



To: Finance & Administration Committee

From: Timothy Sexton, Director of Finance

Date: May 30, 2024

Subject: Summary of State Legislation Changes that Impact Lombard

The State Legislature adjourned their Spring 2024 session on Wednesday, May 29th. At the end of this memo there is an Illinois Municipal League (IML) End of Session Summary. Most of this memo will focus on the information at the bottom of page 1 and top of page 2. However, there are a number of other changes that will have a much smaller impact on revenues, such as limits on retailers being able to keep a percentage of sales tax, as well as a change for out-of-state sellers, both of which are supposed to have a positive impact on our sales tax.

As part of the state budget bill, the state did vote to eliminate the sales tax on groceries, which only affects municipalities and not the state. As previously shared with the Committee, it is estimated that the elimination of the sales tax on groceries would impact Lombard somewhere between \$750,000 and \$1.5 million annually, with the best estimate being around \$1.3 million. However, there were two significant additions to the legislation in favor of municipalities. The first is that the elimination of the tax does not go into effect until January 1, 2026. This gives municipalities time to determine how or if they will deal with the elimination of this revenue (subject to the next addition). The second addition to the legislation was to allow all municipalities the authority to impose a grocery tax locally, without the need for referendum approval. This gives municipalities the local control over whether or not they implement this tax.

The other significant part of the budget bill, per the IML Summary: "Additionally, IML advocated for and secured the authority for all non-home rule municipalities (without need for referendum approval) to implement a local general sales tax, separate from the grocery sales tax." Also, "This new non-home rule general sales tax authority is silent as to how it impacts municipalities that have an existing non-home rule sales tax that was established by referendum."

A few notes related to non-home rule (NHR) sales tax. First, the Village's current 1% NHR sales tax generates approximately \$10 million annually. Consistent

with state statute, this revenue goes to fund most of the capital program (streets, stormwater, sidewalks, etc.) for the Village and cannot be used for operations or for Village buildings. Second, as presented as part of the 2024 Village Budget, the Village was looking at all options for potential funding sources for proposed police and fire buildings in the next several years. This included a property tax referendum, a home rule referendum, and the option to pursue legislative options of increasing the NHR sales tax above the 1% limit and the ability to use for purposes other than infrastructure. This legislative change accomplished the last option. Finally, it is always worth considering that when the NHR sales tax referendum was done back in 2006, the Village had a study done and it was estimated that 55% of the tax would be paid by non-residents.

Given the state legislation changes, there will be policy discussions upcoming over the next number of months and into 2025 to determine which direction to go with these different options. The Finance and Administration Committee will certainly play a part in those discussions and staff will be bringing back more information in the near future.



Message from IML Chief Executive Officer Brad Cole

The 103rd General Assembly adjourned its 2024 Spring Legislative Session on May 29, 2024, after finalizing a state budget and passing numerous other pieces of legislation. The Senate adjourned on Sunday, May 26, at 11:11 p.m., while the House adjourned on Wednesday, May 29, at 4:51 a.m. Illinois Municipal League (IML) staff monitored both the Senate and House from January 11 through the final gavel as both chambers adjourned.

Throughout this session, IML has been a leading voice at the State Capitol, representing the interests of all 1,294 cities, villages and towns in Illinois. Our advocacy on behalf of municipalities ranged from fighting harmful mandates and preemptions, to protecting local revenues and preserving municipal authority.

The General Assembly passed many bills of importance to municipalities this year. In total, legislators in both chambers introduced more than 3,650 bills during the 2024 Spring Legislative Session, of which IML has taken a position on more than 1,100 items. The General Assembly will not return until Fall Veto Session or unless called into special session sooner.

This End of Session Summary will be supplemented by future documents and reports detailing several aspects of what happened during the Spring Legislative Session. We value and appreciate our members, and we are pleased to provide this comprehensive overview of legislative activity for your information. We will also remain on the job – just because the General Assembly is adjourned, work at IML does not stop. Our staff will be sorting through what took place, putting together materials and information that local officials will need as a result and planning ahead for the fall and even next spring.

As always, if you have questions or comments, please feel welcome to contact me at any time either by phone at (217) 525-1220 or by email at bcole@iml.org. Thanks. – BC

State Fiscal Year 2025 Budget Breakdown

On February 21, 2024, Governor JB Pritzker delivered his combined State of the State Address and State Budget Address. IML's overview of the Governor's Budget Address is [available via this link](#). The Governor's proposed State Fiscal Year (SFY) 2025 budget suggested a repeal of the 1% statewide sales tax on groceries, of which 100% of the revenue stays local.

