowest responsible bidder in purchases by a county with fewer than 2,000,000 inhabitants for services, materials, and equipment, a local company that bids within 5% to 10% of the lowest bid, if that lowest bid is made by a non-local company, is the lowest responsible bidder. Provides that if more than one local company's bid is within 5% to 10% of the lowest bid made by a non-local company, the county board shall award the contract to the lowest responsible bidder among the local company bids. Defines "local company" as a company or business entity located within the contracting county or any contiguous county in the State that has the majority of its regular, full-time workforce located within the contracting county or contiguous county. Amends the Township Code. Makes similar changes in provisions concerning construction contracts and contracts for services, materials, equipment, or supplies. Amends the Illinois Municipal Code. Makes similar changes in provisions concerning purchasing and public works contracts in municipalities of less than 500,000.

House Committee Amendment No. 1 - Provides that in determining the lowest responsible bidder, a local company that bids no more than 10% higher than (rather than within 5% to 10% of) the lowest bid, if that lowest bid is made by a non-local company, is the lowest responsible bidder. Makes conforming changes.

House Floor Amendment No. 2 - Replaces everything after the enacting clause. Reinserts the introduced bill, as amended by House Amendment No. 1, with the following changes: provides that the new language does not apply to contracts for construction, which includes, but is not limited to, all work on public works involving laborers, workers, or mechanics, including maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased, or rented; and provides that "local company" means a company or business entity located within the contracting township or municipality or the county or counties in which the township or municipality is located (rather than any contiguous township or municipality) in the State that has the majority of its regular, full-time workforce located within the contracting township or municipality or the county or counties in which the township or municipality is located (rather than a contiguous township or municipality).

House Floor Amendment No. 3 - Removes provisions in the Township Code from the bill relating to contracts for construction and competitive bidding.

Current Status: 4/27/2018 - Third Reading - Standard Debate - Lost 042-046-008

Recent Status: 4/27/2018 - THIRD READING Bill Failed Third Reading in the House by 042-046-008.
4/27/2018 - House Bills on Third Reading

HB5505 REALTY LICENSES-BOARDS (MCCOMBIE T) Amends the Auction License Act, the Community Association Manager Licensing and Disciplinary Act, the Real Estate License Act of 2000, and the Real Estate Appraiser Licensing Act of 2002. Makes changes to the terms for members of the Auction Advisory Board, the Community Association Manager Licensing and Disciplinary Board, the Real Estate Administration and Disciplinary Board, and the Real Estate Appraisal Administration and Disciplinary Board. Provides that the members' terms shall be for 4 years and the term expires upon completion of the term. Provides that the Community

Association Manager Licensing and Disciplinary Board that are serving on the Board on the effective date of the amendatory Act may serve the remainder of their unexpired terms. Provides that no member of the Real Estate Administration and Disciplinary Board shall be reappointed to the Board for a term that would cause his or her cumulative service to the Board to exceed 10 years (rather than 12 years). Makes changes to the appointment process for vacancies on the Auction Advisory Board, the Community Association Manager Licensing and Disciplinary Board, and the Real Estate Appraisal Administration and Disciplinary Board. Effective immediately.

Current Status: 4/27/2018 - Rule 19(a) / Re-referred to Rules Committee

Recent Status: 4/27/2018 - House Bills on Second Reading
4/26/2018 - House Bills on Second Reading

Notes: If bill passes, need to inform BOMA members as all third party managers have this license

HB5508 HOMELESS BILL OF RIGHTS (FORD L) Amends the Bill of Rights for the Homeless Act.

Provides that if a unit of local government determines that a person experiencing homelessness is living in a public space and requires that person to vacate the public space, the unit of local government shall: (i) provide a 48-hour notice to vacate to that person; (ii) offer to call a paramedic for medical treatment; (iii) offer to provide transportation to the nearest homeless shelter; and (iv) allow the person to collect all personal property and offer bags to transport the personal property.

House Committee Amendment No. 1 - Replaces everything after the enacting clause. Creates the Access to Affordable, Permanent, and Supportive Housing and Services Act. Provides that a unit of local government may provide certain housing and supportive services upon a determination that a person experiencing homelessness is living in a public space, including: (i) an assessment of the person's housing and service needs; (ii) access to permanent housing, permanent supportive housing, or affordable housing; and (iii) job training, substance abuse counseling, and other appropriate supportive services. Provides that a person receiving assistance from a unit of local government in accordance with the Act shall have the right to request housing in a geographical area based on his or her ties to the community, access to services, access to ongoing employment, and access to public transportation. Prohibits a unit of local government from requiring a person to vacate a public space, unless adequate affordable housing, permanent housing, and supportive housing units are available within the unit of local government's geographic area and a permanent housing option is offered to that person. Prohibits a unit of local government from disposing of a person's personal belongings in any manner; and provides that a person has the right to decline any housing assessment and services offered by a unit of local government. Provides that a plaintiff in any civil action alleging a violation of the Act may request a jury trial and the court may award a prevailing plaintiff appropriate injunctive and declaratory relief, actual damages, and reasonable attorney's fees and costs.

