

AFSCME Council 31

# Legislative Update



March 15, 2010

**Bad News Budget** – This week Gov. Quinn laid out his FY11 budget proposal—and, as expected, it was bad news for Illinois citizens in general, and AFSCME members in particular. Faced with a budget deficit of some \$13 billion, Quinn is recommending cuts of more than \$1 billion from K-12 education funding and another \$200 million from state universities. His budget plan also slashes funding for community agencies serving individuals with mental health and developmental disabilities. It significantly reduces the amount of state funds that would go to local governments. And it seeks to drastically increase health care costs for state and university retirees.

Quinn's opponent in the upcoming gubernatorial election, Sen. Bill Brady, criticized him for not going far enough in making cuts and argued that there should be a 10% across-the-board cut to all state agencies.

AFSCME will mobilize to fight all of these cutbacks which have the potential to harm so many union members and seriously damage the vital services they provide.

**Tax Proposal Too Small** – AFSCME and our allies in the Responsible Budget Coalition have built a strong grassroots movement for passage of HB 174, or a similar measure, which would raise the income tax by 2%, while also expanding the sales tax on services, raising more than \$6 billion in all.

But Quinn, bowing to resistance from Republicans in both houses and some Democrats in the House, put forth a tax reform plan that only increases the income tax by 1% and would raise only a little more than \$2 billion, falling far short of what is needed to fix the state's fiscal mess. Quinn's move undercuts the efforts for real reform by focusing the debate in the General Assembly on this "no-fix" plan.

**Regrouping Our Forces** – AFSCME and our allies in the Responsible Budget Coalition have made clear that Quinn's tax proposal won't get the job done and

that we are determined to continue to build support for a real solution to the state's budget shortfall. That's why RBC is laying the groundwork for a massive march/rally at the State Capitol on April 21<sup>st</sup>, while continuing lobbying activity in legislators' home districts as well.

**Pensions on the Front Burner** – Although business-backed groups continue to hammer away in their attacks on public employee pensions, there are indications that at least some elected officials are finally beginning to get the message that public employee pensions are anything but the “gold-plated” and that union members will strongly resist any attempt to cut back the benefits they receive. While Gov. Quinn once again called for pension reform in his budget address, he left the specifics open to further discussion. And Senate President John Cullerton has taken the lead in seeking to shape more reasonable pension reform that does not drastically cut benefit levels or jeopardize the pensions of current employees.

Senator Bill Brady, the Republican candidate for governor, is pushing legislation (**SB 3408**) to gradually eliminate the state pension system by barring new hires from participating in it. Senate Republican Minority Leader Chris Radogno has introduced legislation (**Amendment 1 to SB 2825**) that would significantly lower the cost of living increases for retirees, dramatically reduce the salary basis for computing pensions, and remove everyone in DOC, DJJ, and the forensic units in DHS from the alternative formula. And Rep. Kevin McCarthy, a Democrat, is once again backing a bill (**HB 5418**) that would significantly reduce pension benefits for new hires. None of these bills is moving in the General Assembly right now.

**Juvenile Justice Plan—More of the Same?** – Gov. Quinn's budget also proposes to merge the Department of Juvenile Justice into the Department of Children and Family Services, claiming that this will make it easier to obtain federal funding for services to youth offenders.

AFSCME has the same position now that we had three years ago when the Department of Juvenile Justice was created. So-called “advocates” alleged at the time that just creating a “stand-alone” department for young offenders would significantly improve rehabilitation efforts—without any new resources. AFSCME pointed out that rehabilitation programs in the state's youth correctional facilities had been cut to the bone—with education, counseling and vocational training all at barely functional levels. The Union argued that without the resources to restore those services, no real progress could be made.

But no new resources were provided. And three years later, no real progress has been made. So now these same forces don't want the department to “stand alone” anymore, but instead to waste more time, effort and sparse resources to go

through yet another reorganization, this time merging into the Department of Children and Family Services. Thus far, neither agency has been able to provide any solid information as to how this transition will occur.

