



# Laborers' International Union of North America

## Midwest Regional Office

John F. Penn, LIUNA Vice President and Midwest Regional Manager

### Illinois Legislative Update

January 11, 2016

*The General Assembly was scheduled to return to Springfield this week, but the Illinois House canceled its session and the Senate is due to return for only one day. The next scheduled session date is January 27 when the governor will give his State of the State Address.*

#### **Unfunded Mandates Report Recommends PWA Repeal**

Last year, **Governor Bruce Rauner (R)** signed an executive order creating the Local Government Consolidation and Unfunded Mandates Task Force. The task force's mission was to "reduce the heavy burden on Illinois taxpayers by empowering citizens and government officials to streamline local government through consolidation and eliminating unnecessary state mandates." The task force publicly released their report with specific policy and legislative recommendations and sent them to the governor and the General Assembly last week.

Not surprisingly, sprinkled among the 27 recommendations are many of Rauner's anti-worker agenda items. Most notably the report recommended eliminating the Prevailing Wage Act. Other proposals included drastically limiting the scope of the prevailing wage law by exempting public projects under \$250,000, excluding work that is not "highly skilled," and calculating the prevailing wage by averaging the wages on public projects with private sector work. The report also included the old Rauner stand-bys of removing bargaining rights of public employees by allowing local governments to opt out of some or all of the state collective bargaining law and workers compensation reform.

Few, if any, details were provided on the proposals, so it is unclear who the task force had in mind in suggesting good, family supporting wages not be paid to 'skilled' or 'unskilled' workers. As for establishing a project dollar threshold under which Prevailing Wage does not apply, Labor opposes such a concept because:

- **THRESHOLDS = PARTIAL REPEAL OF THE PREVAILING WAGE ACT.** If enacted, it will create constant pressure for higher thresholds until the law is eliminated.
- **THRESHOLDS = PAY CUTS.** Bottom Line: Workers on projects under the threshold will be paid less. That's what supporters of thresholds are seeking.
- **THRESHOLDS = LOOPHOLES.** Thresholds will encourage public bodies to divide up larger projects into multiple, smaller contracts to avoid prevailing wage requirements.
- **THRESHOLDS = LESS WORK FOR ILLINOIS CONTRACTORS AND WORKERS.** As with a total repeal of Prevailing Wage, a partial repeal of the Act through creation of a threshold is an invitation to low-wage out-of-state contractors to undercut Illinois businesses and bring out-of-state workers with them to do the work.
- **THRESHOLDS = UNEQUAL PAY FOR EQUAL WORK ON PUBLIC WORKS.** Is it any less important to have skilled workers performing \$2,000 in electrical wiring repairs at a 100 year-old elementary school than it is on a brand new \$2.2 million courthouse?

Votes on the Labor issues considered by the task force were decided on a partisan vote with Democrat legislators and elected officials voting 'no' or boycotting the vote and Republicans voting 'yes.' The head of the DuPage County Board, Republican former Sen. Dan Cronin, also opposed repealed "repealing or reforming" the Prevailing Wage Act.



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Members of the Local Government Consolidation and Unfunded Mandates Task Force were:

Lt. Gov. Evelyn Sanguinetti (R)  
Rep. Mark Batnick (R-Plainfield)  
Rep. Tom Demmer (R-Rochelle)  
Rep. Jack Franks (D-Woodstock)  
Rep. Chris Welch (D-Westchester)  
Sen. Dan Duffy (R-Barrington)  
Sen. Dale Righter (R-Mattoon)  
Sen. Martin Sandoval (D-Cicero)  
Sen. Linda Holmes (D-Aurora)  
Michael Bigger (State Farm Insurance, Stark Co.)  
Brad Cole (IL Municipal League Exec. Dir.)  
Dan Cronin (DuPage Co. Board Chair)  
Karen Darch (Barrington Village Pres.)  
Warren Dixon III (Naperville Twp. Assessor)  
Karen Hasara (Univ. of Illinois Board of Trustees)  
Ryan Spain (Peoria City Council)  
Mark Kern (St. Clair Co. Chair)  
Dr. Darlene Ruscitti (DuPage Regional Superintendent of Schools)  
Steffanie Seegmiller (Arthur School Board Chair)  
M. Hill Hammock (Metropolitan Planning Co.)  
Char Foss-Eggemann (Park Ridge Library Bd. Of Trustees)  
George Obernagel (Kaskaskia Port District Chair)