



## ALLIANCE LEGISLATIVE REPORT (95-14)

### LEGISLATURE TALKS ABOUT TAXES

With only three weeks until the *scheduled* adjournment of the spring legislative session, both the Senate and House of Representatives this week had high level discussions about the State's budget and tax system.

Specifically, Governor Rod Blagojevich's gross receipts tax (GRT) proposal was the subject of votes in both chambers.

House Speaker Michael J. Madigan held an all-day "committee of the whole" on Wednesday to discuss the GRT plan. All 118 members of the House met on the floor of the House chamber to hear from – and question – witnesses, including the Governor. Though a bill was not the subject of a vote, Thursday the House took action on a non-binding resolution (**HR 402**) to gauge support of the GRT among its members. No one voted in favor of the resolution while 107 members voted "No" and 7 voted "present". According to the resolution, this indicates that that no one supports the GRT proposal as presented by the Governor. GRT proponents, however, are certain to dispute this by saying that this was only a "non-binding resolution" and not a "real bill". Speaker Madigan announced that next Tuesday the House Democrats will hold a caucus meeting to discuss "a tax bill".

In his comments before the House on Wednesday, Governor Blagojevich reiterated that he would veto any bill that increased the State's income or sales taxes and stated that without approving the GRT, this year's budget would see drastic cuts for education and social services.

In the other chamber, Senate President Emil Jones, Jr. on Tuesday passed **SB 1** out of the Senate Executive Committee. Amendments number 1 and 2 to the bill contain the Governor's gross receipts tax language and the education reform provisions (see Alliance Legislative Report 95-10 for details: [www.iasb.com/files/alr-9510.htm](http://www.iasb.com/files/alr-9510.htm)). The bill was amended to make some modifications to the plan. A "new jobs tax credit" was added to provide a tax credit of \$2,000 per full time equivalent job. Though the threshold to have the GRT apply to a business is still set at \$2 million in gross receipts, this credit, according to the Governor, will effectively exempt businesses grossing up to \$5 million in revenues. Also in the amendment, the GRT rate was increased from .85 % to 1% for the sale of goods and from 1.95% to 2% for the sale of services. **The bill is pending action** on the Senate floor.

A Senate panel also approved the Governor's universal health care legislation. The Senate Public Health Committee approved **SB 5 (Ronen, D-Chicago)** which contains the "Illinois Covered" initiative that provides State subsidized health insurance coverage for the uninsured and under-insured. The bill also allows other taxpayers to opt into the program and assesses a 3% payroll tax on businesses that do not provide health care coverage to their employees. That bill also is pending on the Senate floor.

### BILLS APPROVED TO ADD TO SCHOOL DISTRICT COSTS

In the midst of discussions about school funding, a common theme has been the questioning of school districts' spending plans, use of public funds, and fiscal accountability. Yet, every week legislators are approving legislation that handcuffs the local district in spending decisions. Last year a law was passed (Public Act 94-1097) that states that a school district cannot ask for cost estimates when hiring architects or engineers. How does that allow school boards to be good stewards of taxpayer funds? Wednesday a committee approved a bill that will virtually assure that a school district cannot save public funds by contracting out for non-instructional services. Add to these the ever-growing list of bills with new unfunded mandates ("green cleaning" supplies, AEDs, "diabetes care aides", training for pest management personnel, seatbelts on buses, computer filters, summer food programs, additional

use of sick leave, etc.), it is a wonder that a school district can ever provide the necessary dollars for classrooms and teaching.

### CONTRACTS FOR SERVICES

The Senate Education Committee approved **HB 1347 (Hannig, D-Litchfield)** that will curtail the school district practice of entering into contracts with third party providers of non-instructional services in schools (please see Alliance Legislative Report 95-8 for details: [www.iasb.com/files/alr-9508.htm](http://www.iasb.com/files/alr-9508.htm)). The vote was 6-4 (6 votes are needed for approval). The bill virtually ensures that, either (1) a third party contract cannot be entered into because of the stringent criteria in the bill, or (2) a third party contract can only be established at a cost that is prohibitive to the school district because there can be no savings.

The Alliance, in strong opposition to the bill, stated that the ability to contract for certain services (i.e. janitorial, transportation, food service) is a useful tool for sound fiscal management. Vendors that vie for such contracts stated that they do offer competitive salaries and benefits in order to attract quality employees. However, discussions in the committee turned to the “immoral” decisions of school districts releasing education support personnel in favor of contracted employees and the high administrator salaries that is “the real problem” in school districts.

Interestingly, HB 1347 is the number one priority of the teachers’ unions this year – yet this bill will *take money away from classrooms, teaching, and teachers*. School boards and administrators, working diligently to find more ways to get money into the classrooms for the sake of students, channel funds from savings in non-instructional areas into instructional areas.

The Alliance will continue to work against the bill on the Senate floor. Please continue to contact your State Senators and urge a “no” vote on the bill. Superintendents, principals, business officials, board members, and teachers from every school district need to reach out to Senate members.

### DEFIBRILLATORS AT ATHLETIC FIELDS

The Senate Public Health Committee approved **HB 1279 (Burke, D-Chicago)** that will require school districts to have an Automated External Defibrillator (AED) at all outdoor athletic fields. The bill is pending on the Senate floor.

The bill, opposed only by the Alliance, would require an AED to be housed in a building that is within 300 feet of the outdoor athletic facility where “an event or activity” is being conducted. If there is no such building, the person responsible for supervising the activity shall ensure that an AED is available during the time of the event or activity. Generally, all coaches that conduct practices or have games outside (at every baseball field, softball field, running track, football field, soccer field, etc.) will have to be a trained AED user and will have to have an AED on hand at every practice and game.

