



# ***2020 Legislative Program***



# 2020 NWMC Legislative Committee

**Lawrence Levin, Co-Chair**  
*President, Village of Glencoe*

**Maria Lasday**  
*Manager, Village of Bannockburn*

**Karen Darch**  
*President, Village of Barrington*

**Jennifer Maltas**  
*Deputy Village Manager,  
Village of Buffalo Grove*

**Joanne Johnson**  
*Trustee, Village of Buffalo Grove*

**Harriet Rosenthal**  
*Mayor, Village of Deerfield*

**Eric Burk**  
*Director of Finance/Treasurer,  
Village of Deerfield*

**Dan Shapiro**  
*Trustee, Village of Deerfield*

**Matt Roan**  
*Deputy Village Manager,  
Village of Elk Grove*

**Anne Marrin**  
*Administrator, Village of Fox Lake*

**Don Owen**  
*Deputy Village Manager,  
Village of Glenview*

**Herb Porter**  
*Trustee, Village of Hanover Park*

**Eira Corral Sepúlveda**  
*Clerk, Village of Hanover Park*

**Nancy Rotering**  
*Mayor, City of Highland Park*

**Ghida Neukirch**  
*Manager, City of Highland Park*

**William McLeod**  
*Mayor, Village of Hoffman Estates*

**Jim Norris**  
*Manager, Village of Hoffman  
Estates*

**Arlene Juracek, Co-Chair**  
*Mayor, Village of Mount Prospect*

**Kathleen O'Hara**  
*President, Village of Lake Bluff*

**Bradly Burke**  
*Manager, Village of Lincolnshire*

**Colleen Saccotelli**  
*Trustee, Village of Mount Prospect*

**William Grossi**  
*Trustee, Village of Mount Prospect*

**Sandra Frum**  
*President, Village of Northbrook*

**Muriel Collison**  
*Trustee, Village of Northbrook*

**Jeff Rowitz**  
*Deputy Village Manager/  
Chief Financial Officer  
Village of Northbrook*

**Stacy Sigman**  
*Manager, Village of Northfield*

**Jill Brickman**  
*Supervisor, Northfield Township*

**Wendy Morgan-Adams**  
*Alderman, City of Prospect Heights*

**Tom Dailly**  
*President, Village of Schaumburg*

**George Van Dusen**  
*Mayor, Village of Skokie*

**Michael Lorge**  
*Corporation Counsel,  
Village of Skokie*

**Jon Sfondilis**  
*Manager, Village of Wheeling*

**Tim Frenzer**  
*Manager, Village of Wilmette*

Dear Friend of the Northwest Municipal Conference:

The Northwest Municipal Conference (NWMC) is pleased to present to you our 2020 Legislative Program. The new year comes with new opportunities to work with lawmakers to continue addressing the challenges facing our communities and state.

Last year, Governor Pritzker and lawmakers took steps toward strengthening local public safety pensions and infrastructure. Through investment consolidation and increased capital investment, we are pleased that the state took action addressing two long-standing NWMC priorities.

As we start this new year, we urge lawmakers and local officials to dedicate their attention toward securing local revenues, improving the delivery of infrastructure projects and addressing the short-term stability of public safety pension funds. We believe that 2020 is the year when Illinois can break the cycle of relying on local governments to make up funding gaps in the state budget, thus securing critical local services. We believe 2020 is the year when Illinois fulfills its promise of infrastructure modernization by giving state agencies and local governments the tools necessary to streamline project delivery. Finally, we believe 2020 is the year when Illinois provides short-term relief for long-term stability of the public safety pension system.

We look forward to working with lawmakers as governing partners. As President of the Northwest Municipal Conference, I affirm that we stand ready to engage with our legislators to meet the challenges facing our communities and state.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. DiMaria', with a stylized flourish at the end.

