



ILLINOIS CHAMBER
OF COMMERCE

GOVERNMENT AFFAIRS

Report

August 2, 2019

This Week in Illinois

Governor JB Pritzker continues making the rounds and signing bills into law. Here is a quick update on legislative matters that have recently been signed into law.

GOVERNOR SIGNS LEGISLATION PROHIBITING WAGE & BENEFIT INQUIRIES

This week, Governor Pritzker signed [HB 834](#) into law as PA 101-177, effective September 29, 2019. This legislation is similar to legislation vetoed by former Governor Rauner. Attached is a summary of the new law.

Equal pay has been the law in Illinois since 2003. The Illinois Chamber supports efforts to eliminate the differential but argued that HB 834 was not a viable solution. With Governor Pritzker's signature of HB 834 into law, all Illinois employers face more regulation and greater risk of lawsuits with much higher financial awards. The Illinois Chamber opposed HB 834 as it diminished employer defenses and dramatically increased the value of litigation.

We supported [SB 1707](#) that limited an employer's seeking and using prior pay history in a less intrusive and litigious manner. SB 1707 also provided an incentive to employers to review and address any pay deficiencies similar to Massachusetts law.

The Illinois Chamber urges employers to review their pay systems to assure compliance. The Illinois Chamber provides resources that can assist employers in complying with this new law and other new regulation recently enacted into law.

NEW LAW SPURS BIZ INVESTMENT; RENEWED R&D CREDIT

Today the Governor signed [SB 1591](#). As amended and passed by the General Assembly, SB 1591 amends the Illinois Income Tax Act and provides that the

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research and development credit applies for taxable years ending prior to January 1, 2027 (currently, January 1, 2022).

The bill also creates an income tax credit for qualified education expenses incurred by an employer on behalf of a qualifying apprentice, subject to certain limitations. Eligibility for the credit will be administered by the Department of Commerce and Economic Opportunity. DCEO will certify applicants for the credit and issue tax credit certificates to employers.

For taxable years beginning on or after January 1, 2020, and beginning on or before January 1, 2025, the employer of one or more qualifying apprentices shall be allowed a credit against the tax imposed by subsections (a) and (b) of Section 201 of the Illinois Income Tax Act for qualified education expenses incurred on behalf of a qualifying apprentice. The credit shall be equal to 100% of the qualified education expenses, but in no event may the total credit amount awarded to a single taxpayer in a single taxable year exceed \$3,500 per qualifying apprentice.

A taxpayer will receive an additional \$1,500 income tax credit if (i) the qualifying apprentice resides in an "underserved area" as that term is defined in the EDGE Credit Act during the school year for which a credit is sought by an employer or (ii) the employer's principal place of business is located in an underserved area.

As originally introduced and as it passed the Senate, SB 1591 was the Chamber's Data Center initiative. In the House, the bill was amended and the Data Center exemption language was replaced. The Chamber's Data Center initiative ended up in SB 690.

GOVERNOR SIGNS COAL ASH BILL

Governor Pritzker signed SB 9, the Coal Ash Pollution Prevention Act, on Tuesday. The bill seeks to establish a state program to impose additional cleanup activities on coal ash impoundments and further regulate the use and operation of coal ash. The Chamber released a statement on the bill signing, which is here. The Chamber and other industry groups have argued additional changes are needed to ensure the State is able to carry out the goals of the bill and encourage legislators to seek a trailer bill.

Specifically, there is concern that the bill prohibits taking certain actions without a permit such as cleaning up CCR surface impoundments or operating existing ones, subjecting operators to noncompliance; the bill does not clearly define the scope of applicability, meaning some entities meant not to be subject to the bill may fall under it; and the bill expands liability for pollution not related to CCR activities and not caused by the facility. This is unnecessary as the IEPA has authority under existing law to hold those that cause pollution accountable.

While the bill was the result of many improvements, these changes were not included and thus a trailer bill is necessary. We expect that process to move forward, but so far, no confirmed activity.

GOVERNOR TAKES BILL ACTION

For a complete list of other bills signed by the Governor this week, please see below:

HB 2123 Requires food products containing sesame to be labeled as such. Effective immediately.

HB 2491 Creates a pilot project to attract a new manufacturing facility that will use pyrolysis or gasification to turn non-recyclable plastic waste into useful products. The Chamber supported this bill.

HB 2189 Clarifies that genetic testing includes direct-to-consumer commercial general testing and prohibits companies from sharing any genetic test information or other personally identifiable information about a consumer with any health or life insurance company without written consent from the consumer. Effective January 1, 2020.

HB 2296 Prohibits waste haulers from knowingly mixing lead-acid batteries with recyclable material or mix a rechargeable battery with material intended for collection by a hauler as a recyclable material. Effective Immediately.

SB 556 Provides that every single-occupancy bathroom in a public building will be labeled as all-gender. Effective Immediately.