

# LEGISLATIVE REPORT

**BOMA/SUBURBAN CHICAGO**

April 5, 2019

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The House and Senate were in Session this week with both chambers adjourning Thursday. The General Assembly is scheduled to return Tuesday, April 9.

Friday, April 5 is the floor amendment deadline in the Senate, which means it's the last day floor amendments can be filed to Senate Bills.

The General Assembly is quickly approaching spring break, which means only five weeks remain on the Session calendar. April 12 is the deadline for bills to be approved by the originating chamber, so Senate Bills needs to be approved by the full Senate and vice versa for House Bills.

With the April 12 deadline approaching, both chambers spent the majority of the week focused on floor action, which means approving or rejecting proposals that were previously approved by committee. Bills that were approved by the full House or Senate are then moved to the opposite chamber where the process starts over.

Next week will be the last full week of session before lawmakers head back to their districts for two weeks.

## **Legalized Recreational Marijuana**

A procedural move this week in the Senate created some media attention surrounding the bill to legalize recreational marijuana. The Senate Executive Committee, the committee that will eventually hear the final proposal, voted 12-4 to move a shell bill out of the committee and to the full floor. The bill, Senate Bill 7, is what we commonly refer to as a "shell bill" which means it's an empty bill that can be amended with substantial language in the future.

The committee took the action to allow for meetings to continue on the legislation without the bill dying due to established deadlines.

The actual details of the bill are being negotiated privately by lawmakers, the governor's office and cannabis industry advocates who say the existing medicinal growing market has the capacity to meet the initial demand of adult-use marijuana legalization.

Gov. J.B. Pritzker's proposed fiscal year 2020 budget contains \$170 million in projected revenue from legalization. That projection is entirely dependent on licensing fees, not tax revenue.

## ADDED TO BILL REPORT THIS WEEK

- **No new bills added**

## UPCOMING DATES

- April 5 – Senate Deadline for Senate Floor Amendments
- April 12 – Third Reading Deadline for Bills in Originating Chamber
- April 14 thru 27 – House & Senate Spring Break
- May 10 – House & Senate Bills Opposite Chamber Out of Committee Deadline
- May 24 – Third Reading Deadline for Bills in Opposite Chamber

## STUDY FINDS TAX PLAN WOULD NARROW STATE'S INCOME GAP

[Associated Press](#)

A graduated income tax could narrow Illinois' growing income disparity, cut property — as well as income — tax bills and deliver billions of dollars in extra annual revenue to combat state deficits and underfunded public schools and infrastructure, a study released Monday shows.

The peer-reviewed exam by the Project for Middle Class Renewal and the Illinois Economic Policy Institute constructed eight scenarios based partly on progressive income tax structures among Illinois neighbors.

Gov. J.B. Pritzker has proposed changing the state's flat-rate income tax system, in which everyone pays 4.95 percent, to a progressive structure in which wealthier residents pay a higher percentage. It would start at 4.75 percent for the lowest wage earners, remain at 4.95 percent for those earning \$100,000 to \$250,000, and top out at 7.95 percent for incomes over \$1 million.

Authors Robert Bruno and Frank Manzo constructed eight scenarios, drawn in part from graduated tax structures in nearby states such as Iowa and Minnesota, and tested each against five public policy goals: Cutting taxes for at least two-thirds of taxpayers, reducing property taxes by 10 percent, protecting small businesses, wiping out Illinois' built-in \$1.2 billion "structural" deficit, and boosting education and brick-and-mortar funding by hundreds of millions of dollars.

Pritzker's measure is among the scenarios evaluated by Manzo and Bruno, director of the University of Illinois' Labor Education Program and head of the Project for Middle Class Renewal. The study determined that the Democrat's plan would mean a tax cut for 85.3 percent of tax filers, no change in the current liability for 12 percent of taxpayers, and an increase for 2.8 percent — those making more than \$250,000 a year.

It would generate \$3.12 billion extra a year, less than Pritzker's estimate of \$3.4 billion, but the authors contend it could pave the way for a 10 percent reduction in burdensome property taxes and free up \$500 million a year for schools and public improvements.

Perhaps the report's starkest revelation is an ever-widening income gap. Three decades ago, median Illinois household income was \$73,000 in inflation-adjusted dollars, compared with \$79,000 today. During the same period, the richest 1 percent of households saw income grow from \$247,000 a year to \$522,000. So low-income families pay 14.4 percent of their incomes to state and local taxes; the richest pay 7.4 percent.