Daniel DiMaria  
President, Northwest Municipal Conference and  
Mayor, Village of Morton Grove

---

## Table of Contents

---

<b>Local Government Revenue</b>	<b>3</b>
<b>Infrastructure Investment</b>	<b>9</b>
<b>Pension Reform</b>	<b>13</b>
<b>Illinois Constitutional Officers</b>	<b>18</b>
<b>Congressional Delegation</b>	<b>19</b>
<b>State Senators</b>	<b>20</b>
<b>State Representatives</b>	<b>22</b>
<b>NWMC Contact Information</b>	<b>24</b>
<b>About the NWMC</b>	<b>25</b>

---

## Local Government Revenue

---

***Reinstate state collected local revenues at previous levels and make these revenues continuing appropriations outside the annual state budget process.***

*In future state budgets, state lawmakers should restore local government revenues to their former levels. To provide consistent revenue for critical services, state lawmakers should make all state collected local revenues continuing appropriations, consistent with current state appropriations from the income tax and sales tax.*

***Defend local control over property taxes.***

*The NWMC shares the goals of lawmakers to lessen the property tax burden on our local residents; but, it is equally important that communities maintain local control of this local and most stable revenue source.*

***Modernize the tax system to tax services reflecting the current economy.***

*To ensure stable and consistent revenue growth, lawmakers should enact a revenue structure that broadens the tax base by accounting for the significant growth in personal expenditures on services.*

A decade removed from the Great Recession, our communities have moved beyond recovery; however local governments continue to face challenges of fiscal instability. Last fall, lawmakers took significant action toward long-term fiscal stability by the consolidating the investment functions of local public safety pension funds. While this a necessary first step, pension investment consolidation alone is not a silver bullet. Communities will actually face contribution increases in the short-term, thus putting pressure on local taxpayers and critical government services. Meeting these statutory obligations dictated by the state is made all

---

## Local Government Revenue

---

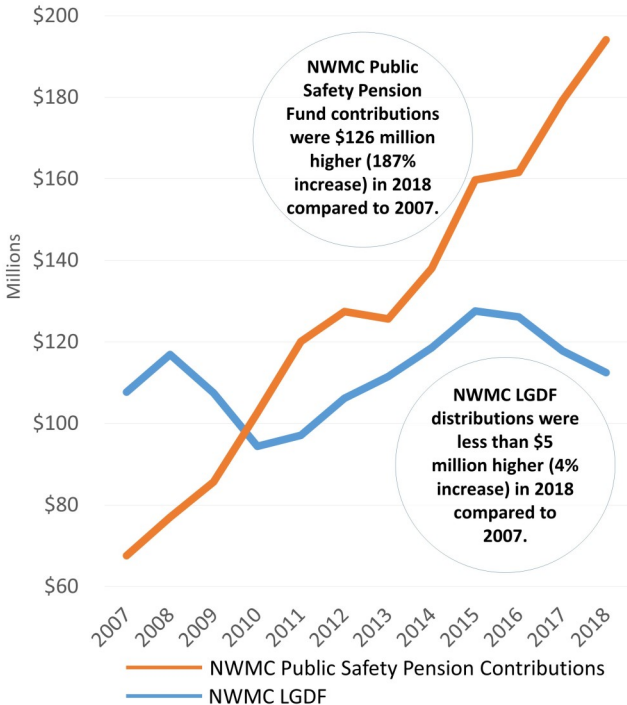
the more difficult with unpredictable or unreliable revenues.

All too often, the state has called on local governments to absorb repeated cuts to state collected local revenues, which has resulted in millions of diverted local revenues from NWMC communities. In the last two years alone, our communities have been hit with roughly \$30 million in cuts to local revenue.

As the state has looked to stabilize its revenues, local governments have been left out. The income tax graphic on the next page demonstrates how municipalities have been left behind. While the state passed both a temporary and then permanent income tax increase, municipalities did not share in those new revenues. In fact, municipalities have seen reductions in the share of income tax revenues going to the Local Government Distributive Fund (LGDF). To provide the quality public services that our residents and businesses rely upon and to offset recent pension enhancements, the state must take steps to restore the LGDF along with other local revenue sources.

