



MEMORANDUM

To: CMAP Board
From: CMAP Staff
Date: September 4, 2013
Re: State Legislative Update

The Illinois General Assembly recessed on May 31, without coming to a resolution on proposed pension reforms. After an unsuccessful one-day Special Session called by the Governor in mid-June, a conference committee was created to work toward an agreeable plan. The legislative pension reform conference committee convened three hearings this summer, but has not indicated when its work will be completed. Recent news reports say to expect an announcement in the fall prior to the scheduled veto session, which begins Tuesday, October 22.

Amid controversy that resulted in the departure of several Metra board members and its executive director, on August 16 Governor Quinn issued [Executive Order 6-2013](#) creating the Northeastern Illinois Public Transit Task Force. The independent advisory body has been tasked with developing a wholistic evaluation of Northeastern Illinois' transit agencies to determine how the operations, governance and oversight of these agencies can be reorganized to improve efficiency, accountability, coordination, and transparency. The 15-member [task force](#) will be co-chaired by Ann Schneider, Secretary of the Illinois Department of Transportation (IDOT), and George Ranney, President and CEO of Metropolis Strategies. CMAP board member Raul Raymundo, Executive Director of the Resurrection Project, will also serve on the task force. The task force will work to provide initial recommendations to the Governor and the General Assembly prior to the fall veto session and produce a final report by January 31, 2014.

NEW LEGISLATION

Very few new bills were introduced during the summer months. Two of the bills filed largely address the transit authorities' governance. [HB3648](#) changes the term limits of Metra board members and [HB3659](#) prohibits CTA board members from holding any other office or employment with any unit of local government. [House Resolution 521](#) was also filed, calling on the Metra board chairman to resign and for the election of a new chairman. Other bills filed related to transportation include [HB3642](#), which would require the transfer of motor fuel sales tax revenues to the GO Bond Retirement and Interest Fund; and [HB3657](#), which would direct the proceeds of the sale of property for the I-55/Weber Road interchange into the Road Fund.

LEGISLATION THAT BECAME LAW

Governor Quinn signed a number of bills into law that CMAP staff tracked relating to the implementation of GO TO 2040, CMAP's 2013 [Legislative Principles & Agenda](#), and issues impacting regional organizations or partners. Following is a summary of legislation signed thus far this summer.

PURSUE COORDINATED INVESTMENTS

Local Government Dissolution [SB494](#) Thomas Cullerton (D-Villa Park) – Establishes the process for DuPage County to propose the dissolution of a local government by ordinance. The bill only applies to local governments that are entirely within DuPage County and the DuPage County board chairman appoints a majority of its governing board. The bill excludes fire protection districts with more than three employees. This bill directly supports GO TO 2040's recommendation relating to coordinating and consolidating local services. GO TO 2040 recognizes that counties are well-positioned to help analyze and implement efforts that achieve efficiencies at the local level. A recent CMAP [Policy Update](#) explored this issue more in depth. Public Act [98-0126](#). CMAP supported this legislation.

Township Dissolution [SB1585](#) Daniel Biss (D-Skokie) – Provides a process by which a coterminous township and municipality within a county under township organization could dissolve. Under the bill, upon petition of at least ten percent of registered voters in the township, a proposition to discontinue and abolish the township and transfer its responsibilities to the municipality would be put to a vote. If the proposition passes countywide, then the township would be abolished. All responsibilities and taxing authority of the township would be transferred to the municipality. In [this case](#), Evanston Township and the City of Evanston are coterminous and the city council acts as the township; services will be provided solely by the municipality. The process set forth in this bill is in line with GO TO 2040 recommendations relating to consolidation of government. A recent CMAP [Policy Update](#) explored this issue more in depth. Public Act [98-0127](#).

ACHIEVE GREATER LIVABILITY THROUGH LAND USE & HOUSING

Urban Development Authority [HB1295](#) Al Riley (D-Hazel Crest) – Expands the scope of activities for the Illinois Urban Development Authority to develop, operate, finance and maintain transportation facilities. The authority has the ability to issue revenue bonds for the implementation of redevelopment projects in Chicago-area communities. The Urban Development Authority was created in 2010, but the board has yet to be established. Because the Authority is focused on redevelopment in existing communities, this effort, if established and financed, would support GO TO 2040 recommendations to preserve land for both farm and/or green redevelopment and increase resources for transportation investments in those communities. Public Act [98-0384](#).

INCREASE COMMITMENT TO TRANSIT

RTA Board Benefits [HB140](#) Jack D. Franks (D-Woodstock) – Eliminates compensation and pension benefits for future RTA and service board members. This legislation will have a negligible fiscal impact on the transit system. Public Act [98-0108](#).

