



Key Legislation

HB 174: Income Tax Increase & Sales Tax Expansion (Davis, D-Chicago/Cullerton, D-Chicago)

Massive tax hike increasing the income tax rate on both individuals and businesses while imposing the state's sales tax on 39 different services to raise nearly \$5 billion in new revenue. The tax rate paid by individuals and small businesses (Subchapter S, LLCs, partnerships, sole proprietorships) would increase from 3 percent to 5 percent while the corporate tax rate would increase from 4.8 percent to 5 percent. Services being taxed include warehousing, tickets, haircuts, dry cleaning, and many more. This plan from the Senate Democrat Caucus did not include business tax incentives or budget cuts to help balance the budget.

IMA Position: Oppose

Senate Vote: 31-27-1

Passed Senate, Held in House

HB 311: Universal Health Care (Flowers, D-Chicago)

Creates a universal, single-payer health care system in Illinois. It makes it illegal for private health insurance carrier to sell health insurance products while outlawing private ownership of hospitals, nursing homes and clinics.

IMA Position: Oppose

House Health Care Access & Availability Committee: 3-7-0

Lost in House Committee

HB 624: DCEO Training Grants (Crespo, D-Hoffman Estates/Kotowski, D-Park Ridge)

This IMA initiative eases reporting requirements making it easier for employers to apply for job training funds while protecting the social security numbers of employees.

IMA Position: Support

House Vote: 116-0-0, Senate Vote: 55-0-1

Public Act 96-0171

HB 2369: Buy American Procurement Act (Mautino, D, Spring Valley/Wilhelmi, D-Joliet)

As introduced, this proposal would prohibit the state of Illinois from purchasing products or services unless 100 percent of the goods and services were made in the United States. While we need to encourage manufacturing in Illinois, this proposal fails to recognize the critical importance of free trade and would eliminate many companies from selling products if a single component were made outside of the U.S.

IMA Position: Oppose

House Vote: 73-42-1

Amended in the Senate

HB 2485: Child-Safe Chemical Act Ban (Nekritz, D-Northbrook)

Prohibits the sale or distribution of certain products if they contain bisphenol-A (BPA) despite numerous studies from health safety advocates like the Food & Drug Administration that has determined these products are safe.

IMA Position: Oppose

House Youth & Family Committee: 4-3-0

Held in House

HB 3659, Amendment #2: Gross Profits Tax (Kotowski, D-Park Ridge)

Offered in the closing days of session, this amendment would impose a punitive 12 percent Gross Profits Tax on all companies producing petroleum-based products. This enormous tax increase would impact thousands of manufacturers who produce fuel, chemicals, plastics, paints, and other products.

IMA Position: Oppose

No Vote Taken

Held in Senate

HB 3814: Public Health Advocates Act (Davis, D-Chicago)

Creates a new Public Health Advocate with the power to impose unilateral new regulations that would result in increased health care costs for employers. Similar to the current Citizens Utility Board in composition, this agency would have duplicative powers as the Division of Insurance and is unnecessary.

IMA Position: Oppose

House Vote: 44-59-0

Failed in House

HB 3923: Health Insurance Regulatory Reform (Harris, D-Chicago/Steans, D-Chicago)

A directive from consumer groups and the Director of Insurance, this proposal as introduced would have imposed countless new regulations on insurance carriers resulting in greatly increased costs for employers who offer health care to employees. It sought to impose medical loss ratios which would have resulted in the elimination of wellness and other preventative health care programs. The IMA helped lead negotiations resulting in an amenable compromise.

IMA Position: Oppose

House Vote: 62-45-1

Passed House, Amended in Senate (Public Act 96-0857)

HB 4599: Manufacturing Energy Tax Credit (Gordon, D-Coal City/Wilhelmi, D-Joliet)

An initiative of the IMA, this proposal would create an energy tax credit for manufacturing companies allowing them to save between \$48-60 million annually. This would level the playing field with our neighboring states which all provide an economic incentive to help manufacturers offset the high cost of energy.

IMA Position: Support

House Vote: 112-1-0

Passed House, Held in Senate

HB 5485: Government Seizure of Private Property (Kosel, R-New Lenox)

Changes the valuation process used to determine fair market value of private property when a governmental entity decides to use eminent domain to acquire private property. This makes it more difficult for a private property owner to get a fair value for their seized property.

IMA Position: Oppose

House Civil Law Committee Vote: 12-3-0

Held in House

HB 6030: Green Manufacturing Grant Program (May, D-Highland Park/Steans, D-Chicago)

This IMA initiative creates a green manufacturing grant program allowing Illinois to provide grants from federal programs to manufacturing companies who improve air quality, reduce water usage, emissions or waste, or engage in recycling. The program would provide maximum \$250,000 grants to companies with less than 500 employees.

IMA Position: Support

House Vote: 96-17-0, Senate Vote: 53-1-0

Public Act 96-1413

HB 6088: BPA Chemical Ban (Nekritz, D-Northbrook)

Prohibits the sale or distribution of certain products containing bisphenol-A (BPA) beginning in 2011 along with mandating new labeling requirements despite numerous studies from the public safety advocates including the Food & Drug Administration (FDA) that shows the product is safe.