## Local Government Revenue

### Income Tax vs. Public Safety Pension Fund Contributions



The municipal share of the Income Tax (Local Government Distributive Fund - LGDF) has failed to keep pace with the growing pension fund contributions.

When lawmakers passed income tax increases in 2011 and 2017, municipalities were left out. Not only were municipalities left out of the income tax increase, the LGDF was cut 10% in 2017 and 5% in 2018 and 2019.

Tier 2 pension enhancements will increase contributions in the short-term adding one further justification for restoring the LGDF to previous levels.

---

## Local Government Revenue

---

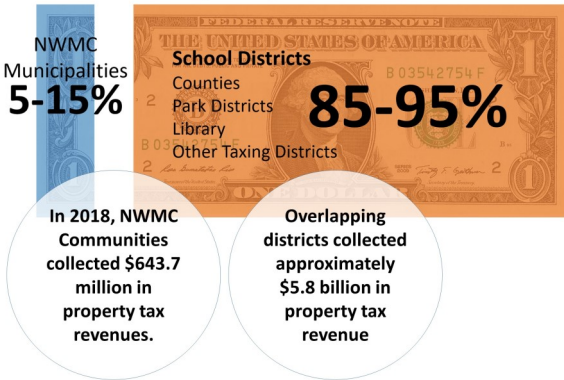
As we start this new year and continue the longest economic expansion in United States history, the NWMC believes that it is important to discuss our communities' most consistent revenue source, the property tax. Lawmakers are concluding a lengthy exercise through the Illinois Property Tax Relief Task Force to examine this critical yet unpopular revenue source. The NWMC shares the goal of lessening the property tax burden on our local residents; but, as the draft report acknowledges the bulk of local property tax dollars goes to fund our local school districts. While we are open to further exploring various recommendations to alleviate the property tax burden, we must reiterate the importance that communities maintain control of this local and most stable revenue source.

It is important to note that any attempts to "fix" the state's property tax issues begin with school funding. Freezing municipal property taxes or limiting local control will only destabilize local governments. Our communities rely on property taxes to fund pension systems, public safety services and critical infrastructure investments.

# Local Government Revenue

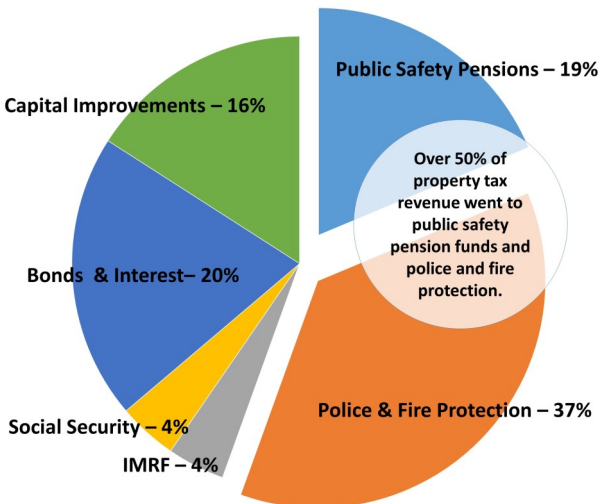
## Municipalities and the Property Tax

### Property Tax Dollar



### Municipal Case Study

The pie chart below focuses in on one typical municipality (with police and fire service).



Securing local control of property taxes ensures that our communities can provide quality services and meet statutory obligations.

