



IMI

ILLINOIS MUNICIPAL LEAGUE

2022

State Legislative Agenda

December 11, 2021



Statistics as of 11/24/21

Introducing the 2022 IML State Legislative Agenda

As the statewide representative of the 1,296 cities, villages and towns in Illinois, the Illinois Municipal League (IML) is pleased to provide its 2022 *State Legislative Agenda*.

Each year, IML conducts meetings of its six policy committees to discuss and consider legislative proposals submitted by municipal officials from throughout the state. These proposals are then recommended to the IML Legislative Committee for further consideration and then, ultimately, to the IML Board of Directors for approval.

This agenda, along with the 2022 *IML Federal Legislative Agenda*, IML Resolutions and annually-updated *IML Legislative Principles and Policies*, serves as a foundational document for IML’s advocacy efforts.

This year’s agenda builds on IML’s core values to promote local decision making; preserve home rule powers; oppose unfunded mandates; preserve the right of municipalities to decide employee wages and benefits; and, protect state-shared revenues.

It is critical that municipal and state officials work cooperatively to provide for the health, safety and welfare of their shared constituencies. IML looks forward to partnering with the General Assembly and all other interested parties in order to better serve the cities, villages and towns in Illinois.

More information about IML’s advocacy efforts, including position papers, fact sheets, legislative reports and more are available at iml.org/legislative.

Index

Meetings

- Electronic Publication of Notices.....page 3
- Open Meetings Act – Authority to Conduct Remote Meetingspage 3

Municipal Liability

- Municipal Immunity from Liability for Cyberattackspage 3
- Restoration of Public Duty Doctrine..... page 4

Pensions

- Downstate Public Safety Pension Funding Ratio ... page 4
- Reamortization of Downstate Public Safety Pension Funds..... page 4

Public Safety

- Authority to Assess EMS Feespage 5

Revenue and Finance

- Non-Home Rule Motor Fuel Tax (Outside of Cook County)page 5
- Non-Home Rule Sales Tax.....page 5
- Restoration of Local Government Distributive Fund (LGDF) Revenuespage 6

Tax Increment Financing

- Tax Increment Financing (TIF) Contiguitypage 6

MEETINGS

ELECTRONIC PUBLICATION OF NOTICES

This proposal would allow units of local government or taxing districts to fulfill any statutorily-mandated newspaper posting requirement by providing notice on a publicly available website operated independently from the unit of local government or taxing district.

Background

State law imposes a significant number of mandated posting requirements for communicating governmental information to the public. Public notice requirements are an important and beneficial service provided to citizens. These requirements also add costs to local governments and their taxpayers, particularly for mandates to place notices in newspapers or mail them to residents.

The Solution

Local governments should have the option to fulfill public notice mandates electronically. Publication of notice requirements in newspapers and providing notification via standard mail would remain as options for communicating information to the public.

OPEN MEETINGS ACT – AUTHORITY TO CONDUCT REMOTE MEETINGS

This proposal would permit public officials to conduct a remote meeting without the issuance of a gubernatorial or Illinois Department of Public Health (IDPH) disaster declaration. Specifically, this proposal would allow the head of a public body to determine if an in-person meeting is not practical or prudent or if conducting an audio or video conference is in the best interest of the public or the public body.

Background

Public Act (P.A.) 101-0640 allows public bodies subject to the Open Meetings Act (OMA) to conduct remote meetings under certain conditions. Specifically, remote meetings are allowed only when a disaster declaration that includes at least part of the jurisdiction of a public body has been issued by the Governor or the Director of IDPH and the head of the public body has determined that an in-person meeting is not practical or prudent because of a disaster.

The Solution

The General Assembly should allow local officials to determine the necessity of an in-person meeting. This shift to be more current with modern technology will increase participation, transparency and citizen access to municipal government.

MUNICIPAL LIABILITY

MUNICIPAL IMMUNITY FROM LIABILITY FOR CYBERATTACKS

This proposal would remove the liability of municipalities when a cyberattack occurs.

Background

The impact of data breaches on municipalities and the liability the organization incurs can have an enormous effect on communities. Trends suggest that public bodies will continue to be the targets of attacks and data breaches. The smaller the unit of government, the less prepared they may be to deal with the effects. Making municipal governments liable does not punish the criminal, instead it punishes the municipality and its taxpayers.

Additionally, costs from a liability lawsuit would only put additional financial pressure on municipal budgets, threatening the critical government services that taxpayers depend on for their health, safety and well-being.

The Solution

The General Assembly should remove the liability of municipalities when a cyberattack occurs and ensure critical local services are protected.