Issues of Bonds [HB1389](#) Arthur Turner (D-Chicago) – Allows the RTA to sell additional Working Cash Notes before July 1, 2016 (now 2014) that are over and above and in addition to the \$100,000,000 authorization. Working Cash Notes are essentially short-term (i.e. less than 24-month) loans to cover operating expenses. Working Cash Notes can cover a cash flow deficit in anticipation of tax receipts or other future revenues. In the long term, GO TO 2040 calls for the region’s transit agencies to identify cost efficiencies in their operations. HB 1389 provides no incentive for the RTA or service boards to implement that recommendation. In fact, last year an extension was made from 2012 to 2014. By continuing to provide extensions for short-term expenses, the General Assembly may be setting a precedent of risky financial tactics rather than identifying the incentives needed for the RTA to better control its operating costs. Public Act [98-0392](#).

EXPAND AND IMPROVE PARKS AND OPEN SPACE

Parks and Open Space Grants [SB1341](#) Kimberley Lightford (D-Chicago) – Reduces the match requirement from 50 percent to 10 percent for communities defined as "distressed" (defined in rules to be promulgated by the Department of Natural Resources) for the acquisition of open space lands and for capital development and improvement proposals approved for the State’s Open Space Land Acquisition and Development (OSLAD) program. GO TO 2040 prioritizes the expansion of the region’s green infrastructure network. Providing more land in developed areas to increase park accessibility achieves an enhanced quality of life and the overall livability of a community. Acquiring land for parks in developed areas can be challenging for local governments with lower fiscal capacity. GO TO 2040 recommends making OSLAD match requirements more equitable; and this legislation moves toward that recommendation Public Act [98-0520](#).

Parks and Open Space Grants [SB1637](#) Dan Kotowski (D-Park Ridge) – Provides that at least 50 percent of any grant made to a unit of local government under the OSLAD Act must be paid to the unit of local government at the time the Department awards the grant and that the remainder shall be distributed quarterly on a reimbursement basis. GO TO 2040 calls on the region to add more parks to provide recreation and open space to as many residents as possible. Currently, local governments must raise all the money up front for the OSLAD grant program and then request the reimbursement. Ensuring that a portion of the funding for this grant is available upfront may increase participation in the program. Public Act [98-0326](#).

MANAGE AND CONSERVE WATER AND ENERGY

Water and Sewer Utilities [HB1379](#) Brandon W. Phelps (D-Harrisburg) – Provides an alternative procedure that a large public utility may choose in establishing the ratemaking rate base of a water or sewer utility that the large public utility is acquiring. Current statute restricts the method of utility valuation, upon which a transaction price is determined, to original cost minus depreciation. For older systems, the resultant purchase price offer is relatively low and highly unattractive to both seller and buyer. This legislation affects smaller systems, at or under 7,500 connections. The costs involved to repair or upgrade smaller systems may be greater than some local governments can afford. Seeking private investment in infrastructure used by the general public and in need of repair or upgrade can provide a suitable alternative for these

water or sewer utilities. GO TO 2040 recommends optimizing water and energy sources to scale of operation. Specifically, smaller utilities may benefit from a private investor-owned utility that can provide higher cost efficiencies, better compliance with drinking water regulations, and increased utilization of expertise and technology. Public Act [98-0213](#).

Stormwater Management [HB1522](#) Mike Fortner (R-West Chicago) – Authorizes DuPage and Peoria Counties to consider the adoption of a stormwater utility in place of a property tax to fund flood control projects, construction of facilities and mandated water quality programs. The bill requires a two-year education process and county board approval. GO TO 2040 specifically endorses the concept of stormwater utilities. A stormwater fee is a more equitable approach to paying for stormwater services than using general revenue. A stormwater utility provides a dedicated revenue stream for stormwater programs, as well as an incentive for property owners to reduce the amount of runoff they generate. Public Act [98-0335](#). CMAP supported this legislation.

PROMOTE LOCAL FOOD SYSTEMS

Urban Composting [HB2335](#) Robyn Gabel (D-Evanston) – Allows urban and suburban farms to have a similar but limited exemption for composting on farms. The bill also gives suburban local governments the ability to pass stricter ordinances. It clarifies the amount (ten percent) that farms can bring in additives (food scrap, manure, and other non-landscape waste) for composting. Generally, this legislation supports the Livable Communities recommendation to Promote Local Food Systems. This legislation would promote sustainable agriculture practices by allowing urban farms and community gardens to compost onsite and bring in other composting materials from off-site without a permit. Proponents of the legislation posit that urban composting enables the growth of more urban farms throughout our region. Public Act [98-0239](#).

ACTION REQUESTED: Informational

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