Current Status: 4/27/2018 - Rule 19(a) / Re-referred to Rules Committee

Recent Status: 4/27/2018 - House Bills on Third Reading
4/26/2018 - House Floor Amendment No. 2 Recommends Be Adopted
Rules Committee; 004-000-000

Notes: Limits a Landlord recourse to contact Law Enforcement or the municipality if they have homeless gathering on public property. If you call for assistance there will be ramifications to village thereby reducing the likelihood that they will want to assist.

SB1791 PROP TAX-VALUATION (STADELMAN S) Amends the Property Tax Code. Provides that in all cases where a change in assessed valuation greater than \$300,000 is sought, the Property

Tax Appeal Board shall make an independent determination of valuation. Provides criteria for determining which comparable properties are to be used, together with requirements and criteria for making the independent determination of valuation. Makes a conforming change. Effective immediately.

Current Status: 5/3/2018 - Rule 3-9(a) / Re-referred to Assignments

Recent Status: 4/27/2018 - Rule 2-10 Committee/3rd Reading Deadline Established As May 3, 2018

4/13/2018 - Rule 2-10 Committee Deadline Established As April 27, 2018

SB1792 PROP TX-COMPLAINT-DISCLOSURE (STADELMAN S) Amends the Property Tax Code. In provisions concerning hearings before the board of review or the Property Tax Appeal Board, provides that the complainant or appellant shall make timely disclosure to the assessor and the board or review or Property Tax Appeal Board, as applicable, of all relevant evidence or information known to the complainant or appellant, including, in cases where a change in assessed valuation over \$300,000 is sought, all appraisals prepared in anticipation of filing a complaint or appeal. Effective immediately.

Current Status: 5/3/2018 - Rule 3-9(a) / Re-referred to Assignments

Recent Status: 4/27/2018 - Rule 2-10 Committee/3rd Reading Deadline Established As May 3, 2018

4/13/2018 - Rule 2-10 Committee Deadline Established As April 27, 2018

Notes: Directly related to SB 1791 – Owner must make –timely disclosure–

SB1793 PROP TX-COMPARABLES (STADELMAN S) Amends the Property Tax Code. Provides that, with respect to non-residential property, neither the board of review nor the Property Tax Appeal Board may consider comparable real property sales made subject to a private restriction or covenant in connection with the sale or rental of the property if that private restriction or covenant substantially impairs the use of the comparable property as compared to the property subject to assessment, or if that private restriction or covenant materially increases the likelihood of vacancy or inactivity on the property. Effective immediately.

Current Status: 5/3/2018 - Rule 3-9(a) / Re-referred to Assignments

Recent Status: 4/27/2018 - Rule 2-10 Committee/3rd Reading Deadline Established As May 3, 2018

4/13/2018 - Rule 2-10 Committee Deadline Established As April 27, 2018

Notes: Related to 1791 and 1792 – non-residential properties

SB1794 PROP TX-APPRAISAL DATABASE (STADELMAN S) Amends the Property Tax Code. Provides that the Department of Revenue, with the assistance of the Office of Appraisals, shall maintain a database of all appraisals introduced as evidence in hearings before the Property Tax Appeal Board or the board of review. Provides that the database must be searchable by certain specified parameters. Effective immediately.

Current Status: 5/3/2018 - Rule 3-9(a) / Re-referred to Assignments

Recent Status: 4/27/2018 - Rule 2-10 Committee/3rd Reading Deadline Established As May 3, 2018

4/13/2018 - Rule 2-10 Committee Deadline Established As April 27, 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: 5/3/2018 - Rule 3-9(a) / Re-referred to Assignments

Recent Status: 5/3/2018 - Senate Bills on Third Reading

5/2/2018 - 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

SB2621 MECHANICS LIENS-SUBCONTRACTORS (MULROE J) Amends the Mechanics Lien Act. Deletes language providing that a subcontractor shall, within 90 days after the completion of his or her obligations under the contract between the contractor and the subcontractor, or, if extra or additional work or material is delivered thereafter, within 90 days after the date of completion of such extra or additional work or final delivery of such extra or additional material, cause a written notice of his or her claim and the amount due. Provides instead that a subcontractor shall, within 90 days after the completion of the work or extra work or materials are furnished under the contractor's contract with the owner, cause a written notice of his or her claim and the amount due.

Current Status: 4/27/2018 - Rule 3-9(a) / Re-referred to Assignments

Recent Status: 4/26/2018 - Senate Bills on Third Reading

4/25/2018 - Senate Bills on Third Reading

Notes: extends the time which contractor may file a lien " under current they must file within 90 days " under proposed bill they will just have to notify of intent to possibly file within 90 days.

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.

Current Status: 5/3/2018 - Added Alternate Chief Co-Sponsor Rep. Thomas M. Bennett

Recent Status: 5/2/2018 - Alternate Chief Sponsor Changed to Rep. Lawrence Walsh, Jr.

4/26/2018 - Referred to House Rules

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.

Current Status: 5/9/2018 - House Business & Occupational Licenses, (First Hearing)

Recent Status: 5/2/2018 - Assigned to House Business & Occupational Licenses
4/24/2018 - Referred to House Rules

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: 5/8/2018 - House Cities & Villages, (First Hearing)

Recent Status: 4/26/2018 - Assigned to House Cities & Villages
4/19/2018 - Referred to House Rules