MUNICIPAL LIABILITY

RESTORATION OF PUBLIC DUTY DOCTRINE

This proposal would restore the broad protections previously provided by the common law public duty rule by codifying the rule into statute.

Background

For decades, the common law public duty rule protected governmental entities and their employees from burdensome litigation costs. The public duty rule provides that a governmental entity and its employees do not owe a duty of care to provide services to individual members of the general public, because public entities owe a broader duty to the public at large. In 2016, the Illinois Supreme Court ruled 4-3 that the public duty rule is no longer viable in Illinois.

The Solution

The General Assembly should enact legislation to restore the broad protections previously provided by the common law public duty rule. This would protect local governments, public safety personnel and taxpayers from paying unnecessary litigation costs.

PENSIONS

DOWNSTATE PUBLIC SAFETY PENSION FUNDING RATIO

This proposal would reduce the required funding ratio target from 90% to 80% for downstate public safety pension funds.

Background

For municipalities that operate an Article 3 (police) or Article 4 (firefighter) downstate public safety pension fund, current law requires the city council or the board of trustees of the municipality to contribute an amount sufficient to bring the total assets of the pension fund up to 90% of the total actuarial liabilities of the pension fund by the end of Municipal Fiscal Year (MFY) 2040.

The Solution

The General Assembly should decrease the required funding ratio to 80% of total actuarial liabilities for downstate public safety pension funds in order to provide immediate financial relief to affected communities.

A lower funding rate will allow for flexibility to meet immediate funding for operations and provide sufficient stability for future pension obligations.

REAMORTIZATION OF DOWNSTATE PUBLIC SAFETY PENSION FUNDS

This proposal would extend the amortization date for downstate public safety pension funds from the end of Municipal Fiscal Year (MFY) 2040 to MFY 2050 or later, and provide immediate financial relief to affected communities.

Background

For municipalities that operate an Article 3 (police) or Article 4 (firefighter) downstate public safety pension fund, current law requires the city council or the board of trustees of the municipality to contribute an amount sufficient to bring the total assets of the pension fund up to 90% of the total actuarial liabilities of the pension fund by the end of MFY 2040. This amortization schedule is significantly shorter than other statewide, state-administered and Chicago-based pension systems despite downstate public safety pension funds having better funding ratios (excluding Illinois Municipal Retirement Fund (IMRF)).

The Solution

The General Assembly should extend the amortization date for downstate public safety pension funds to the end of MFY 2050 or later.

PUBLIC SAFETY

AUTHORITY TO ASSESS EMS FEES

This proposal would expand the fee for service authority of municipal fire departments to include a fee for lift assistance in congregate care settings and shift the liability coverage for emergency medical services (EMS) personnel who are injured as a result of these calls to congregate care facilities.

Background

Calls for lift assistance are increasing, and some nursing and independent living facilities prohibit their personnel from lifting residents and patients for safety and liability reasons. The risks of these potential injuries are shifted to municipal fire and rescue departments. Many home rule municipalities currently impose fees for these services.

The Solution

The General Assembly should clarify the authority of all municipal fire and rescue departments to impose such a fee and shift the liability for injured EMS and fire personnel as a result of these calls to nursing and independent living facilities.

REVENUE AND FINANCE

NON-HOME RULE MOTOR FUEL TAX (OUTSIDE OF COOK COUNTY)

This proposal would allow all non-home rule municipalities to impose a local Motor Fuel Tax (MFT) not to exceed \$0.03 per gallon.

Background

Public Act 101-0032 provided, in part, that non-home rule municipalities within Cook County may impose a tax on motor fuel, by ordinance, not to exceed \$0.03 per gallon in \$0.01 increments. With that legislation, only non-home rule municipalities within Cook County or those with more than 100,000 residents are able to impose a local MFT on fuel sold at retail locations within the municipality.

The Solution

The General Assembly should provide additional flexibility for non-home rule municipalities to utilize an alternative revenue source by expanding the authority to impose a local municipal MFT statewide.

NON-HOME RULE SALES TAX

This proposal would authorize non-home rule municipalities to impose a sales tax in 0.25% increments not to exceed 1% by ordinance.

Background

Under current law, non-home rule municipalities are permitted to impose a sales tax in 0.25% increments not to exceed 1%. Unlike home rule municipalities, non-home rule municipalities must obtain voter referendum approval to impose a sales tax.

The Solution

The General Assembly should authorize non-home rule municipalities to enact a sales tax by ordinance, which will provide these communities additional flexibility to utilize alternative revenue sources to shore up municipal budgets and fund essential services.

