

March Government Affairs Summary

City of Springfield

April 2 Mayoral Election

The Greater Springfield Chamber of Commerce encourages all members and citizens to engage in the election process – to consider the candidates, the candidates' position on important issues, the candidates' track record, and in this case which candidate is best suited to serve as Springfield's future Mayor.

The Chamber recently asked Mayor Jim Langfelder and his challenger, Frank Edwards, questions relevant to the business community. Please click [HERE](#) to view the questions and their written responses. Responses shown appear exactly as submitted by the candidates.

At The State Capitol

Proposed Graduated Income Tax

Governor J.B. Pritzker recently released his proposed graduated income tax and what it would look like if an amendment to the state's constitution were to pass next fall. It would first have to be approved by the Illinois General Assembly. The Governor has indicated he wants the progressive tax approved before the Illinois General Assembly adjourns this May.

<u>Income</u>	<u>Tax Rate</u>
\$0 - \$10,000	4.75 percent
\$10,001 - \$100,000	4.90 percent
\$100,001 - \$250,000	4.95 percent
\$250,001 - \$500,000	7.75 percent
\$500,001 - \$1,000,000	7.85 percent
\$1,000,001 or more	7.95 percent

While the new higher rates phase in for households with an income of \$250,000 or more, the higher rates are applied to income above \$250,000 - except for households which make over \$1,000,000 - in which case the entire amount is taxed at 7.95%.

Receiving less coverage, but very significant: the corporate rate would increase almost an entire percentage point, from 7% to 7.95%, which would take Illinois to the third highest corporate tax rate in the country.

The Governor's proposal increases the current property tax credit from 5 percent to 6 percent. The credit would be available to taxpayers with incomes of \$500,000 or less (married filing jointly) or \$250,000 (single).

Additionally, the Governor proposes adding a new \$100 per child tax credit that will only be available for joint filers (\$100,000 or less) and single filers (\$80,000 or less). However, the credit starts phasing out at \$60,000 and \$40,000 respectively.

Resolution To Slow Down Legalizing Recreational Marijuana

Illinois is in the forefront of states considering the legalization of recreational marijuana, and many believe legalization is inevitable.

Last week a resolution was introduced calling on lawmakers to slow down the process so lawmakers, stakeholders, and experts alike have the chance to consider the societal impact of legalization and examine all the data from other states that have passed similar legislation. [See the resolution here.](#)

Representative Kelly Cassidy, who will carry the bill in the House, is still expected to introduce the legislation in coming weeks.

The Chamber will continue to insist that if recreational marijuana use is legalized, employer protections must be a part of the law, including the right to drug test and maintain a safe and drug free workplace.

Capital Bill

Senator Martin Sandoval has introduced legislation that would double the gas tax in Illinois from 19 cents a gallon to 38 cents in an attempt to bring in a reported \$2 billion in new revenue for road and bridge work. This legislation only focuses on "horizontal" projects such as roads and bridges.

The legislation was introduced as a way of moving the conversation forward. There is no question the State needs a capital bill to help address our deteriorating infrastructure. The question is how to pay for it. Illinois' last capital bill was nearly a decade ago. Stay tuned for updates.

Other Bills at the Statehouse

There are a number of other bills we will continue to monitor and weigh in on (in keeping with our board approved policy agenda) over the coming weeks. Many are listed below. As always, we encourage your involvement. Please use the following links to contact Representatives and Senators regarding the bills discussed in this email, as well as others.

House Members

Senate Members

Employment Law

- [HB 2343](#) would require all employers, regardless of size, to provide a minimum of 40 hours of paid sick leave annually to their employees, both full-time and part-time. Chamber is opposed.
- [HB 2565](#) would prohibit all non-compete clauses between an employer and ANY employee. Chamber is opposed.

Taxes

- [HB 2217](#) and [SB 1379](#) would amend the Illinois Property Tax Code to create a system where certain taxpayers of income producing property would be required to submit (annually) income and expense data related to the property to the chief county assessment officer. Chamber is opposed.
- [HB 270](#) and [SB 2049](#) would change the sourcing of local taxes to a destination-sourcing basis for all sales made via the internet, over the phone or in writing and that are delivered. Provides that the sale shall be sourced to the location where the property is delivered. Chamber supports these bills which would help level the playing field for local brick and mortar retailers. See The Chamber's 2019 Policy Agenda at <http://gsc.org/pages/advocacy>, specifically The Marketplace Fairness Act.

Business Regulation

- [HB 2127](#) and [SB 1326](#) would require tracking software for any professional services contracts with the state. Chamber is opposed.
- [HB 255](#) would repeal the Rent Control Preemption Act, allowing rent control to be enacted. **UPDATE:** The bill failed (4-2) to win approval on March 27 in the commercial law subcommittee of the Judiciary-Civil committee. This does not bode well for future passage of the bill. However, the discussion is not yet over. The Chamber remains opposed to the bill.

Miscellaneous

- [HB 2026](#) and [SB 2088](#) would create the Digital Fair Repair Act otherwise known as the Right to Repair. This bill would force original equipment manufacturers (from tablets to tractors) to provide sensitive repair and diagnostic documentation, including embedded software updates, to independent repair providers and/or to owners of equipment, in the same manner as that information is made available to the manufacturer's authorized repair providers. Chamber is opposed.
- [HB 1614](#) would increase the threshold considered for retail theft as a felony from \$500 to \$2,000. Chamber is opposed.
- [HB 19](#) would create the Community Bank of Illinois Act that would establish a state-run bank. Chamber is opposed.