



Laborers' International Union of North America

Midwest Regional Office

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Legislative Update

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Action in the Illinois General Assembly will be increasing rapidly as committee memberships have been determined and the deadline for bill introductions has now passed. Last week was particularly eventful, as Gov. Pritzker signed a minimum wage increase into law and also introduced his first state budget proposal. The Illinois House is in session this week, but the state Senate will not return until next week. What follows is an update on key issues that have seen action in the first 1 ½ months of Gov. Pritzker's term.

Pritzker Signs Prevailing Wage Protections & Minimum Wage Increase, Commits to PLAs

On **Gov. JB Pritzker's (D)** first full day in office, he signed **SB 203** into law requiring construction workers on publicly-funded projects to be paid the wages and benefits required in area union contracts.

This comes as a most welcome change after four years under Gov. Bruce Rauner (R), when prevailing wage rates were increased only twice and then only after LiUNA and other unions took the Illinois Department of Labor (IDOL) and Rauner to court. Traditionally, IDOL increased prevailing wage rates every month and used union contracts as their basis because union workers perform more than 90 percent of taxpayer-funded jobs. SB 203 now requires the use of union rates. The bill also requires electronic filing of certified payroll records on those projects and centralizes the collection of them with the IDOL, rather than with the local government letting the project.

Also on his first day in office, Pritzker signed **Executive Order No. 2** re-establishing the State's commitment to the use of Project Labor Agreements (PLAs). PLAs require the use of workers hired out of local union halls. They were used extensively under previous governors of both political parties, but were completely abandoned under Rauner.

Pritzker last week made good on his campaign promise to increase the state's minimum wage by signing into law **SB 1**. The bill will give 1.4 million Illinois workers a raise, phased in over the course of several years, by increasing the current \$8.25 minimum wage to \$15 per hour in 2025. Illinois is the fifth state to establish a \$15 minimum wage.

The bill was the top priority for Pritzker and it quickly passed out of the Illinois Senate, where it was sponsored by **Majority Leader Kim Lightford (D-Maywood)**, by a vote of 39-18. It was guided through the House by **Rep. Will Guzzardi (D-Chicago)** where it received a 69-47-1 margin. Only Democrats supported the wage hike in both chambers and all but five supported the bill.

LiUNA Aggressively Opposing Damaging Plumbing Rule Change

The Plumbing License Law and its associated Plumbing Code have increasingly been used to prevent LiUNA members from working on projects ranging from the installation of water lines to the demolition of sinks and toilets. In the final days of Gov. Rauner's term, the Illinois Department of Public Health (IDPH) proposed changes to the Plumbing Code that are so broad that they would turn Illinois' construction industry on its head. LiUNA has been laser-focused on defeating those changes ever since.

The Plumbing License Law prevents anybody other than licensed plumbers from working on plumbing systems. The IDPH proposed changes to the Plumbing Code would classify any project that collects and reuses water as a "plumbing system." If these rules were to take effect, Laborers would be prohibited from installing storm sewers or doing curb and gutter work if the water they direct were reused for any purpose. Around the country and the world, not only is water collected on rooftops and reused, but entire sports stadiums, golf courses and even residential subdivisions are being designed to collect and reuse water. If these proposed rules are adopted, only licensed plumbers would be allowed to work on any of these projects.

LiUNA is doing everything possible to block the Plumbing Code amendments including taking the rare action of requesting a public hearing and testifying against the changes. LiUNA also submitted extensive written comments and worked with signatory contractors and other unions to do the same. We have also requested that the Pritzker Administration withdraw the rules that the Rauner Administration drafted. A final decision is expected in several weeks.

Pritzker Highlights Construction in Budget Address; Senate & House Begin Hearings

Less than two months into their terms, governors are required to announce their proposed budget for the upcoming fiscal year. Gov. Pritzker gave his budget speech to a joint session of the Illinois House and Senate last week and made it clear that the creation of construction jobs wasn't just a priority, but a necessity for the state's financial health.

"Real fiscal stability," he said, "requires a long-term commitment to paying down debt, investing in critical infrastructure, and stabilizing our pension system... We must be prepared to make a big investment in our transportation and infrastructure with the passage of a Capital Bill..."

Committees in both the House and Senate are already at work establishing the need for fixing Illinois' roads, bridges and public buildings. The House has created a budget committee dedicated solely to construction issues and the Senate Transportation Committee has begun a series of joint hearings with the Senate Appropriations Committee chaired by **Sen. Andy Manar (D-Bunker Hill)**. The Senate panels will have hearings around the state with five scheduled thus far, including March 4 in Edwardsville, March 18 in Decatur and April 8 in Peoria. Others may be held in other communities.

LiUNA Applauds Agency Leader Selections

Gov. Pritzker continues putting together his leadership team and he has already tapped several friends of LiUNA to lead departments that are crucial to LiUNA members.

LiUNA member **Mike Kleinik** was picked to be the next Director of the Illinois Department of Labor (IDOL). In addition to overseeing the Prevailing Wage Act, the IDOL enforces more than two dozen laws that protect workers' wages and safety. Kleinik is a former Fayette County sheriff, worked for the Midwest Region Foundation for Fair Contracting where he monitored construction contractor compliance with labor and environmental laws, and previously served as IDOL's chief of staff.

Last week, Pritzker announced his selection of **Omer Osman** to be Secretary of the Department of Transportation (IDOT). Osman is a 29-year IDOT veteran and currently serves as its Deputy Secretary. He is resident of Peoria County and was IDOT's district engineer for both west-central Illinois and the Metro East. LiUNA leaders have worked very well with Osman in his previous positions and look forward to working with him as IDOT Secretary.