---

## Local Government Revenue

---

Beyond income and property taxes, the sales tax is the other critical revenue component for municipalities. While many of our communities are able to offset property tax burdens with sales tax revenues, the state has been slow to respond to shifting economic realities. Lawmakers did take the prudent action of making it easier to capture sales tax on remote sales. However, even this action does not capture the shift in how people are spending their money. For instance, the share of personal expenditures on services continues to outpace the share of personal expenditures on physical goods. Other states have adapted to this reality by broadening the tax base beyond goods to include certain services. Illinois has been discussing the potential of expanding the sales tax to services for years. The NWMC supports actions to adopt a modern tax structure that more effectively reflects the modern economy and will assist local governments in providing essential services. Specifically, this means taxing services in line with neighboring states.

---

## Infrastructure Investment

---

***Increase the capacity of the Illinois Department of Transportation to expedite the review process and approval of projects.***

*Governor Pritzker and Illinois lawmakers committed to a major infrastructure investment for the state in the Rebuild Illinois program. It is now critical that Illinois take the steps necessary to address flaws plaguing the implementation of infrastructure projects in an efficient and timely manner.*

***Provide options for delegation of review and certification activities associated with the Motor Fuel Tax (MFT) to more efficiently deliver projects.***

*Beyond increasing IDOT capacity, the state can look to delegate authority for certain review and certification activities as a way to prevent project delays and efficiently deliver projects.*

***Exempt MFT revenues from the Grant Accountability and Transparency Act (GATA).***

*GATA is causing project delays and diverting resources away from project delivery. Lawmakers need to address this bureaucratic snare caused by GATA in relations to MFT reporting requirements.*

Last year, Illinois passed an ambitious capital program, Rebuild Illinois, which is supported by dramatic increases in transportation revenues, mostly notably the doubling of the MFT. As a result, NWMC communities will annually see roughly \$22 million in much needed additional revenues, which marks a 66 percent increase over current MFT.

More money will mean more critical infrastructure projects that do so much more than simply move cars by directly benefit our residents and businesses. Unfortunately, it also means current review times

---

## Infrastructure Investment

---

during the IDOT review process could potentially worsen and have a detrimental effect on projects throughout the NWMC communities, the region and the state. We stand ready to work with IDOT and other state officials to avoid this outcome and better facilitate the completion of these vital infrastructure projects.

The potential impact of Rebuild Illinois' historic infrastructure investments may be dampened by IDOT's current lack of capacity. This puts the state at a critical juncture. To properly implement the *Rebuild Illinois* program, IDOT needs the ability to efficiently move projects through review to construction. Industry groups, municipalities, and other local agencies recognize the urgency of the issue and want to collaborate with IDOT to ensure that Rebuild Illinois reaches its full potential and puts the state in a position to have a truly sustainable transportation system moving forward.

We are highly encouraged that IDOT has begun to address staffing issues by supplementing Central Office staff with consultants and soliciting applications for additional state positions. This is a positive first step, but more attention is necessary. In order to make significant progress in addressing the situation, the consultants need to have increased authority to make a real difference in IDOT's capacity issues.

---

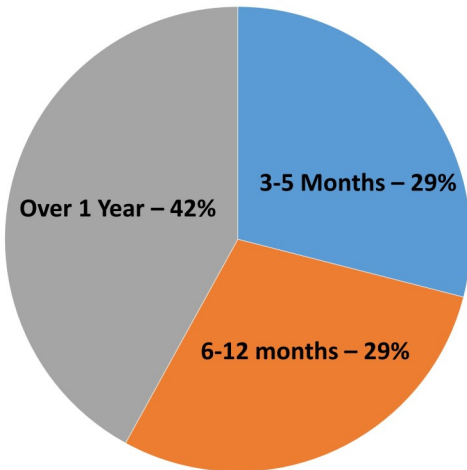
# Infrastructure Investment

---

## IDOT Capacity Issues

According to a Northwest Municipal Conference (NWMC) survey, 87% of respondents reported project delays with IDOT.

Delay Lengths



IDOT's required Central Office review process often severely delays projects, even for routine engineering agreements.

Permit and plan reviews can range from weeks to years, with no recognition of the impacts on local business decisions and residents.

When taken together, IDOT's delays in agreements, permits and plan review significantly affect project delivery and costs.

