

This is an update from the Illinois State Chamber

Presidential Visit

Pres. Barack Obama, a former state Senator, returned to Springfield Wed., Feb. 10 to speak to lawmakers. It was the ninth anniversary of his announcement at the Old State Capitol that he was running for president. Obama highlighted several general issues, staying just above the fray of the current budget debate. He promoted redistricting reform without mentioning Illinois' Independent Maps campaign, he encouraged more civil political discourse without calling out any particular issue, and supported higher voter turnout. Although he did not give specifics, he clearly meant for Illinois to aim for more civility and compromise.

Taxes

The House Revenue Committee met Feb. 11 and assigned several bills to subcommittee. One of those is HB 4300, the Rep. Jack Franks bill that would close loopholes, which means an effective tax increase on businesses and individuals, with a return to a three-factor formula for income tax apportionment from the current single sales factor apportionment.

HB 5563, by Rep. Ann Williams, is an Illinois Chamber initiative. It would amend the Retailers' Occupation Tax Act provision concerning certificates of registration, to remove a requirement that publicly traded corporations must provide the last 4 digits of the social security numbers of their CFO, COO, and any other officer or employee with responsibility for preparing tax returns.

HB 5634 is another Illinois Chamber initiative. This bill, by Rep. Keith Wheeler, extends the Manufacturing Machinery and Equipment Exemption to production related tangible personal property.

HB 5659, also by Rep. Wheeler, is a Chamber initiative. It would amend the Illinois Income Tax Act to restore the research and development credit and provides that the credit applies on a permanent basis. The bill extends the credit carry forward period to 20 years from the current 5 years. The legislation increases the amount of the credit by providing that the increase in qualifying expenditures shall be an increase over 50% (instead of 100%) of the average of the qualifying expenditures for each year in the base period.

HB 5716, by Rep. Michael Zalewski, is an Illinois Chamber initiative. It would revive that graphic arts machinery and equipment exemption and provides that the exemption applies for all periods on and after Sept. 1, 2004. The bill also provides that the graphic arts exemption includes production related tangible personal property beginning on July 1, 2014, that the manufacturing and assembly exemption includes production related tangible personal property, and that the graphic arts exemption and the manufacturing machinery and equipment exemption are each exempt from the Acts' automatic sunset provisions.

Employment Law Bills

HB 6162 (Rep. Andrew Skoog) creates the Employee Sick Leave Act to allow employees to use personal sick leave benefits provided by the employer for absences due to an illness, injury, or medical appointment of the employee's child, spouse, sibling, parent, mother-in-law, father-in-law, grandchild, grandparent, or stepparent, for reasonable periods of time as the employee's attendance may be necessary, on the same terms upon which the employee is able to use sick leave benefits for the employee's own illness or injury. **The Chamber opposes.**

HB 5759 (Rep. Jay Hoffman) would amend the Prevailing Wage Act to require public bodies to specify in the call for bids that each bidder be a responsible bidder and requires contractors and subcontractors to report the hours worked by minorities and females. It also requires IDOT, CDB, and the Illinois State Toll Highway Authority to report that information to lawmakers. **The Chamber opposes.**

HB 4999 (Rep. Will Guzzardi), the Workplace Privacy in Social Media bill, amends the Right to Privacy in the Workplace Act and would make it unlawful for an employer or prospective employer to request or require an employee or applicant to authenticate or access a personal online account in the presence of the employer, to request or require that an employee or applicant invite the employer to join a group affiliated with any personal online account of the employee or applicant, or join an online account established by the employer. It prohibits retaliation against an employee or applicant.

Other Bills

HR 77 (Rep. La Shawn Ford) passed unanimously out of the House Labor and Commerce Committee. Ford believes it would be a pro-business policy move to eliminate the first quarter cash crunch of small and mid-market businesses paying unemployment taxes by allowing for quarterly payments based upon the accrued obligations. The Chamber does not oppose the concept but is concerned about how this would be accomplished without violating the bond covenants for the approximately \$500 million in unemployment insurance bonds yet outstanding.

HB 580 (Rep. Emanuel Chris Welch) passed the House Labor and Commerce Committee 16-7-1. This bill revisits a previous attempt by the legislature to empower an arbitrator to settle negotiation disputes between public sector unions and the governor. **The Chamber submitted a slip in opposition.**

SOTB and Schedule

Both the House and Senate will return to session Tues., Feb. 16. Gov. Bruce Rauner will give his State of the Budget speech on Wed., Feb. 17, and the Illinois Chamber will provide highlights via social media and our newsletters.

While the Senate is in Tuesday-Thursday of next week, the House will only be in Tuesday and Wednesday. The House filing deadline just passed, and the Senate's bill introduction deadline is Thurs., Feb. 19.

Next week, the negotiated data security bill, HB 1260, by Rep. Ann Williams and Sen. Daniel Biss, will be heard in the Senate Judiciary Committee. This is the measure that the Chamber supports. If it passes the full Senate, it will go to the governor's desk.