2021 ISACo

Spring Legislative Advocacy Toolkit

Key Issues



OUR MOST EFFECTIVE ADVOCATE IS YOU!

At the time of this writing the 2021 spring legislative session has two months remaining before state legislators adjourn until the fall Veto Session. Much work remains before legislators return to their districts this summer. This work includes addressing several issues important to counties.

Most legislative activity this year has been conducted virtually. House and Senate Committees have been meeting to discuss legislation, with many bills approved for later consideration on the House or Senate floor. ISACo has reviewed almost 7,000 bills since January 2021. ISACo is actively tracking almost 800 bills of interest to counties, has developed positions on over 200 bills and has worked with legislators in both chambers to introduce several bills approved by ISACo's Board of Directors as part of our 2021 Illinois County Action Program (ICAP).

ISACo has provided oral and written testimony on select bills during committee hearings, discussed several issues with state legislators and their staff on an individual basis and let our positions be known on dozens of bills posted for hearings.

While we will continue to remain actively engaged on a wide range of issues, there are a handful of key bills at this point of the session about which county officials should be calling or e-mailing their state legislators. ISACo has provided this document as an advocacy resource to help facilitate these communications.

We urge that you prioritize the issues contained herein with your state legislators and contact them to ask for their support.

As always, please feel welcome to contact Executive Director Joe McCoy at 217/679-3368 or imccoy@isacoil.org with any questions or if ISACo can be of service. And please visit our website at www.isacoil.org to utilize the helpful information and resources available there. Thanks.



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COUNTY FINANCES

Preserve Existing Local Government Distributive Fund Payments and Restore the Historical 10 Percent Share to Local Governments

Background

The Local Government Distributive Fund (LGDF) was established in 1969 as part of the newly enacted state income tax. Counties and municipalities are allocated a percentage of the total state income tax revenues through this fund. The local share is distributed on a per capita basis. LGDF revenue is an important funding source for local governments and is a successful partnership between the state and eligible local governments.

Until January 2011, counties and municipalities received 10% of total state income tax revenues through LGDF. Following a temporary increase in state income tax rates in 2011, the percentage of tax revenue allocated to LGDF for distribution to local counties and municipalities declined to 6%.

Although the state decreased the percentage of LGDF revenue shared with counties and municipalities, local governments continued to receive approximately the same dollar amount they had been receiving as a result of increased tax revenues brought about by the higher income tax rates.

In January 2015, the local share of the state income tax increased to 8% when the higher income tax rates declined according to a predetermined schedule established by law. Revenues distributed to counties and municipalities from LGDF remained about the same as the amount collected before the income tax rates declined.

The state income tax was permanently increased in 2017 and the local government share was reduced to 5.45% for individual income tax collections and 6.16% for corporate income tax collections for State Fiscal Year (SFY) 2018. The LGDF share was increased within the SFY 2021 state budget and is presently 6.06% for individual income tax collections and 6.845% for corporate income tax collections.



Counties have already seen their percentage share of LGDF revenue cut since 2011.

County Relevance

During his February 17, 2021, Budget Address, Governor JB Pritzker proposed a 10% reduction to the amount of income tax dollars the state would share with county and municipal governments within the State Fiscal Year (SFY) 2022 State Budget. This equates to a \$152 million reduction to counties and municipalities throughout the state compared to distributions in SFY 2021. The purpose of the reduction is to divert local funds to partially offset the State's \$3 billion budget deficit.

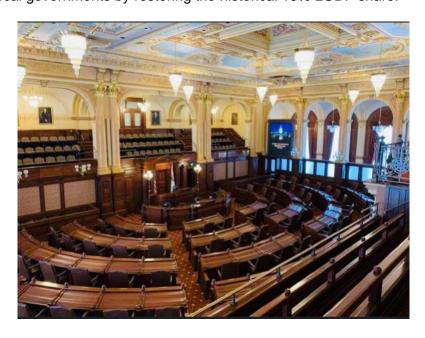
Individual state legislators have introduced legislation to incrementally restore the historical 10 percent share by February 1, 2025. These bills are as follows:

HB 315 (Representative DeLuca, D-Chicago Heights) SB 509 (Senator DeWitte, R-St. Charles)

Talking Points

- LGDF revenue is part of a decades long cooperative relationship between the state and local governments in Illinois. This funding recognizes the shared responsibility that state and local governments have toward funding critical services that benefit residents throughout the state.
- Local governments have already seen their percentage of LGDF revenue cut during the last decade to slightly more than half of the percentage they were receiving prior to 2011. Local governments should not experience further cuts.
- When the state increased the income tax rates over the last decade it kept 100% of the increased revenue for itself, depriving counties and cities of substantial revenue.
- The state has continued to impose unfunded mandates on local governments while cutting the state-shared revenue that could help offset the cost.

