



ILLINOIS CHAMBER
OF COMMERCE

GOVERNMENT AFFAIRS

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November 1, 2019

This Week in Illinois

Week one of the two week Fall Veto session wrapped up on Wednesday. See below for a brief synopsis of what what transpired this week and intelligence on what may happen in the final week of veto session.

Cannabis

The Chamber continues to lobby on behalf of codifying the legislative intent as it relates to workplace protections in the new cannabis law. There is no language or development from this week's veto session. For more information on the changes we are seeking, [please reference last week's newsletter](#).

Tax

General Update

There was no movement this week in the House with respect to the Cook County Assessor's legislation, [SB 1379](#), which would require owners and many tenants of "income producing property" to submit financial data to the Assessor. The bill remains in the Rules committee in House and we are being told there will be no movement on this legislation during the final week of veto session. The Illinois Chamber of Commerce remains strongly opposed to this legislation.

No language surfaced this week to deal with the problems associated with the sales and use tax legislation enacted during the spring session as portions of [SB 689 \(P.A. 101-0009\)](#) and [SB 690 \(P.A. 101-0031\)](#). We are expecting this language to appear in the final week of veto session. For more background on the Chamber's concerns, click [here](#).

Workers' Compensation

As was reported in last week's GAR, we continue to expect a vote on allowing Chicago to implement a graduated real estate transfer tax (GRETT). The Mayor's recently proposed budget includes an increase in Real Estate Transfer Tax based on the proposed progressive tax structure is included in the 2020 budget. These changes are anticipated to generate an additional \$125.6 million in 2020 for the City. The City plans to seek legislative authorization for this change during the fall veto session, however, nothing was introduced or voted on this week. The Chamber continues to oppose this measure.

House committee [amendment 1](#) to SB 1608, an initiative of the Department of Commerce and Economic Opportunity, was filed this morning. This legislation amends the the Chamber's Data Center tax incentive program. From our conversations with DCEO they indicated that it is there intent only to make "technical" changes to the legislation. Data center member-companies are encouraged to reach out to [Keith Staats](#) with any questions.

Tax legislation on the move

[HB 3608](#) (Rezin) passed the Senate unanimously. This legislation cleans up the language with respect to the manufacturing and assembly tax exemption by removing a provision that a certificate of exemption is required for each exempt transaction. The Chamber supported this legislation.

[HB 3902](#) (Bristow) passed the House unanimously this week. This legislation permanently reinstates the sales tax exemption for materials, parts, equipment, components, and furnishings incorporated into or upon an aircraft. The Chamber supported this legislation.

Healthcare

[HB 3888](#) (Mayfield) passed the House this week [60-47-4](#). This legislation would seek to further regulate and phase out the use of ethylene oxide (ETO). The Chamber opposed this bill as it would have significant ramifications for the health care material supply chain and could result in shortages of sterilized devices and materials. The bill now heads to the Senate. [You can read our press release on its passage here.](#)

In addition, the Senate approved Sen. Manar's insulin cap legislation, [SB 667](#). The Chamber opposes insurance mandates.

Energy

The Illinois Chamber provided a statement and media availability after the Clean Energy Lobby Day today. The intent is to make sure the media knows our position and had information on many of the provisions of the Clean Energy Jobs Act, CEJA, that are concerning to the business community. We attended the rally as well and the bulk of the speeches were focused on encouraging supporters to keep up the public pressure on CEJA's passage. The bill's sponsors, Rep. Williams and Senator Castro, spoke but made no mention of any movement for CEJA.

[You can view the Chamber's one pager here.](#)

Pensions

This week, the Governor's pension consolidation proposal was filed to [SB 616](#). It still remains unknown whether or not this legislation will move during Fall Veto or in the Spring Session. The Chamber is supportive of the proposal.

Employment Law

The Chamber is hearing that [SB 1407](#) will not be moving this year, despite being placed back on the calendar. As you may recall, this legislation would have required all construction and maintenance work at privately owned petroleum refineries, petrochemical facilities, and ethanol facilities within the state to be exclusively performed by members of certain trade unions. The Chamber opposed this bill.

Infrastructure

The first week of veto session has concluded with no action on infrastructure issues. There is still a chance that the clarification needed for IDOT's budget to keep local government programs funded at the same level as last year could come in the second week of veto in November, but the legislature may also choose to address that issue early in the 2020 session.

Chamber staff met with IDOT Secretary Osman and other members of his leadership team this week to go over the MYP. The capital bill will allow to make significant progress on improving the condition of their roads and bridges (other modes are covered in other IDOT reports not the MYP).

Flavored Tobacco Ban

Both the House and the Senate held subject matter only hearings this week on legislation to ban flavored tobacco and vaping products. Keep an eye on both [SB 668](#) (J. Cullerton) and [HB 3883](#) (Conroy).