### DRIVERS EDUCATION CHANGES

The House Drivers Education & Safety Committee this week unanimously approved a bill to add tough new standards for driver’s education. **SB 172 (Cullerton, D-Chicago)** has already been approved by the Senate and now awaits action on the House floor.

Among the any changes in the bill, it requires students to hold an instruction permit for 9 months instead of the current 3 months. The bill also deletes the provisions that allow school districts to use proficiency examinations for practice driving and eliminates the use of simulators. Six hours of driving – in a car with an instructor – would be required. The Alliance continues to urge both the bill sponsor and the Secretary of State to push for added appropriations from the State Board of Education to be distributed to school districts to cover the extra costs that will be incurred.

## ESPs GUARANTEED JOBS IN CONSOLIDATIONS

The Senate Education Committee also approved **HB 1847 (Phelps, D-Norris City)** that, generally, applies to education support personnel (ESP) the same rights to jobs in a newly consolidated school district as teachers now enjoy. ESPs would be granted jobs based on the “greatest length of continuing service” – but would not have the accompanied State appropriation for consolidations that is available for the hiring of teachers in a consolidation. The Alliance opposed the bill.

## SICK LEAVE USE

The Senate Education Committee also approved **HB 1877 (Sommer, R-Mackinaw)** that allows teachers to be granted sick leave for birth, adoption, or placement for adoption. This would give employees an automatic benefit dictated by the State that would not have to be collectively bargained. The Alliance seeks an amendment stating that, where school districts already grant sick leave for the *birth* of a child, contracts could be negotiated to cover the *adoption* of a child. This would meet the original intent of the sponsor without granting new benefits outside of the bargaining process.

## OTHER BILL ACTION THIS WEEK

**HB 18 (Lang)**, that requires school boards to have policies on “bullying” and to file those policies with the ISBE, was approved by the Senate Education Committee.

**HB 817 (Coulson)**, that requires continued public education for children with disabilities through their 22<sup>nd</sup> birthday, was approved by the Senate Education Committee.

**HB 913 (Currie)**, regarding short term guardianship of a minor, was amended to delete any reference to the School Code. The amended bill was approved by the Senate Education Committee.

**HB 1030 (Pihos)**, amended to require the ISBE to issue an annual report that includes each school district’s special education expenditures, was approved by the Senate Education Committee.

**HB 1330 (Yarbrough, D-Chicago)** was amended to delete the Ensuring Success in School mandate and to create a task force to study the issue and suggest changes regarding the education of students who are parents, expectant parents, or the victims of domestic or sexual violence. The amended bill was approved by the Senate Education Committee.

**HB 1647 (Pihos)**, addressing confidentiality of student conversations with social workers, counselors, and psychologists, was approved by the Senate Education Committee.

**HB 1651 (Eddy)**, that removes references to the regional superintendent of schools regarding school facility deactivations, was approved by the Senate Education Committee.

**HB 1839 (Joyce)**, that limits a waiver of the physical education mandate to only two years, was approved by the Senate Education Committee.

**HB 1872 (Nekritz)**, clarifying that school boards no longer will canvass the votes after school board elections, was approved by the Senate Local Government Committee.

**HB 1940 (Bassi)**, regarding instruction on the impact of government on individuals in the United States, was defeated in the Senate Education Committee.

**HB 1969 (Brauer)**, increasing the debt limits for Rochester CUSD #3A, Prairie Grove CSD #46, and Prairie Hill CCSD #133, was approved by the Senate Education Committee.

**HB 3730 (Cross)**, regarding teachers conducting searches on school grounds, was approved by the Senate Education Committee.

**SB 166 (Radogno)**, regarding school bus inspections, was approved by the House Elementary and Secondary Education Committee.

**SB 306 (Link)**, regarding alternative teacher certification, was approved by the House Elementary and Secondary Education Committee.

**SB 398 (Demuzio)**, regarding orphanage reimbursements, was approved by the House Elementary and Secondary Education Committee.

**SB 424 (Delgado)**, regarding high school course credits, was approved by the House Elementary and Secondary Education Committee.

**SB 473 (Wilhemi)**, that provides that when land is proposed to be annexed and is a part of a school district the annexing municipality must notify the school district at least 10 days prior to the public hearing, was approved by the House Local Government Committee.

**SB 505 (Cullerton)**, regarding the school construction grant index, was approved by the House Elementary and Secondary Education Committee.

**SB 538 (Raoul)**, regarding community use of school facilities, was approved by the House Elementary and Secondary Education Committee.

**SB 641 (Demuzio)**, regarding vision exams for students, was amended with Alliance language and was approved by the House Elementary and Secondary Education Committee.

**SB 746 (Demuzio)**, regarding lap top computers for students, was approved by the House Elementary and Secondary Education Committee.

**SB 853 (Maloney)**, regarding General Education Development (GED) tests, was approved by the House Elementary and Secondary Education Committee.

**SB 937 (Halvorson)**, regarding HPV vaccination for female students, was approved by the House Human Services Committee.

**SB 1165 (Demuzio)**, regarding the repeal of obsolete language in the School Code, was approved by the House Elementary and Secondary Education Committee.

**SB 1463 (Lightford)**, regarding “silent reflection” before the school day, was approved by the House Elementary and Secondary Education Committee.

**SB 1472 (Kotowski)**, regarding instruction on internet safety, was approved by the House Elementary and Secondary Education Committee.

**SB 1560 (Demuzio)**, regarding the dismissal of education support personnel, was approved by the House Elementary and Secondary Education Committee.