IMA Position: Oppose

House Youth & Family Committee Vote: 4-3-0

Held in House

HB 6112: Prevailing Wage in Aggregate Industry (Flider, D-Mt. Zion/Haine, D-Alton)

Imposes the prevailing wage for companies engages in the transportation of aggregate or excavated materials or operation of equipment to haul these materials to and from job sites. This further expansion of the prevailing wage into the private sector would increase costs on employers.

IMA Position: Oppose

House Vote: 71-43-0

Passed House, Held in Senate

SB 43: Prevailing Wage Expansion (Raoul, D-Chicago/Fritchey, D-Chicago)

Requires all employers, public and private, to pay prevailing wage on all projects located in either an Enterprise Zone or Tax Increment Financing (TIF) district regardless of whether any tax dollars were used to finance the project.

IMA Position: Oppose

Senate Vote: 34-21-0; 3rd Reading

Passed Senate, Held in House

SB 44: Cigarette Tax Increase (Schoenberg, D-Evanston/Yarbrough, D-Maywood) Increase the state tax on a pack of cigarettes by \$1. Designed to raise \$350 million per year annually, this tax increase would make Illinois' cigarette tax rate among the highest in the country leading more people to drive across state lines to make retail purchases.

IMA Position: Oppose

Senate Vote: 30-26-0

Passed Senate, Amended and held in the House

SB 107: Telecommunications Modernization Act (Bond, D-Grayslake/McCarthy, D-Orland Park)

Comprehensive rewrite of the archaic Telecommunications Act to reflect new changes in technology including the use of broadband resulting in the creation of new jobs and technology investment in Illinois. Requires companies to build out networks into underserved areas of Illinois and provide better quality service.

IMA Position: Support

House Vote 118-0-0, Senate Vote 59-0-0

Public Act 96-0927

SB 257: Limitation of Employer Economic Development Incentives (Noland, D-Elgin)

Financially penalizes employers by prohibiting them from selling products to any state or local government or receiving any economic development incentives (grants, loans, tax incentives) for a period of seven years if they move 100 jobs outside of Illinois. It provides no exemptions for companies that move employees for development purposes or to help facilitate new operations.

IMA Position: Oppose

Senate Labor Committee Vote: 6-5-0

Held in Senate

SB 1350: Doubles UI Benefits for Locked Out Workers (Forby, D-Benton/Lang, D-Skokie)

This union-backed legislation doubles the number of weeks (26 to 52) that a locked out worker may receive unemployment insurance benefits. This government intervention would unfairly tilt the collective bargaining playing field in favor of unions.

IMA Position: Oppose

Senate Vote: 37-19-1

Passed Senate, Amended in House

SB 1691: Manufacturing Tax Incentive Extension (Althoff, R-Crystal Lake/Mathias, R-Buffalo Grove)

This IMA initiative creates a five-year extension of critical tax incentives important to manufacturing including the Manufacturers Purchase Credit, Graphic Arts Machinery & Equipment Exemption, and Investment Tax Credit.

IMA Position: Support

House Vote: 118-0-0, Senate Vote 59-0-0

Public Act 96-0116

SB 1946: Comprehensive Pension Reform (Cullerton, D-Chicago/Madigan, D-Chicago)

This comprehensive pension reform plan increased the retirement age, eradicated pension sweeteners, eliminated compounding COLAs and set a cap on pension benefits while prohibiting state employees from double-dipping pensions. Impacting state employees, teachers, university workers, legislators, and judges, this reform will save \$300 million this year and more than \$100 billion over the next three decades. It is prospective, impacting only new hires after the effective date of the Act.

IMA Position: Support

House Vote: 92-17-7, Senate Vote 48-6-3

Public Act 96-

SB 3257: Repeal the Single Sales Factor (Sandoval, D-Cicero)

This legislation would repeal the Single Sales Factor and impose a new tax structure based on personnel, property and sales that would have the impact of shifting a huge new tax burden onto Illinois-based companies. A horrible bill, this would have penalized Illinois employers who own property, invest in the state, and maintain an Illinois workforce. The IMA led opposition that stopped this measure before a vote was taken.

IMA Position: Oppose

No Vote Taken

Held in Senate

SB 3655: Research & Development Credit Extension (Kotowski, D-Park Ridge/Currie, D-Chicago)

Provides a one-year extension of the Research & Development Tax Credit in Illinois. The R & D credit, important to the manufacturing sector, would have lapsed on January 1, 2010 without this extension.

IMA Position: Support

House Vote: 116-0-0, Senate Vote 58-0-0

Public Act 96-0937

SB 3750: BPA Chemical Ban (Kotowski, D-Park Ridge)

Prohibits the sale or distribution of certain products containing bisphenol-A (BPA) beginning in 2011 along with mandating new labeling requirements despite numerous studies from the public safety advocates including the Food & Drug Administration (FDA) that shows the product is safe.

IMA Position: Oppose

Senate Environment Committee Vote: 5-2-0

Held in Senate

SJR 35: Employee Free Choice Act (Hutchinson, D-Olympia Fields/Burns, D-Chicago)

This resolution expressed support for the Employee Free Choice Act and Card Check provision under consideration in Congress. The Employee Free Choice Act would eliminate the secret ballot in unionization efforts and would impose binding arbitration on first contracts.

IMA Position: Oppose

Senate Vote: 33-21-1

Passed Senate, Held in House