IDOT's design philosophy must acknowledge that roads not only move vehicles through areas, but more effectively facilitate access to local businesses.

Following the major infrastructure commitment in the *Rebuild Illinois* program, it is now critical that Illinois increase IDOT's capacity and streamline reviews to address flaws plaguing the implementation of infrastructure projects.

---

## Infrastructure Investment

---

Unfortunately, concerns about IDOT's capacity go beyond staffing numbers. Expressed concerns about process include, but are not limited to: no expressed timeline for reviews; approvals that get lost in backlogs; and, communities having no way of knowing when problems arise. Resources need to be spent not only to properly staff IDOT for timely reviews, but also on process improvements and technology to assist IDOT staff and keep communities informed with a detailed and transparent tracking mechanism.

Another burden on IDOT's capacity is the overly rigorous review process for routine submittals and burdensome audits. Simplifying reviews and delegating authority will streamline project delivery. Within IDOT, the state needs to consider empowering district staff to handle a larger portion of the review process, especially for routine agreements. Any plans or agreements that require Central Office approval are forced through an often repetitive and time consuming review. Beyond internal IDOT changes, the state should provide options for delegating to local agencies the ability to self-certify some agreements. Communities that have a professional engineer should be allowed to oversee Motor Fuel Tax (MFT) expenditures. This delegation not only speeds project delivery but frees up IDOT staff to focus on addressing more complex projects.

Finally, as the state makes changes to assist in project delivery, lawmakers should work to correct an unintended consequence of the Grant Accountability and Transparency Act (GATA). Defining MFT as a grant adds a bureaucratic hurdle in a process already filled with bureaucratic reviews and oversight.

---

## Pension Reform

---

### ***Provide short-term taxpayer relief during the transitional period of public safety pension fund consolidation.***

*The consolidation of public safety pension funds came with enhancements to Tier 2 pension benefits that will have an immediate effect by increasing unfunded liabilities and increasing required contributions of municipalities. Lawmakers looking to provide property tax relief should start with actions to offset the increased costs from Tier 2 enhancements.*

### ***Maintain current pension benefits to prevent any additional burdens on local taxpayers.***

*Tier 2 enhancements passed as part of the pension consolidation bill fully address any Social Security “safe harbor” concerns. Any future public safety pension benefit enhancements to Tier 1 or Tier 2 will lead to increases in taxpayer contributions to pension funds.*

### ***Define catastrophic injuries under the Public Safety Employees Benefit Act (PSEBA).***

*Communities have an obligation to provide for injured police and firefighters who are unable to support themselves as a result of their service. Unfortunately, the catastrophic injury loophole consumes limited taxpayer resources. Lawmakers should make the definition of catastrophic injury consistent with federal guidelines.*

During the 2019 veto session, lawmakers took a major step, one for which the Conference has long advocated, to address the long-term health of local public safety pension systems. By passing legislation to consolidate the investment functions of local pension funds, lawmakers have set these pension systems on a path to increase investment returns and limit the long-term property tax burden all while not encroaching on constitutional protections.

---

## Pension Reform

---

Despite the significant step towards pension sustainability, the legislation contained Tier 2 pension enhancements. While the full positive impact of consolidation and higher investment returns will take time to materialize, communities are immediately facing increases in pension contributions. This Legislative Program has already made the case that lawmakers should restore or even increase the municipal share of the income tax through the LGDF as a way to offset Tier 2 enhancements.

Additionally, lawmakers should work with local governments to restructure the arbitrary pension funding deadline in current legislation. Under the Illinois Pension Code, current local pension funds must make contributions to target a 90 percent funded ratio by 2040. The Conference does not support reamortization lightly as we have regularly opposed legislation that “kicks the can down the road” without addressing the health of the pension system. However, the Tier 2 enhancements place an immediate cost on an already shaky pension system. Based on the most recent data, NWMC communities have a combined 58 percent funded ratio with nearly \$2.4 billion in unfunded liabilities in their public safety pension systems. With that fiscal reality, short-term taxpayer relief is necessary.

