



Laborers' International Union of North America

Midwest Regional Office

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Illinois Legislative Update

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The Illinois House and Senate today held a joint session for the third time in three weeks. This time, it was to hear Gov. Rauner give his Budget "plan" for the next fiscal year, which starts in July. The state has been without a budget since last July.

Same Speech, Different Address

When Bruce Rauner was running for governor, he promised to "shake up Springfield." Now, after one year of confrontation and grandstanding, Gov. Bruce Rauner is – on the surface, anyway – all about cooperation.

Rauner's "charm offensive" started with his State of the State speech three weeks ago and continued today in the second Budget Address of his term.

He started today's remarks by saying he had "respect for our co-equal branches of government." He later suggested that "everyone in this chamber must come together in the spirit of compromise and bi-partisanship" and ended by saying "With my hand outstretched – with genuine desire to compromise – with respect – I humbly ask you to join me in transforming our state for the better."

But, while the tone of his speeches has changed over the last year, the content did not. Rauner renewed his call for restricting local government employees' collective bargaining rights and eliminating good wages for construction workers. As with his speech three weeks ago, however, he wasn't so obvious about it.

Rauner said he wants "local control of bargaining and bidding" to reduce property taxes. 'Controlling bidding' is the new "Rauner Speak" for eliminating Prevailing Wage Act coverage of locally-funded projects, while 'local control of bargaining' is reference to allowing units of government to opt out of bargaining over wages and benefits.

Unbelievably, in his very next breath and with a very straight face, Rauner talked about wanting to "raise incomes" of Illinois working families. Rauner stated his belief that, along with "workers compensation and lawsuit reform", "mandate relief" and (local government) consolidation, his proposals would save governments "many billions of dollars" a year.

Rauner also called for an increase in education funding and support for **Senate President John Cullerton's (D-Chicago)** latest pension reform bill. The Cullerton bill would force state and university workers and teachers to make the choice of receiving a nominal reduction of one percentage point from their pension contributions, a 3% simple interest cost of living adjustment and allowing salary increases to be included in their pension benefit calculations or having a more expensive 3% compounded COLA upon retirement, but not including raises included in their pension. The bill would save an estimated \$1 billion per year, if it is found to be constitutional.

Prevailing Wage Laws Save Money

Yet another study came out last week showing that strong prevailing wage laws save taxpayers money in even more ways. In addition to higher productivity, prevailing wage laws save money because fewer construction workers are forced to go on public aid. At the same time, they generate more state and local tax revenue. A summary of the study can be found at

www.midwestlaborers.org/news or at tinyurl.com/jf3trk4.

State Employee Arbitration Bill Passes First Hurdle

The Illinois House this week passed legislation that would allow state employees whose unions negotiate with the Governor's Office to go to binding arbitration if they can't come to agreement on a contract. **HB 580**, sponsored by **State Rep. Chris Welch (D-Westchester)**, passed the House by a 67-46-2 vote Tuesday. All but two Republicans voted 'no' on the bill (those two voted 'present') while 67 Dems supported it, two opposed the bill, one did not vote, and another had an excused absence.

Gov. Rauner indicated in his Budget Address that he would, again, veto the legislation should it pass the Senate.