

LEGISLATIVE REPORT

BOMA/SUBURBAN CHICAGO

March 22, 2019

The House and Senate were in Session this week. Both chambers spent the majority of the week working through proposals in committees. To date, only 51 House Bills have been approved by the House and are now in the Senate awaiting action and 82 Senate Bills have been approved by the Senate.

The Senate deadline for senate bills out of senate committees is today. If a bill is not approved by a Senate Committee, the bill is dead unless, an extension deadline is requested or the language is introduced on a shell bill.

The House deadline for house bills out of house committees is March 29.

Both chambers will resume Session on Tuesday, March 26.

There was a lot of buzz this week about a capital bill that was filed at the request of Local 150 of the International Union of Operating Engineers. The language is contained in Amendment 1 to Senate Bill 103. It applies only to “horizontal” projects, for things like roads, bridges and transit and would double the Motor Fuel Tax.

From Rich Miller:

The local has been signaling for several days that it was growing weary of waiting for Gov. JB Pritzker’s office to get moving on an infrastructure program. But the governor’s office is pushing back hard on claims of “radio silence,” pointing to meetings between top Local 150 officials and the governor’s infrastructure point person, Deputy Gov. Christian Mitchell.

Sen. Martin Sandoval (D-Chicago) is sponsoring the legislation. Sandoval chairs the Senate Transportation Committee and has been holding hearings around the state to hear input on infrastructure needs.

Asked why he would take the unusual step of carrying a capital bill that a governor of his own political party is not currently supporting, Sandoval said he was simply continuing the process started by his statewide hearings.

But Sandoval also said the legislation was a way of “engaging” the governor’s office, which he said he believes has been too “slow” to get moving on capital projects. Sandoval was reportedly disabused of the “slow” issue later yesterday by a top member of the governor’s staff.

The proposal isn't likely to move and beyond a lot of outside chatter, there hasn't been a lot of movement on a capital bill.

ADDED TO BILL REPORT THIS WEEK

➤ **No new bills added**

UPCOMING DATES

- March 29 – House Bills out of House Committee Deadline
- April 2 – Consolidated Election
- May 10 – House & Senate Bills Out of Committee Deadline

BILL TO TAX STREAMING & SATELLITE SERVICES HEARD IN HOUSE COMMITTEE

[*State Journal-Register*](#)

Local government leaders testified Thursday in favor of legislation that would help them raise money through a variety of sources, including a tax on streaming and satellite services.

Conrad Kiebles, village administrator of suburban Orland Hills, appeared before the House Revenue and Finance Committee in support of House Bill 3359, which would impose a tax on video services delivered through the internet and satellites, much like how local governments already get a piece of residents' television cable bills.

The tax would amount to 5 percent of a video provider's gross revenues from its subscribers.

Local governments now rely on a franchise fee paid by cable companies. At the time the fee was enacted, there was "no such thing as streaming services," Kiebles said.

Even with updates in technology and competition, Kiebles said laws haven't been changed to keep up.

Another piece of legislation, House Bill 270, would make it so if a buyer makes a payment over the phone, in writing or on the internet and the property is delivered to an address in Illinois, the sale will be sourced to Illinois.

Brad Cole, executive director of the Illinois Municipal League, said the intent of the bill is to capture local sales tax revenue from out-of-state online retailers.

Other bills mentioned by Cole during the hearing include House Bill 824, which would allow non-home rule municipalities to raise their local sales tax without a referendum.

Cities also want to have the administrative fee they pay to collect sales taxes be reduced. It is currently 1.5 percent.

Cole also spoke in favor of House Bill 2804, which would allow municipalities to impose a gas tax in 1 cent-per-gallon increments, not exceeding 5 cents per gallon.

BILL TO PROTECT BANKS ENGAGED IN CANNABIS INDUSTRY ADVANCES IN SENATE

[Chicago Sun-Times](#)

A state Senate committee voted unanimously Wednesday to advance a bill that would prevent state banking regulators from punishing banks or credit unions that do business with the state's medical marijuana industry.

Even if that bill becomes law, however, those financial institutions would still be at risk of being prosecuted under federal laws.

[Senate Bill 2023](#) is being pushed by Sen. Toi Hutchinson, a Chicago Democrat, and State Treasurer Michael Frerichs. It would prohibit state banking regulators from taking action against any bank or credit union in Illinois that provides accounts for businesses engaged in the legal production and sale of marijuana products.