The NWMC Legislative Program has repeatedly raised concerns of Tier 2 pension enhancements for police and fire. The Conference recognizes potential “safe harbor” issues with the Tier 2 pension benefits established in the 2011 legislation; however, Senate Bill 1300 went beyond the “safe harbor” standard of the Internal Revenue Code and Social Security Administration. One thing is clear following the adoption of the Tier 2 enhancements; the safe harbor issue has been fully addressed. Consequently, any future enhancements will

---

## Pension Reform

---

be made at the direct cost taxpayers. Establishing Tier 2 in 2011 and consolidating local pension funds in 2019 were actions taken to strengthen the health of the public safety pension system. Any future benefit enhancements will further erode the health of the pension systems and increase the already heavy pension burden on taxpayers.

Finally, taxpayers are further burdened by statutory loopholes that have resulted in unnecessary and adverse benefit decisions. The Public Safety Employment Benefit Act (PSEBA) provides lifetime health insurance benefits to employees who suffer catastrophic injuries; however, the absence of a workable definition of catastrophic injury in Illinois leaves taxpayers liable for long-term payments for injuries that often fall far short of catastrophic and debilitating. Municipalities that must pay PSEBA benefits experience a dramatic fiscal impact that reduces available resources for other community needs. A single PSEBA claim can leave taxpayers liable for over \$1 million in lifetime health insurance premiums for themselves and their dependents for life. The lack of a catastrophic injury definition allows an employee who may be unable to continue active duty but is fully capable of returning to the workforce in another capacity to collect taxpayer provided health insurance. Appropriately defining catastrophic injuries will right-size benefit determinations and provide taxpayer relief.