Procedurally, the Governor is expected to issue an Executive Order, which the General Assembly can effectively approve by taking no action, or can nullify by a vote of either house. The process will get underway at a Senate Appropriations Committee hearing this week on the DJJ budget where AFSCME Council 31 and local union representatives from IYC's will testify to raise the Union's questions and concerns.

**Progress on Legislative Front** – This week there was significant progress on several of AFSCME's key legislative priorities. HB 5154, which would overturn a provision in recently-enacted FOIA legislation that would give any citizen access to the performance evaluation of any public employee at any level of government, state, university, and local governments, passed out of the House of Representatives by a solid majority and now goes to the Senate for action. SB 3291, which would strengthen efforts to improve the wage levels of AFSCME members in community disability services agencies, passed out of the Senate, as did SB 2474, which provides for no loss of pension benefits for state workers who take furlough days. And SB 355, which would move the date of the Illinois primary election from February to March, passed out of both houses and has gone to the Governor's desk.

### **BILLS AFSCME SUPPORTS:**

**Bar public access to performance evaluations (HB 5154)** – This bill amends the Personnel Record Review Act to prohibit the disclosure of the performance evaluation of any public employee. In the last legislative session, the FOIA law was revised over AFSCME's objections to make the performance evaluation of any public employee working for any jurisdiction in the state of Illinois (except for teachers) available to any citizen via a FOIA request. HB 5154 would effectively nullify that provision and keep performance evaluations confidential. **AFSCME Position:** Support. **STATUS:** Passed out of the House.

**Prohibit the State from cutting retiree benefits (SB 3308)** – This legislation, co-sponsored by Sen. Demuzio and Sen. Bomke, would bar the State from requiring SERS retirees to pay any portion of the premium for their dental or vision benefits. **AFSCME Position:** Support. **STATUS:** In Senate Committee on Assignments **NOTE:** State law already establishes the current retiree health insurance contribution levels and the Governor's proposal to increase those levels

cannot be implemented unless he introduces legislation to amend that law. AFSCME will oppose any such amendment.

**Provide funding for wage increases for union members in community disability agencies (SB 3291)** – This legislation would require the state to provide additional funding to enable union members in agencies providing services to individuals with developmental disabilities to receive a desperately-needed pay increase. **AFSCME Position:** Support. **STATUS:** Passed out of the Senate.

**Change the primary election date (SB 355)** – This legislation would move the primary election from its current date of the first Tuesday in February to the third Tuesday in March. The early February date reduces voter participation because of cold weather and also makes it more difficult to challenge incumbent legislators because of the difficulty of getting a campaign off the ground over the Christmas holiday season. Changing the primary date to March will open up participation in the political process. **AFSCME Position:** Support. **STATUS:** Passed out of both Houses; awaiting action by the Governor.

**No loss of pension benefits for employees who take voluntary furloughs (SB 2474)** -- This legislation, which is backed by AFSCME and the Quinn Administration pursuant to the Mediated Grievance Resolution, ensures that state employees are permitted to purchase credit for any furlough days which they take if the furlough would otherwise affect their benefit. **AFSCME Position:** Support. **STATUS:** Passed out of the Senate.

**Allow state universities to borrow when state funds are delayed (SB 642)** – State universities have had difficulty meeting their payrolls in recent months because of the delay in the state funding they are supposed to receive. This legislation would give the universities borrowing authority to enable them to do short-term borrowing to remain fully operational until state funding comes through. **AFSCME Position:** Support. **STATUS:** Passed Senate; in House Revenue and Finance Committee

**Require legislative oversight of property transfers (HB 4744)** – This bill could make it more difficult for the State to sell the Thomson Correctional Center by requiring the approval of the General Assembly for the sale or transfer of surplus real property with a fair market value of \$1 million or more. **AFSCME Position:** Support. **STATUS:** Passed House; in Senate Assignments Committee

**Require safe nurse staffing levels (HB 5033)** – This legislation would establish mandatory nurse staffing levels in Illinois hospitals in order to strengthen patient care and safety. It is strongly opposed by the Illinois Hospital Association.