Take Action: Contact the Governor and your state legislators and urge that they oppose any further cuts to LGDF revenue. Encourage them to support the long-standing partnership between the state and local governments by restoring the historical 10% LGDF share.



Exempt State Shared Revenues from GATA

Background

The Grant Accountability and Transparency Act (GATA) was enacted in 2014. The purpose of the law is to make the use of grant funds more transparent while keeping governments accountable for the expenditures. The adoption of federal grant guidelines is intended to relieve administrative burdens on both the state and grant recipients.

County Relevance

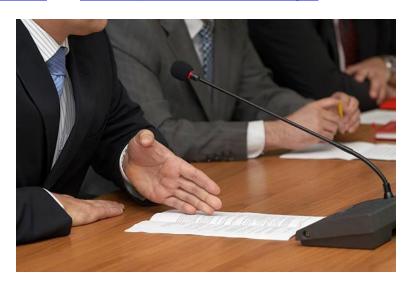
During the implementation of the law in 2018 via state administrative rules, it was decided that Motor Fuel Tax (MFT) dollars were to be considered grant funds. The subsequent reporting requirements have been unduly burdensome for local governments. These administrative rules are unnecessary because the Illinois Department of Transportation (IDOT) is already mandated to audit the use of MFT funds. Expenditures that run afoul of IDOT audits result in the MFT dollars not being paid to the recipient local government.

The creation of this redundant oversight process means that local governments need to expend staff time and resources engaged in duplicative compliance processes. This redundancy applies to other state shared local revenues (e.g., Local Government Distributive Fund and Personal Property Replacement Tax Fund) that are distributed by formula and already subject to state reporting requirements.

Talking Points

- Some state shared local revenue payments to local governments are already required to go through an oversight process even without GATA.
- Adding redundant layers of oversight frustrates the efficient use of staff time and other resources at the local level.
- Eliminating unnecessary duplication is smart government that benefits taxpayers.

Take Action: Contact your state legislators and urge that they support <u>HB 412</u> (Representative Hoffman, D-Belleville) and SB 2192 (Senator Sims, D-Chicago).



REAPPORTIONMENT

Additional Time to Redraw County Board Districts

Background

Counties are required by law to redraw county board districts every 10 years. To accomplish this, counties are dependent on timely data from the U.S. Census Bureau. The COVID-19 pandemic has created delays in the availability of this essential data for the 2020 Census.

County Relevance

Current law requires that counties redraw county board districts by July 1, 2021, to adopt a reapportionment map. As a consequence of COVID-19, the U.S. Census Bureau did not meet its statutory deadline of December 31, 2020, to deliver population counts used for apportionment to the President and announced that release of the data will be delayed until September 2021. County board districts cannot be accurately redrawn without this data.

Talking Points

- County officials will not have sufficient time to redraw county board districts if the U.S.
 Census data is not released until September 2021.
- There either needs to be a two-year extension of the current population numbers and district boundaries or the March 2022 primary will need to be delayed to provide for the use of accurate and official data to redraw county board district boundaries.
- Accurate census data ensures that residents are counted and properly represented in our democracy. Redrawing county board districts should not be rushed or done haphazardly.

Take Action: ISACo initiated <u>SB 1666 (Senator Holmes, D-Aurora)</u> as a vehicle to address this important issue. Urge your state legislators to support ISACo's efforts to amend state law to allow county board districts to be responsibly redrawn despite the delayed federal census data.



COVID-19 LEGISLATION

Additional Flexibility for Local CURE Program Expenditures

Background

The Local Coronavirus Urgent Remediation Emergency (Local CURE) Support Program was enacted in 2020 as a local government assistance program for local governments outside of Cook, Lake, Will, Kane and DuPage Counties with the exception of school districts. The program was appropriated \$250,000,000 in federal money from the CARES Act to make COVID-19 related financial assistance available to local governments that did not receive direct financial assistance from the United States Treasury Department (those with fewer than 500,000 residents).

Local governments were authorized to spend the money for costs that: (1) were necessary expenditures incurred due to the public health emergency; (2) were not accounted for in the budget most recently approved as of March 27, 2020; and (3) were incurred during the period beginning March 1, 2020, and ending December 30, 2020.

County Relevance

The Department of Commerce and Economic Opportunity (DCEO) announced in January 2021, that the deadline to submit reimbursable costs was extended until January 31, 2022, but the restriction limiting reimbursements to costs incurred through December 30, 2020, remained in place and requires a statutory change. This much-needed flexibility for using Local CURE funds would assist local governments to utilize funds from the program for eligible costs that arise following the statutory deadline. The state's administrative rules governing Local CURE fund spending are also more restrictive than federal law in some cases.

