



ILLINOIS CHAMBER  
OF COMMERCE

## GOVERNMENT AFFAIRS

# Report

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Education

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May 12, 2017

## *This Week in Springfield*

The countdown begins. The Illinois General Assembly has **15** scheduled session days before the May 31st adjournment. Several legislative issues are still pending and talks on Senate's "grand bargain" were renewed this week.

### **GRAND BARGAIN UPDATE**

The week began with a bi-partisan group of House lawmakers signing on to a press release urging the Senate to take action on a package of bills otherwise known as the "grand bargain." Senate President Cullerton responded indirectly by placing a 12 o'clock noon deadline on Wednesday to run the package. However, only one of the bills advanced. [SB 10](#), which would assist local governments with their borrowing passed favorably [35-15-5](#).

As reported earlier this session, the package of Senate bills all contained language that relied upon each bill becoming law in order for the package to be successful. However, two amendments were filed to new bills that contained language from two other bills in the Senate's package. One bill would [provide pension relief to Chicago's pension funds](#) and the other is [identical to SB 10](#). Most notably, both of the new bills did not contain language contingent upon other bills in the package from passing. This move may be a precursor that package of bills may move without being all lumped together.

Pensions

Procurement

Taxes

Workers'  
Compensation

The workers' compensation bill ([SB 12 - Radogno](#)) also received an amendment this week. The new amendment was hostile in nature; in other words the chief sponsor of the bill did not file the amendment. The new amendment made some good revisions to medical fee schedule by adopting the Chamber's recommended move to a resource-based relative value scale. The new amendment also removed codification of several bad case law such as traveling employee, neutral risk, and intervening cause. However the amendment fell short at addressing AMA guidelines. This is disappointing as the Chamber was seeking to strengthen this section by requiring the Workers' Compensation Commission when revising an impairment rating to be a preponderance of credible evidence justify application of the other factors of age, future earnings, occupation and medical evidence.

While the package remains fluid, talks are ongoing and changes to workers' compensation, property tax freeze and the tax omnibus bill are likely between now and May 31st. The Chamber will continue to provide members updates as they occur.

#### **EQUAL PAY ACT CHANGES LIMIT EMPLOYER DEFENSES**

A proposal making its way through the Illinois General Assembly would to forbid employers from asking about an employees prior pay when being considered for an offer of employment. [HB 2462](#) (Biss) would make unnecessary changes to the Equal Pay Act by adding new standards to limit employer defenses and new compensatory and punitive damage penalties for those found in violation.

For nearly 15 years, Illinois law has required that "between employees on the basis of sex by paying wages to an employee at a rate less than the rate at which the employer pays wages to another employee of the opposite sex for the same or substantially similar work on jobs the performance of which requires substantially similar equal skill, effort, and responsibility, and which are performed under similar working conditions". If enacted these proposals would eliminate employer defenses if the employee "demonstrates that an alternative employment practice exists that would serve the same business purpose without producing such differential and that the employer has refused to adopt such alternative practice."

The bill would also create new penalties for violations, thus increasing the value of litigation. Employers found in violation would be subject to compensatory damages, unlimited punitive damages, injunctive relief and special damages of up to \$10,000.

While the Chamber is not crazy about severely limiting an employer's right to inquire about past wage, salary and benefit compensation, we are working to remove the more troubling provisions that significantly diminish employer defenses and the aggrandizement of litigation remedies that likely will increase claims brought under the Act.

Working with other business groups, we proposed an alternative that was modeled after the recently enacted Massachusetts law. Only Massachusetts and the city of Philadelphia have a similar law. California Governor Brown vetoed a similar bill in the fall of 2015.

The bill passed the Senate Labor Committee 10-5-0 this week and now heads to the floor.

### **ILLINOIS MUST STAY OPEN FOR INNOVATION**

As been reported throughout session, [SB 1502](#) (Hastings/Turner), otherwise known as the "Right to Know" bill does little protect consumers. It will not help Illinois entrepreneurs and will stifle our state's growing technology sector.

SB 1502 is a highly complex privacy and transparency regulation that punishes good actors by requiring small businesses and tech companies alike to hire lawyers to set up new IT and compliance systems-even in cases where businesses already offer significant protections and privacy controls

The bill unnecessarily duplicates strict privacy policies set by the Federal Trade Commission that require all businesses to disclose how they collect, use, and share personal information. In the rare instances where businesses fail to comply with FTC requirements, the FTC enforces compliance by treating cases as a deceptive practice.

SB 1502 encourages frivolous lawsuits that hurt Illinois businesses by incentivizing cases that recover fees through private rights of action and class action lawsuits over minor technical violations, putting small businesses and start-ups in the crosshairs of unfair litigation

This is not a service that consumers are demanding. It will instead put a greater burden on businesses because it will regulate far beyond Illinois borders, creating great difficulty in determining if a person is who they say they are. Additionally, even if a company receives zero requests, it must hire a privacy

attorney and invest in a compliance system, which is a reason that no other state has enacted similar legislation.

**[Click here to take action TODAY and tell your lawmaker to VOTE NO on SB 1502 as it hurts Illinois businesses.](#)**

#### **E-WASTE BILL CLEARS COMMITTEE**

A bill to rework Illinois' electronic waste program cleared the Senate Environment Committee this week. [SB 1417](#) (Althoff) would transition Illinois from a weight based standard to a convenience standard for the collection of electronic products. The Chamber has been involved in the negotiations and is opposed to the bill in its current form. There remain concerns with the bill and additional last minute changes such as the expansion of what electronic products are included in the program. Senator Althoff has committed to moving a trailer bill so stakeholders can continue to discuss those difference.

If you are a manufacturer of any of the following devices and have any concerns or questions, please reach out to [Katie Stonewater](#). The following devices under the bill include computers, computer monitor, television, printer, electronic keyboard, facsimile machine, videocassette recorder, portable digital music player that has memory capability and is battery powered, digital video disc player, video game console, electronic mouse, scanner, digital converter box, cable receiver, satellite receiver, digital video disc recorder, or small-scale server