---

**-Notes-**

---

---

**-Notes-**

---

---

## Illinois Constitutional Officers

---

**J.B. Pritzker**

*Governor*

**Juliana Stratton**

*Lieutenant Governor*

**Kwame Raoul**

*Attorney General*

**Jesse White**

*Secretary of State*

**Michael Frerichs**

*Treasurer*

**Susana Mendoza**

*Comptroller*

---

## Congressional Delegation

---

**Senator Richard Durbin**

**Senator Tammy Duckworth**

**Representative Mike Quigley**  
*5th Congressional District*

**Representative Sean Casten**  
*6th Congressional District*

**Representative Raja Krishnamoorthi**  
*8th Congressional District*

**Representative Jan Schakowsky**  
*9th Congressional District*

**Representative Brad Schneider**  
*10th Congressional District*

**Representative Lauren Underwood**  
*14th Congressional District*

---

## State Senators

---

**John Cullerton**  
*Senate President*

**Bill Brady**  
*Senate Minority Leader*

**Heather Steans**  
*7th Senate District*

**Ram Villivalam**  
*8th Senate District*

**Laura Fine**  
*9th Senate District*

**Robert Martwick**  
*10th Senate District*

**Cristina Castro**  
*22nd Senate District*

**Thomas Cullerton**  
*23rd Senate District*

**Jim Oberweis**  
*25th Senate District*

---

## State Senators

---

**Dan McConchie**

*26th Senate District*

**Ann Gillespie**

*27th Senate District*

**Laura Murphy**

*28th Senate District*

**Julie Morrison**

*29th Senate District*

**Terry Link**

*30th Senate District*

**Melinda Bush**

*31st Senate District*

**Craig Wilcox**

*32nd Senate District*

**Donald DeWitte**

*33rd Senate District*

**Don Harmon**

*39th Senate District*

---

## State Representatives

---

**Michael Madigan**  
*Speaker of the House*

**Jim Durkin**  
*House Minority Leader*

**Kelly Cassidy**  
*14th House District*

**John D'Amico**  
*15th House District*

**Yehiel Kalish**  
*16th House District*

**Jennifer Gong-Gershowitz**  
*17th House District*

**Robyn Gabel**  
*18th House District*

**Michael McAuliffe**  
*20th House District*

**Anna Moeller**  
*43rd House District*

**Fred Crespo**  
*44th House District*

**Diane Pappas**  
*45th House District*

**Deborah Conroy**  
*46th House District*

**Karina Villa**  
*49th House District*

**Mary Edly-Allen**  
*51st House District*

---

## State Representatives

---

**David McSweeney**  
*52nd House District*

**Mark Walker**  
*53rd House District*

**Thomas Morrison**  
*54th House District*

**Martin J. Moylan**  
*55th House District*

**Michelle Mussman**  
*56th House District*

**Jonathan Carroll**  
*57th House District*

**Bob Morgan**  
*58th House District*

**Daniel Didech**  
*59th House District*

**Joyce Mason**  
*61st House District*

**Sam Yingling**  
*62nd House District*

**Steven Reick**  
*63rd House District*

**Tom Weber**  
*64th House District*

**Allen Skillicorn**  
*66th House District*

**Kathleen Willis**  
*77th House District*

---

## NWMC Contact Information

---

The Northwest Municipal Conference is committed to working with our State and Federal elected officials to advance legislation that supports local government. Please feel free to contact us to further discuss the initiatives contained in our 2020 Legislative Program or any other issues that are of importance to local governments.

**Dan DiMaria**

NWMC President  
Mayor, Village of Morton Grove

**Lawrence R. Levin**

Co-Chair, NWMC Legislative Committee  
President, Village of Glencoe

**Arlene Juracek**

Co-Chair, NWMC Legislative Committee  
Mayor, Village of Mount Prospect

**Mark L. Fowler**

NWMC Executive Director

**Larry Bury**

NWMC Deputy Director

**Chris Staron**

NWMC Policy Analyst

**Northwest Municipal Conference**

1600 East Golf Road, Suite 0700

Des Plaines, IL 60016

Phone: (847) 296-9200

Fax: (847) 296-9207

[www.nwmc-cog.org](http://www.nwmc-cog.org)

---

## About the NWMC

---

Founded in 1958, the Northwest Municipal Conference serves to strengthen communities and foster intergovernmental cooperation throughout the north and northwest suburbs of Chicago. Our membership of forty-two municipalities and one township represents over 1.2 million Illinois residents and covers over 300 square miles in Cook, DuPage, Kane, Lake and McHenry counties.

Our organization provides numerous services to our membership with a primary focus on three areas: legislative advocacy; transportation and environmental planning; and, operation of the Suburban Purchasing Cooperative (SPC).

The NWMC is registered as a 501(c)(3) not-for-profit organization and is primarily supported through membership dues, planning grants and enterprise revenues.

**Cover Photos Courtesy of:**

*Village of Bartlett*

*City of Evanston*

*Village of Northbrook*

Printed in-house at NWMC



**Antioch**

**Arlington Heights**

**Bannockburn**

**Barrington**

**Bartlett**

**Buffalo Grove**

**Carpentersville**

**Crystal Lake**

**Deer Park**

**Deerfield**

**Des Plaines**

**Elk Grove Village**

**Evanston**

**Fox Lake**

**Glencoe**

**Glenview**

**Grayslake**

**Hanover Park**

**Highland Park**

**Hoffman Estates**

**Kenilworth**

**Lake Bluff**

**Lake Forest**

**Lake Zurich**

**Libertyville**

**Lincolnshire**

**Lincolnwood**

**Morton Grove**

**Mount Prospect**

**Niles**

**Northbrook**

**Northfield**

**Northfield Township**

**Palatine**

**Park Ridge**

**Prospect Heights**

**Rolling Meadows**

**Schaumburg**

**Skokie**

**Streamwood**

**Vernon Hills**

**West Dundee**

**Wheeling**

**Wilmette**

**Winnetka**