**AFSCME Position:** Support. **STATUS:** In House Human Services Committee

**Strengthen legal protections for EMT's (HB5668)** – This legislation would include EMT's and paramedics who work for local units of government under the provisions of the Firemen's Discipline Act which establishes core workplace due process rights. **AFSCME Position:** Support. **STATUS:** Passed out of House; in Senate Committee on Assignments

**Prevent the State from forcing community disability agencies into Medicaid Managed Care program (HB 5086 and HB 5113)** – The Quinn Administration is trying to force all community disability agencies to become part of a Medicaid managed care program administered by a private company. This plan is likely to diminish the quality of services that individuals with disabilities receive as well as driving down the wages of those who provide the services. HB 5086 would slow down this process to allow a more thorough review of the consequences, while HB 5113 would prohibit it altogether. **AFSCME Position:** Support. **STATUS:** Both bills passed out of Committee and are on House 2<sup>nd</sup> Reading

**Prevent debt settlement companies from ripping off consumers (HB 4781)** – Consumers often end up paying large fees and having their credit ratings damaged when they turn to debt settlement companies to help resolve credit card debt problems. This legislation, backed by State Treasurer Alexi Giannoulis and Attorney General Lisa Madigan, will cap debt settlement fees, require licensing of settlement companies, and require disclosures and warnings to consumers. **AFSCME Position:** Support. **STATUS:** In the House on 2nd Reading

**Make Illinois' tax structure more fair (SJRCAs 38, 92 and 101 and HJRCA 27)** – All of these measures would open the door to fairer taxes in Illinois by initiating the process to amend the state constitution and repeal its bar to a progressive tax structure in our state. **AFSCME Position:** Support. **STATUS:** SJRCAs 38 in Senate Executive Subcommittee on Constitutional Amendments; SJRCAs 92 and 101 in Senate Committee on Assignments; HJRCA 27 in House Revenue and Finance Subcommittee on Income Tax

## **BILLS AFSCME OPPOSES:**

**Halt Tollway privatization** – **SB 3482** would allow for the privatization of new or existing toll roads in Illinois. It would radically alter road planning and building in Illinois permitting private entities to construct new roads, as well as privatize existing ones. **AFSCME Position:** Oppose. **STATUS:** Passed out of Committee; on Senate 2<sup>nd</sup> Reading

**Preserve IDOC's ability to swiftly transfer inmates** -- **SB 2588**, sponsored by Sen. Bill Brady, would prevent IDOC from acting swiftly to transfer inmates when violent incidents occur, instead requiring that all transfers be approved by the Prisoner Review Board. **AFSCME Position:** Oppose. **STATUS:** In Senate Committee on Assignments

**Prevent cuts to pension benefits of local government employees in IMRF** -- **SB 2984**, sponsored by Sen. Bill Haine, would require that any reductions in pension benefits enacted for new hires in state government would also be applied to new hires in local governments that participate in the IMRF. **AFSCME Position:** Oppose. **STATUS:** In Senate Committee on Assignments. (Senator Haine has agreed to strip the bill of the language that would create a two-tier pension system in IMRF.)

**Don't cut benefits for workers injured on the job** – **SB 3830**, sponsored by Sen. Bill Brady, would make it easier for employers to cut off benefits for workers who suffer serious on-the-job injuries that necessitate being off work for more than two years. **AFSCME Position:** Oppose. **STATUS:** In Senate Committee on Assignments

**Preserve tuition waivers for university employees' children** -- **HB 4706**, sponsored by Rep. Dave Winters, would repeal the law that permits children of state university employees to receive a 50% tuition waiver. **AFSCME Position:** Oppose. **STATUS:** In House Rules Committee

**Don't create further staffing problems in state government** – **HB 5541**, sponsored by Rep. John Cavaletto, would impose a total hiring freeze on state government until the State is able to pay all of its vendors monies owed within 30 days of billing. Given the State's current fiscal woes, this bill would effectively paralyze state government, preventing even the most essential positions from being filled. **AFSCME Position:** Oppose. **STATUS:** In House State Government Administration Committee