Talking Points

- Local governments should not be restricted from using Local CURE funds for legitimate purposes that arise following an arbitrary statutory deadline.
- Defining appropriate expenditures should be as flexible as federal law and not further restricted by state law.

Take Action: Contact your state legislators and urge that they support <u>HB 2643</u> (Representative Croke, <u>D-Chicago</u>), <u>SB 683 (Senator Curran, R-Downers Grove)</u> and <u>SB 2274 (Senator Belt, D-East St. Louis)</u>.



Protection Against Civil Lawsuits

Background

The COVID-19 pandemic created additional civil liability for employers and employees. Businesses, government entities and other organizations are vulnerable to claims for injuries allegedly caused by exposure to COVID-19 at a place of business or during the performance of official duties.

County Relevance

Governor Pritzker issued Executive Order (EO) 37 on May 13, 2020, to shield hospitals and healthcare workers from civil liability for injury or death alleged to have been caused by an act or omission that occurred during the provision of health care services associated with the pandemic as long as the services were provided in accordance with Illinois Department of Public Health (IDPH) guidelines. No such immunity was granted to other employers including local governments. Local governments should be afforded this protection against indiscriminate lawsuits.

Talking Points

- Local governments should not be exposed to civil litigation for the transmission of COVID-19
 if the local government and its employees were in substantial compliance with state and
 federal laws and guidelines or if the transmission does not result in in-patient hospitalization
 or death.
- Civil liability litigation can still be brought in cases where a local government, business, organization or individual transmitted COVID-19 intentionally or with actual malice.
- The costs associated with defending against frivolous lawsuits against local governments are ultimately paid by taxpayers.

Take Action: Contact your state legislators and urge that they support <u>SB 2140 (Senator McConchie, R- Hawthorn Woods).</u>



PUBLIC MEETINGS

Remote Meeting Authority

Background

Under current law local governments can hold virtual meetings when the Governor or Director of the Illinois Department of Public Health (IDPH) issues a disaster declaration involving a public health concern that would affect a public body. This provision made the resumption of local public meetings possible during the COVID-19 pandemic.

County Relevance

The COVID-19 pandemic necessitated that local governments and the public adapt to the use of technology to hold public meetings. Local government officials have become proficient with this technology and should be able to employ it when circumstances suggest doing so is in their best interest. Policies and protocols should be established by local governments for appropriate decorum and participation during virtual meetings.

Vesting the decision to hold virtual meetings with the public body would prevent local governments from having to wait on an official disaster declaration by the Governor or Director of IDPH. Waiting for an official declaration may cause the local public body to forgo one or more meetings that could otherwise be held using available technology.

Local governments are autonomous entities and their leaders are elected by local residents. Local governments should not have to seek permission from the state to hold virtual meetings as long as clear rules guaranteeing transparency are in place.

Talking Points

- The COVID-19 pandemic revealed that important business can occur remotely, including the work of public bodies meeting virtually.
- Local governments should not need to wait for an emergency declaration before they can hold a virtual meeting. Local officials are elected by their residents and are capable of making these decisions.
- Virtual meetings will still be covered by rules established under the Open Meetings Act (OMA) and local officials will be accountable to those rules.

Take Action: Contact your state legislators and urge that they support <u>SB 482 (Senator Castro, D-Elgin).</u>



ABOUT ISACo

The Illinois State Association of Counties (ISACo) was founded in 2018 and serves as a forum to improve county government by identifying needs and solutions. The purpose of the Illinois State Association of Counties is as follows:

- Provide a united voice for county government by communicating the county perspective to state officials and the public.
- Counsel its members about the implementation of new laws.
- Provide education and training for county board members, countywide officials and their staffs.
- Perform research and develop policy statements in the interest of county government.
- Deliver services and assistance to all Illinois counties.

ISACo seeks to accomplish the following:

- Unite Illinois counties and promote the best practices and policies in the administration of county government for the benefit of the people of Illinois.
- Serve as a central organization for information and research, for the collection, analysis and dissemination of data relating to county government.
- Devise, promote and maintain practical and financially sound policies and programs for the efficient administration of county government.
- Develop and promote legislation fostering efficient administration of county government.
- Cooperate and collaborate with federal, state and local governmental agencies and other organizations in developing, promoting and maintaining efficient and financially sound county government.
- Create official publications on behalf of ISACo as appropriate.
- Engage in activities and contracts to accomplish any one or more of the nonprofit purposes of ISACo.

CORE TENETS

Preserve and Expand Local

ControlProtect County Revenue

Sources Oppose Unfunded

Mandates

Promote Ethical and Responsive Governance



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