

COOK AND COLLAR COUNTIES 2018 STATE LEGISLATIVE PROGRAM



LEGISLATIVE TENETS

- 1 Support legislation granting additional permissive authorities for counties.
- 2 Support legislation allowing counties to expand non-property tax revenue sources.
- 3 Oppose unfunded mandates imposed by the State government.
- 4 Oppose legislation that would reduce the existing authority of County government.
- 5 Oppose proposals that erode existing revenue.
- 6 Oppose proposals that seek to merge underfunded pension systems with fully-funded pension systems.

Dear Legislators,

As leaders of the Counties of Cook, DuPage, Kane, Kendall, Lake, McHenry and Will, we represent approximately 8.5 million Illinoisans, which comprises over 66% of our State's population. Each of our counties has unique challenges, strengths, and opportunities. Yet, we have much in common and have built a lasting, bipartisan working relationship that transcends partisan affiliations and physical boundaries. We are proud to partner for the fourth year on a joint Cook and Collar County Legislative Agenda to advance solutions for our Cook and Collar County communities, families, and businesses.

We value your service in the State Legislature and our ability to work together on behalf of our shared constituents.

Toni Preckwinkle
Cook County

Dan Cronin
DuPage County

Chris Lauzen
Kane County

Scott Gryder
Kendall County

Aaron Lawlor
Lake County

Jack Franks
McHenry County

Lawrence M. Walsh
Will County

LEGISLATIVE INITIATIVES

Preserve Local Revenues

Local Government Distributive Fund (LGDF)

Monies allocated under the Local Government Distributive Fund (LGDF) are not a State “grant” but rather a small share of the State income taxes paid by our citizens that are returned to support critical local services. Counties, which have suffered the same economic hardships as the State, have made the tough choices to cut spending, reduce staffing levels, and achieve operational efficiencies to balance our budgets. We oppose any attempts by the State to reduce our taxpayers’ fair share of income tax proceeds. Any reductions in this long-standing revenue sharing agreement will force counties to diminish basic services to the residents we all serve, impacting senior citizens, mental health, our non-profit community, and public safety.

Sales Tax Administrative Fee

As part of the State’s effort to balance its FY 2018 budget, the Illinois Department of Revenue (IDOR) imposed a new 2% administrative fee (surcharge) on the collection of 14 locally-imposed sales taxes prior to the distribution of the tax revenues to local governments. While there may be a small cost associated with the collection of locally imposed sales taxes, IDOR already collects State sales taxes. IDOR could not provide any justification for or evidence to support a 2% administrative fee which will cost local governments an estimated \$60 million annual revenue loss. We support legislation to reduce this fee to minimize the burden local taxpayers now pay to disproportionately support IDOR at the expense of local services. Legislation to reduce this fee to 1% has already been introduced (HB 4101) for consideration during the 2018 spring session.

Consolidation: Reduce the Size, Scope and Cost of Local Government

Illinois continues to lead the nation with the most units of local government - over 8,000. The result is an inefficient, redundant, and costly system of overlapping government agencies delivering public services through an outdated and ineffective model that lacks accountability and wastes taxpayer resources.

By challenging traditional service-delivery models, taxpayers are better served through better utilization of scarce resources, and delivery of innovative and more cost-effective services. While existing consolidation statutes have been helpful, additional taxpayer savings would be realized if local government units are provided with greater autonomy and more legislative tools to support collaboration across silos and existing boundaries. In addition, requirements for citizen-led ballot initiatives to dissolve and consolidate local units of government should be eased and standardized.

Property Tax Exemptions

Property tax exemptions for certain properties by their very nature raise property tax rates and increase the tax burden on all other properties. Each legislative session includes bills proposed to create new or to increase the amount of existing exemptions without completing a comprehensive analysis of all exemptions and the potential impacts (for example, the annual income eligibility for the Senior Citizens Assessment Freeze Exemption has increased to \$55,000 in recent years). Before creating a new or expanding an existing property tax exemption, we support a legislature-led effort to (a) conduct a comprehensive analysis of the history of all property tax exemptions and their corresponding impacts; and (b) consider the impact of the creation of a new or expansion of an existing exemption on other properties.

In addition, the creation of new tax exemptions typically involves an annual application process that requires individual review and analysis at the local government level. This results in a significant unfunded mandate for local governments in implementation and compliance. For example, two recent property tax exemption bills (SB851 and HB156) could have required the addition of staff at an annual cost of \$500,000 for Kane County to ensure compliance. We oppose the imposition of unfunded mandates.

Amend Illinois Underground Facilities Damage Prevention Act

The Illinois Underground Utility Facilities Damage Prevention Act, which classifies underground storm sewers within a county’s right-of-way as “underground utility facilities”, requires most counties to incur considerable expenses to process and field-locate these facilities after receiving notice from the “State-Wide One-Call Notice System” administered by Joint Utility Locating Information for Excavators (JULIE). For example, Lake County received nearly 9,400 such notices in one 12-month period. All authorized work within the right-of-way is either by a county-issued permit or by a county contractor. As such, counties can use existing practices – rather than JULIE – to locate these and other types of facilities. In fact, this is the process that the Illinois Department of Transportation uses to manage storm sewer locates. Therefore, counties in northeastern Illinois should be allowed to follow the same process. The costs required to process and screen these requests is significant and continues to increase each year (in 2015, Lake County spent \$170,000 on these locates, up from \$104,000 in 2013). These are resources that could be dedicated for highway improvements and roadway maintenance.

We support amending 220 ILCS 50/2.2(a) to specifically exclude underground storm sewers located within county rights-of-way in DuPage, Kane, Lake, McHenry and Will Counties from classification as an “underground utility facility.”