REVENUE AND FINANCE

RESTORATION OF LOCAL GOVERNMENT DISTRIBUTIVE FUND (LGDF) REVENUES

This proposal would incrementally increase amounts transferred from the State of Illinois' General Revenue Fund to LGDF to 10% of net revenue realized from income taxes imposed on individuals, trusts, estates and corporations.

Background

LGDF is the designated portion of state income tax revenues. Cities and counties currently receive a percentage of total state income tax revenues through this fund on a per capita basis. LGDF distributions play a role in funding critical municipal services and keeping the local tax burden low. Without LGDF, communities across Illinois would need to explore increases to other fees or taxes – including property taxes.

Following the enactment of the state income tax in 1969, 10% of total income tax collections was dedicated to LGDF for distribution to municipalities and counties. Since 2011, the state has decreased the local share of LGDF so that in State Fiscal Year 2022, the local government share is 6.06% of individual income tax collections and 6.845% of corporate income tax collections.

The Solution

The General Assembly should gradually restore LGDF to the full 10% share of all income tax collections.

TAX INCREMENT FINANCING

TAX INCREMENT FINANCING (TIF) CONTIGUITY

This proposal would add the exceptions to contiguity for annexations (currently found in the Illinois Municipal Code) in the Tax Increment Allocation Redevelopment Act.

Background

On September 23, the Illinois Supreme Court affirmed the judgment of the Illinois Appellate Court for the Third District in *Board of Education of Richland School District 88A v. City of Crest Hill*.

Years prior to the formation of a TIF district, pursuant to an exception to contiguity under the annexation provisions of the Illinois Municipal Code, the City of Crest Hill annexed territory that was separated from the rest of the city by a utility right-of-way. Both the Illinois Supreme Court and Appellate Court in this case ruled that the city's TIF ordinance could not make use of this annexation exception to contiguity to include the territory on both sides of that right-of-way in the TIF district.

The precedent established by this case creates the potential for challenges to existing TIF districts long after their formation and may lead to cascading legal issues and significant exposure in terms of litigation costs and liability.

The Solution

The General Assembly should amend the TIF Act to add the exceptions to contiguity currently in the Illinois Municipal Code to ensure this problem does not arise for other municipalities in the future.

How Does IML Take Bill Positions?

IML continually reviews every legislative proposal filed by the Illinois General Assembly and takes positions on those items which may have an impact on municipal governments. IML's positions and their meanings are as follows:

SUPPORT – The bill or amendment will benefit municipal governments.

OPPOSE – The bill or amendment will harm municipal governments.

NO POSITION – The bill or amendment may be of interest to municipalities. No position may indicate a belief by IML that the bill or amendment is unlikely to garner sufficient support for passage, doesn't impose a harm or benefit or there is no need to take a position at this time.

NEUTRAL – The bill or amendment may have an impact on municipalities, but affects municipalities differently based on demographics, geographic location or other differential issues. In these cases, municipalities might elect to convey their individual positions to legislators. The final bill may also be the result of negotiations involving IML or other organizations, which resulted in objections being resolved toward municipal interests, so neither a "support" nor "opposed" position is necessary.

UNDER REVIEW – These are bills or amendments for which IML staff is seeking additional information before developing a formal position. Updates are provided when IML takes a formal position on bills or amendments previously designated as under review. The updates will indicate the bill or amendment position and that the legislation had previously been under review.

BILL OF INTEREST – These are bills that IML may take a position on at a later point during the legislative session but have not yet been thoroughly reviewed or reached a designated position.

After taking a support or oppose position on a particular item, IML will send correspondence to the legislative sponsor informing them of our position. This communication is intended to open a line of dialogue between IML and legislators in order to ensure municipal interests are represented throughout the legislative process.

IML's position on any legislative item is also available at iml.org/legislative.

IML

ILLINOIS MUNICIPAL LEAGUE

About the Illinois Municipal League

Since 1913, IML has served Illinois municipalities as the nonprofit, nonpolitical association of cities, villages and incorporated towns.

IML is the statewide, community-focused advocacy and educational organization giving municipalities a powerful presence and voice in our state and national capitols.

For more information about IML or its programs and services, please visit iml.org or contact any member of our Legislative and Legal Advocacy Team at (217) 525-1220.

ILLINOIS MUNICIPAL LEAGUE

CORE VALUES

- Empower Grassroots Governance
- Preserve Home Rule Authority
- Oppose Unfunded Mandates
- Preserve the Rights of Municipalities to Decide Employee Wages and Benefits
- Protect State-Shared Revenues



@IllinoisMunicipalLeague



@IMLLeague



iml.org/linkedin