Pritzker's office estimates that out of 6.2 million income taxpayers, 175,000 make more than \$250,000 and would pay more.

Each of the eight scenarios meets a majority of the established policy goals. In the setup similar to Iowa's structure, only 42 percent of taxpayers would see a tax cut, with 56 percent seeing relief in the plan based on Minnesota's structure. But the higher rates each state imposes would also draw more revenue — adopting the Iowa plan would net Illinois \$8.6 billion more annually.

The study did not address corporate taxes, except in Pritzker's plan, which would set the rate at 7.95 percent. Pass-through business income in the other scenarios was capped at 5 percent.

The authors said their aim was to present evidence, not endorse one approach over another, but recognizing the political sensitivity of the subject, they solicited peer review of their work from three colleagues, including Penn State University economics professor Lonnie Golden and Amanda Kass, associate director of the Government Finance Research Center at the University of Illinois at Chicago.

## NEW LAW CREATES PAROLE REVIEW FOR YOUNG OFFENDERS

[\*Chicago Tribune\*](#)

Young adults sentenced to lengthy prison terms for most crimes will be eligible for a parole review after serving 10 years, under a measure Democratic Gov. J.B. Pritzker signed into law Monday.

The law, effective June 1, will allow people who commit a crime before turning 21 to petition the Illinois Prisoner Review Board for parole, which will be assessed on a case-by-case basis. Victims, witnesses and others will have the opportunity to present testimony to the board. People convicted of first-degree murder or aggravated criminal sexual assault will be eligible for review after 20 years, and those convicted of predatory criminal assault of a child or given a life sentence will not be eligible.

The measure marks the first time the state will be allowed to grant discretionary parole since the practice was abolished in 1978.

Supporters said the new law acknowledges research showing young people's brains are not fully developed and that they lack the decision-making abilities of adults.

The House approved the bill on a 67-41 vote in November, more than a year after it was approved in the Senate by a 36-17 margin. Believing then-Republican Gov. Bruce Rauner would veto the legislation if it reached his desk, lawmakers used a procedural maneuver to hold it for Pritzker's signature, Currie said.

Despite Rauner's perceived opposition, the measure passed with bipartisan support and was co-sponsored by GOP state Rep. Lindsay Parkhurst of Kankakee.

## NURSES, HOSPITAL CEOs AT ODDS OVER PATIENT LIMITS

[\*NPR Illinois\*](#)

Illinois lawmakers are being asked to decide whether nurses are dangerously overworked — and what to do about it.

Nurses want limits on how many patients they're assigned. They argue it would improve patient outcomes and workplace safety. But opponents counter a "one size fits all" approach will not work.

Legislation being considered in the Illinois House would limit hospital nurses to four patients or less. That number would be lower in certain areas, like maternity wards, intensive care units and emergency rooms.

Doris Carroll is vice president of the Illinois Nurses Association. She told lawmakers about one nurse's experience working alone in the ER.

"She had a waiting room full of 30 people. A woman was on the floor in terrible abdominal pain," she said. "Next thing she saw a man walking through the door — an elderly man — who was clutching his chest. So she made the decision, because she felt this man was critical and was having a heart attack. And she was right. When she came back, that woman was dead."

Carroll said the patient could have been saved if more nurses were present.

But hospital administrators argue it's not that simple.

"There is no conclusive evidence that these one size fit all nurse staffing ratios actually improve patient outcomes or the quality of care," said A.J. Wilhelmi, with the Illinois Hospital Association.

He said not every hospital has the same resources, and the legislation does not include funding to hire more nurses.

“About 42 percent of our hospitals are currently operating at a negative or very thin margin of less than two percent,” he said.

Hospital administrators also said strict ratios would hamper their flexibility in assigning nurses where they’re needed most.

That could be made even more challenging by the nursing shortage. The IHA said Illinois is expected to be down 21,000 nurses by next year.

Advocates argue that safe patient ratios would help Illinois attract and keep more nurses by improving working conditions and preventing burn-out.

Alice Johnson is with the Illinois Nurses Association.

“Not only do nurses face economic insecurity by the practice of low censusing, being sent home without pay and having to use their own benefit time,” Johnson said, “but they also face serious issues of workplace violence and occupational injury.”

Still, hospital administrators said they’re the ones who are best equipped to make staffing decisions.

Current law requires hospitals to take recommendations from a staffing committee that’s at least half nurses. But it doesn’t require them to implement the plan as recommended.

Under the legislation being considered, hospitals could be fined up to \$25,000 for violating the proposed nurse-to-patient ratios.

The legislation is House Bill 2604.