In 2015, Illinois legalized marijuana for treatment of certain medical conditions under a pilot program that is set to expire this year, and state lawmakers are expected to vote later this session on whether to make that pilot program permanent, and whether to legalize marijuana for adult recreational use.

But in Illinois and many other states, banks will not do business with companies involved in growing or selling marijuana because federal banking regulations prohibit it.

During most of the Obama administration, the U.S. Justice Department would not prosecute those banks or businesses, as long as they were not involved in other criminal activity. But that changed early in the Trump administration when former U.S. Attorney General Jeff Sessions issued a memo to federal prosecutors advising them to resume full enforcement of federal laws.

HOUSE DEBATES PENSION SYSTEM CONSOLIDATION

For city officials, the idea of consolidating 650 downstate police and fire pensions into one will save money in the long run, provide better investment returns and provide more stability to weaker systems.

But representatives of the pension plans said consolidating them will cost money that could take up to 20 years to recover and that there are more pressing issues facing the systems, including Tier 2 benefits that are inadequate.

The goal of consolidating downstate police and fire pension funds has been on the radar of the Illinois Municipal League for several years. This year, it also got the attention of Gov. J.B. Pritzker who appointed a task force in February to look into the feasibility of consolidating local pensions “beginning with downstate police and fire funds.” The group is supposed to deliver recommendations by July 1.

In the meantime, the House Personnel and Pensions Committee listened to pros and cons of the idea.

Mount Prospect Mayor Arlene Juracek, who is president of the Illinois Municipal League, said local governments face problems similar to the state when trying to keep up with pension payments.

“In Mount Prospect, we are actually making more than the minimum contribution, yet our levels are falling,” she said.

She said consolidating police and fire pensions into the Illinois Municipal Retirement Fund “will increase investment returns and significantly reduce administration costs, all while not encroaching on constitutional protections.”

It was acknowledged there would be transition costs associated with combining the funds, but combining them with IMRF would minimize those costs according to proponents of the proposal.

However, representatives of downstate police and fire funds said those transition costs would be steep.

“There are upfront costs and we have a lot of funds that will be burdened by them,” said Sean Smoot of the Police Protective and Benevolent Association. “This is going to cost some real money. It could take 15 to 20 years to recover it.”

Smoot also suggested it should be left up to individual funds to decide if they want to merge with IMRF.

James McNamee of the Illinois Public Pension Association said “trustees has been doing a very good job in managing these assets. It was never an investment problem, it was a restriction problem.”

Some investments are off limits to the funds. McNamee said the association is opposed to consolidation.

IMRF Executive Director Brian Collins also urged lawmakers proceed with caution.

“IMRF is one of the highest funded plans in the country,” he said. “It got that way for a lot of reasons. There’s a very delicate balance. When I think of a large consolidation that would happen, I immediately worry we could throw any of those things out of balance.”

SIMON POLL: PRITZKER JOB APPROVAL +2, TRUMP -20, DURBIN +10, CULLERTON -11, MADIGAN -51

The recent We Ask America poll had Gov. Pritzker at +1 on job approval (37-36). The Simon Poll has him +2 (40-38). WAA had President Trump at -15 (41-56), the Simon Poll has him -20 (39-59).

From the poll:

Illinois’ highest elected officials received mixed job-performance reviews in the poll just released from the Paul Simon Public Policy Institute at Southern Illinois University Carbondale.

The Simon Poll™ was based on a statewide sample of 1,000 registered voters conducted March 11 through March 17. The margin of error is plus or minus 3.1 percent.

The voters were asked whether they approved or disapproved of the jobs being done by Governor J. B. Pritzker, President Donald Trump, U.S. Senator Dick Durbin, Speaker of the House Michael Madigan, and Senate President John Cullerton.

This was an early test for Governor Pritzker, who just took office in mid-January. Since then the governor has introduced his first budget and embarked on an ambitious plan to deal with the state’s long-term structural deficit. His plan has involved high-profile advocacy for a constitutional amendment that would shift Illinois’ income tax from a flat rate to a graduated rate.

Two months into his new administration, Simon Poll respondents gave Governor Pritzker a 40 percent positive job rating, while 38 percent disapproved, a narrow two-percentage-point positive net. This included 10 percent who strongly approved and 30 percent who somewhat approved, and 14 percent who somewhat disapproved and 24 percent who strongly disapproved. Another 7 percent said they neither approved nor disapproved, and 15 percent had no opinion.

