



ALLIANCE LEGISLATIVE REPORT (94-79)

LEGISLATORS FINISH VETO SESSION

The Illinois General Assembly completed its work in the fall Veto Session today (Thursday) and will return to the Capitol in January. The legislature has scheduled session for Sunday, January 7 through Tuesday, January 9 – this will complete the business of the 94th General Assembly. The new members of the legislature that were elected on November 7th will be sworn into office as the 95th General Assembly on Wednesday, January 10, 2007.

The two big issues of the session – the utility rate freeze and the minimum wage increase – were addressed. Though the Senate had approved a minimum wage increase bill earlier in the month (**SB 1275**), that bill was held in the House Rules Committee as House Speaker Michael Madigan had concerns with the bill.

This week the Speaker prepared his own bill, **SB 1268**. This bill increases the minimum wage to \$7.50 on July 1, 2007, \$7.75 on July 1, 2008, \$8.00 on July 1, 2009, and \$8.25 on July 1, 2010. The bill provides that, in lieu of the minimum wage, an employer may pay an employee, during the first 90 consecutive calendar days after the employee is initially employed by the employer, a wage that is not more than 50¢ less than the minimum wage. In this bill, the minimum wage is not indexed to the Consumer Price Index. The House approved the bill on Wednesday; the Senate approved the bill on Thursday. The bill will now be sent to the Governor for consideration.

Speaker Madigan also supported a bill this week to extend the electric rate freeze for three more years. The bill was called for a vote on the House floor Tuesday but failed to receive the supermajority vote required. It could be called for a vote again in January. In the meantime, the Senate passed a bill that would not freeze electric rates, but would mandate a phase in of rate increases over three years. **HB 2197** would allow for rate increases for residential Commonwealth Edison customers of 7%, 7%, and 8% in each of the next three years. For Ameren residential customers, increases would be 14%, 14%, and 14% in each of the next three years. The House did not call that bill for a vote this week.

BILL APPROVED ON SELECTION OF DESIGN FIRMS

SB 1453 (Schoenberg, D-Evanston) was approved by the Senate this week and will be sent to the Governor for consideration. The House passed the bill two weeks ago. The bill eliminates the ability for a unit of local government to obtain fee information in proposals for services from architects, engineers, and land surveyors. Specifically, the bill states that “in no case shall a political subdivision, prior to selecting a firm for negotiation under Section 7, seek formal or informal submission of verbal or written estimates of costs or proposals in terms of dollars, hours required, percentage of construction cost, or any other measure of compensation”. The selection of the design firm is supposed to be based on qualifications only; price, then, is to be negotiated afterwards.

The Alliance opposed the bill. The Alliance believes that school districts (and other units of local government) should look *primarily* at qualifications in the selection of such firms, but cost should be a *factor* in the decision. As the custodian of taxpayer funds, the local school board has a duty and responsibility to have full information to protect fiduciary interests of the district and the taxpayer.

The bill will now be sent to the Governor for consideration.

“7% SOLUTION” TAX PLAN TRIED AGAIN

Another attempt was made in the House of Representatives to extend the “7% Solution” Alternative Homestead Exemption. **SB 2300**, with an amendment sponsored by Representative Lou Lang (D-Skokie), was approved by the House Revenue Committee but failed to receive the supermajority vote necessary on the House floor. The bill could be called for a vote again in January.

SB 2300 would extend the option for a county to be subject to the alternative exemption by an additional 3 years; provide that the base year for counties other than Cook County is the 2004 or 2005 tax year; provide that, to subject itself to the provisions of the alternative general homestead exemption, a county, if it has not previously done so, must adopt an ordinance to that effect within 6 months after the effective date of this amendatory Act; provide that Cook County may elect, by an ordinance adopted within 6 months after the effective date of this amendatory Act, to extend the application of the alternative general homestead exemption for 3 additional assessment years; require that, for each assessment year in which the alternative general homestead exemption applies, the county clerk must determine whether the taxes on each homestead property are more, less, or the same as a result of the county's election to be subject to the alternative general homestead exemption rather than the general homestead exemption, and sets forth requirements for making the determination; require that each tax bill for homestead property include a notice of whether the taxes are more, less, or the same as a result of the county's election to be subject to the alternative general homestead exemption; and, require that tax bills include a notice containing certain information concerning the alternative general homestead exemption.

MANDATE WAIVER REQUESTS

SJR 94 (Lightford, D-Chicago) contains the agreement on the fall group of mandate waiver requests. In the resolution, no waiver requests would be denied, but several would be approved for only 2 years instead of the 5 years requested by the school districts. Those include: Ball-Chatham C.U.S.D. #5, Addison S.D. #4, Cook County S.D. #130, Chicago S.D. #299, and Champaign C.U.S.D. #4 for a physical education waivers; and Schaumburg C.C.S.D. #54 for substitute teachers. **The Senate adopted** the resolution, but the House left town before considering the measure.

OTHER LEGISLATIVE ACTION

SB 36 (Martinez, D-Chicago) makes several changes to the pension code. It provides that an officer or employee of a statewide teacher organization or officer of a national teacher organization who is a certified teacher may establish service credit for similar employment prior to becoming certified as a teacher under certain conditions. It also contains language so school districts that consolidated last year are exempt from the 6% salary limitation provisions of the pension code. Other provisions allow a purchase of pension service credit for up to 2 years of employment by a private school for Chicago teachers and a change in the definition of "teacher" to include any person employed, on the effective date of this amendatory Act, by the Macon-Piatt Regional Office of Education in a birth-through-age-three pilot program receiving funds under certain provisions of the School Code who is required by the Macon-Piatt Regional Office of Education to hold a teaching certificate. **The bill was approved** by both chambers and will be sent to the Governor for consideration.

SB 380 (Cronin, R-Elmhurst) was amended to carry several education-related provisions. The bill will: increase the debt limit for Oswego C.U.S.D. #308 and Lincoln-Way CHSD #210; increase the debt limit for Ford Heights S.D. #169 and allow the district to levy a supplemental tax; allow Oak Park-River Forest SD #200, Oak Park ESD #97, and River Forest SD #90 to withdraw from the jurisdiction and authority of the township trustees/treasurer of schools; and allow the village of Forsyth to increase its' sales tax rate with receipts going to a new school for the Maroa-Forsyth school district. **The bill was approved** by both chambers and will be sent to the Governor for consideration.

SB 1537 (Trotter, D-Chicago) contains a supplemental appropriation for FY '07. Included is approximately \$1.7 million for “Mentoring, After School and Student Support Programs” in the ISBE budget and the money for the recently approved pay raises for legislators, judges, and agency directors. **The bill was approved** by the Senate but the House did not consider the bill this week.

SB 1856 (Lightford) makes many non-substantive “clean-up” changes to the School Code by deleting “obsolete and duplicative” language. **The bill was approved** by both chambers and will be sent to the Governor for consideration.

SB 2477 (Shadid, D-Peoria) allows Peoria public schools to use the public building commission. Both the Senate and the House **voted to override** the Governor’s veto and the bill will become law.

Alliance Legislative Reports:
Bill Text/Status: Illinois General Assembly

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