



Jim Broadway

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Senators file vehicle bills for 'grand bargain'

By Jim Broadway, Publisher, Illinois School News Service

The first day of the historic 100th General Assembly was about more than just electing chamber officers and expressions of congratulations by November election survivors to each other. It was also about filing bills, starting to put on the public record a policy agenda to solve problems - including state budgetary problems.

House members put more than 300 proposals on the record (most of them "shell" bills sponsored by chamber leaders), but it is that first 13 bills filed by Senators that will attract the most attention early in the session. Most of them are just shell bills, too, but they are the skeleton of the elusive budgetary "grand bargain."

You may recall as the 99th General Assembly came to an end, Senate President John Cullerton (D-Chicago) and Senate Minority Leader Christine Radogno (R-Lemont) publicly discussed a cooperative process by them and their caucuses that was aimed at resolving the budget crisis, but they just ran out of time.

The bills filed today, according to the Senate leaders' hopes, will be fleshed out by amendments in the coming weeks and voted over to the House perhaps as early as February. No question, time is a critical factor since the state's authority to pay almost anything (except PK-12 education) expired on December 31.

There's a log-rolling aspect to this plan. That is, the bills each deal with a single subject - school funding, the minimum wage, local government consolidation, the Pension Code, gaming, among others - but they contain provisions that prevent any of them from becoming law unless they all become law.

Now, included in [Article IV, Section 8](#) of the Illinois Constitution is a provision that states: "Bills, except bills for appropriations and for the codification, revision or rearrangement of laws, shall be confined to one subject." That last part, the "confined to one subject" part, was intended to prevent "log-rolling."

A bill that's guilty of log-rolling might have a very unpopular element that, say, raises taxes a lot, but also has an element that would be very popular, such as limiting the legislators' terms of office. Without the popular part, the unpopular part (which is not otherwise germane to the popular part) would never pass.

The constitution stifles log-rolling as it might be done in a single bill. But does that mean it would be constitutional to have clauses in several bills that link them in an "all or nothing" fashion? I think not. If I didn't like one of the parts, say the "pension reform" part, I'd probably call it unconstitutional log-rolling.

What do the bills do at this time? Most of them are just shell bills, and those that do have substance in them would be expected to become vehicles for multiple amendments before final action could be taken on them. But, taken together, they do describe a path to compromise with Gov. Bruce Rauner.

[SB 1](#) would be the vehicle for school funding reform. Everyone wants that, but there's a lot of disagreement about what it means. As points of agreement are found in the negotiations, they would show up as amendments to SB 1.

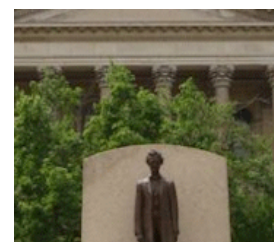
[SB 2](#) is a highly-detailed hike in the minimum wage - to \$9 per hour on July 1 and up incrementally to \$11 in 2021, with a relief-providing tax credit for small business affected by the wage increase.

[SB 3](#) would make it easier for taxpayers to merge or dissolve local units of government (townships, mosquito abatement districts and the like). It would essentially expand a policy enacted a few years ago for just DuPage County to reach the other 101 counties of Illinois.

Illinois has far more taxing bodies than any other state. Rauner sees potential savings in a massive consolidation of them. He has a strong desire for that and, in their hearts, so do most state legislators.

[SB 4](#) would authorize a bond issue to raise \$7 billion to pay obligations incurred before July 1 of this year. Interest on the bonds would surely be less than the 2%/month penalty the state currently pays under law.

[SB 5](#) is what downstaters will call the "Chicago teachers' pension system bail-out." In fact, it would require the state to make payments into the Chicago Teachers Union pension fund, as the state now does for all other districts' teachers.



[SB 6](#) is just an appropriations shell bill. The whole state budget could be built into it. Or other bills could be involved. So it does not have the "must pass" linkage to the other bills. A budget is sort of presumed to be passing this year.

[SB 7](#) would authorize a city-owned gambling casino in Chicago and "electronic gaming" at horse racetracks. Revenue from gambling addicts can fund a lot of popular governmental programs.

[SB 8](#) is a major state procurement reform bill. As a cost-saver, that would appear to be low-hanging fruit. But when this bill reaches committee you'll see hoards of potential vendors swarming in opposition to it.

[SB 9](#) is another revenue bill. The headliner is a penny-per-ounce on sugar-sweetened soft drinks. But there are other provisions already in the bill and, no doubt, other creative revenue streams will be amended onto it.

[SB 10](#) permits home rule units to make "assignments" of revenue they would otherwise receive from the state. (It is a goal of mine to understand this bill by the end of the spring session.)

[SB 11](#) is the "pension reform" measure that will cause a memorable fight. It seeks to lower the state's pension liabilities by giving Tier I active employees a choice of either accepting cost-of-living increases in retirement that would be lower than the current 3%, or having [any future raises not counted as "pensionable."](#)

This is the proposal Cullerton pushed a couple of years ago, but House Speaker Michael Madigan rejected it because, in his view, it didn't "save" the state enough money. Unions agreed with the bill at that time, but now they seem opposed. The fight will be tough; the argument for constitutionality is strong.

[SB 12](#) takes another shot at lowering businesses' workers compensation insurance premiums. It's pretty complicated, but my sense is that the bill aims to force the insurance companies to pass along the savings resulting from prior reforms.

Finally, [SB 13](#) would impose a freeze on property tax levies - not just in tax-capped counties but statewide - for two years, for the 2017 and 2018 levy years. It also has provisions limiting contracting out certain school services.

What are the chances that some version of this package will reach Rauner's desk and become law? Well, there's a good relationship between the Senate leaders and their caucuses. They are working hard, and Cullerton's style is to find a way of helping the other parties meet their goals without jeopardizing his.

I think there's a reasonable chance that the Senate Democrats and Republicans can advance a comprehensive package and that Rauner will sign off. If so, the pressure would be strong for Madigan and House Minority Leader Jim Durkin to take a posture of being "reasonable."

Frankly, Madigan and Durkin seemed unwilling to let past arguments stay in the past even as they addressed the crowd that had gathered at University of Illinois Springfield for the House members inauguration. They'll have to do better if their caucuses are to agree on some version of the Senate's achievement.

If it comes down to that, however, I don't think they would be obstinate enough to block the resolution of a crisis.

We'll take a look at the bills filed so far to amend the School Code in an issue or two next week. There's plenty of time. Neither chamber has scheduled a committee hearing for this month. [Both are off next week](#) and then return the following week for Rauner's "State of the State" address on January 25.

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