For comparison, at the same point in Bruce Rauner’s term, the March 2015 Simon Poll™ showed Governor Rauner at 37 approval vs. 31 percent disapproval, with one-third, or 32, percent who had not decided or had no opinion at that point.

Not surprisingly, Pritzker’s ratings varied significantly according to the voters’ place of residence and partisan affiliation. Fifty percent of voters from the City of Chicago approved of the governor’s job performance, while only 28 percent disapproved. Forty

percent of the voters from suburban Cook and the Collar Counties approved and 36 percent disapproved. Downstate, 34 percent approved and 50 percent disapproved.

By party, 65 percent of Democrats endorsed Pritzker's job performance, while only 12 percent disapproved. Seventy percent of Republicans disapproved of Pritzker's performance, and 15 percent approved. Independents fell in-between, with 31 percent approving and 41 percent disapproving.

President Trump's job approval was 39 percent positive and 59 percent negative — net of 20 points underwater in Illinois. This consisted of 49 percent who strongly disapprove and 10 percent who somewhat disapprove of the president's performance.

Partisan and geographic differences are on stark display in the varying results for the president. Ninety-three percent of Democrats disapproved and only 6 percent approved of the job Trump is doing as president; 83 percent of Republicans approved and only 16 percent disapproved. Independents were in between, with 35 approval and 60 percent disapproval.

Three quarters (76 percent) of the voters in the City of Chicago disapproved of Trump's performance and 24 percent approved. In the suburbs, 39 percent approved and 60 percent disapproved. This left downstate as the only region where the president's approval ratings were not in a net negative range, with 50 percent who approved and 46 percent disapproved.

U. S. Senator Dick Durbin is up for re-election next year and the poll tested his beginning point as he launches a new campaign. The results showed Senator Durbin with a 51 percent approval rating, compared to 41 percent disapproval, 8 percent who either didn't know or had no opinion.

Sixty-five percent of voters in the City of Chicago approved of the job Durbin is doing, while 29 percent disapproved. In suburban Cook and the Collar Counties, 51 percent approved and 41 percent disapproved, exactly matching the statewide results. Downstate the margins were 42 percent who approved and 48 percent who disapproved.

Durbin fared very well among his fellow Democrats with the results showing that 78 percent approved and 15 percent disapproved of the job he was doing. Republicans gave a 74 percent disapproval to 21 percent approval rating. Fifty-one percent of Independents approved and 41 percent disapproved, again exactly matching the statewide results.

Turning to state legislative leaders, the poll asked about the job performance of Speaker of the House Michael Madigan and Senate President John Cullerton.

Fully 71 percent of voters statewide said they disapproved of Madigan's job performance, while only 20 percent approved, with 10 percent undecided or neither.

City of Chicago voters gave Madigan a 26 percent approval to 66 percent disapproval rating. Suburban Cook and the Collar Counties gave him a 19 percent approve and 72 percent disapprove rating. Downstate voters were almost identical with the suburban voters with 71 percent disapproving and 19 percent approving.

Thirty-four percent of Democratic voters approved and 55 percent disapproved of the Speaker's job performance. Eighty-seven percent of Republicans disapproved and only 8 percent approved, while Independents showed a 10 percent approval and 78 percent disapproval rating.

The Speaker has long been a high-profile target for Republican attack ads in a variety of campaigns. In the campaigns for governor and in many state house and senate races in November of 2018, Republican candidates from Governor Rauner through state representative races and some local races focused on Madigan. His job approval vs. disapproval ratings show those results as well as his many years as perhaps the most highly recognizable Democrat in Illinois.

By contrast, Senate President John Cullerton keeps a much lower profile and the results show in contrast with the Speaker. Senator Cullerton's approval ratings were 24 percent approve and 35 percent disapprove, with 6 percent who said neither and more than one-third, 35 percent, who said they did not know enough to rate him.

There were virtually no regional differences on Cullerton's job approval ratings. By party, the differences were only marginal. Thirty-five percent of the Democrats said they approved of Cullerton's job performance with 23 percent who disapproved. Forty-eight percent of Republicans said they disapproved and 15 percent approved. This left 37 percent of the Democrats and 36 percent of the Independents saying they did not know enough to rate him with 29 percent of the Republicans who did not want to provide a rating.