While IML's preference was to maintain the status quo and for the tax to remain statewide, the SFY 2025 budget followed through on the Governor's proposal and repealed the statewide grocery tax. Due to municipal officials who made it clear to their legislators the extent of the potential annual revenue loss for municipalities, and thanks to leaders in the General Assembly who understood the significance of this issue and wished to partner with IML toward a positive solution, the authority to implement a 1% grocery sales tax locally by ordinance – for both home rule and non-home rule municipalities – was approved as part of the SFY 2025 budget package. IML played an integral role securing this authority and providing technical assistance to the budget drafters to ensure that municipalities who wish to implement this tax locally may do so properly. **The statewide tax will not be repealed until January**

1, 2026; until then, nothing will change and no action will be necessary by municipalities. IML will provide a model ordinance for municipalities to adopt, specific to the grocery tax, at a later date.

Additionally, IML advocated for and secured the authority for all non-home rule municipalities (without need for referendum approval) to implement a local general sales tax, separate from the grocery sales tax, a sizable Illinois Department of Transportation (IDOT) Local Road Fund additional allocation to be disbursed in SFY 2025 and the elimination of the Illinois Department of Revenue's (IDOR) administrative fees on future local grocery tax collections.

The framework of the SFY 2025 budget was agreed upon late in the evening on Thursday, May 24. "We are pleased with the overall framework of the issues affecting municipalities," said IML Chief Executive Officer (CEO) Brad Cole. "Local leaders have long advocated for greater authority to provide for the programs and services their residents rely on every day, which they will be granted under this budget agreement."

IML issued a statement regarding the elimination of the statewide grocery tax and the additional authority granted ([available via this link](#)).

Once the authorizing legislation is signed into law, IML will release additional information that includes a model ordinance to implement the grocery tax locally and that explains important details about necessary timelines following the January 1, 2026, repeal.

For non-home rule municipalities that wish to implement a local general sales tax, IML has developed a model ordinance ([available via this link](#)) that can be adopted at any time. Please consult with your municipal attorney prior to taking any action. IDOR requires taxing ordinances to be on file with IDOR by April 1 for a July 1 collection implementation or by October 1 for a January 1 collection implementation. This new non-home rule general sales tax authority is silent as to how it impacts municipalities that have an existing non-home rule sales tax that was established by referendum.

On these and other issues, our municipal advocacy included testimony at a House Cities and Villages Committee hearing on April 17. IML CEO Brad Cole joined Illinois mayors to testify about the need to maintain grocery tax revenue, restore full funding to the Local Government Distributive Fund (LGDF), enact meaningful public safety pension reform and stop the harmful effects of state-imposed mandates and preemptions.

There is neither a reduction nor an increase in the LGDF funding formula in the SFY 2025 budget. Full restoration of LGDF continues to be a top priority of IML. The IML fact sheet about LGDF is [available via this link](#).

As part of the SFY 2025 budget negotiations, IML received a commitment from legislative leaders to meet cooperatively to discuss the long term status of possible increased LGDF funding. IML will first convene our members to develop a plan and strategy, then we will meet with legislative leaders to reach a hopeful agreement. Those meetings and discussions will take place throughout this summer and fall.

Other provisions in the budget package are expected to generate revenue for municipalities throughout the state. A change to the Retailers' Occupation and Tax Act for out-of-state sellers, in line with the intent of the Leveling the Playing Field for Illinois Retail Act ([IML's fact sheet is available via this link](#)), could generate significant funds for some municipalities. A reduction to the discount retailers are allowed to claim under the Retailers' Occupation and Tax Act could generate an estimated \$85 million more in sales tax disbursements annually. In response to this deduction, transaction fees on credit card charges will now be prohibited on sales taxes and gratuities, the fees will now only apply to the goods themselves; guidance as to how this could impact municipal transactions will be provided as soon as possible. Imposing a "re-renters tax" on third-party sites booking hotel rooms in Chicago will also

generate approximately \$35 million annually in new revenue to be distributed locally through various avenues. More information about the “re-renters tax” or “online travel agency loophole” from the Illinois Hotel and Lodging Association is [available via this link](#).

The General Assembly passed four primary pieces of legislation related to the budget:

- [SB 251 \(Sen. Sims, D-Chicago\)](#) is the SFY 2025 state general appropriations bill, which includes \$53.281 billion in projected general revenues and \$53.074 billion in general expenditures.
- [HB 3144 \(Sen. Castro, D-Elgin / Sen. Holmes, D-Aurora\)](#) is the local revenue bill. HB 3144 includes: the elimination of the statewide grocery tax, effective January 1, 2026; the subsequent authority for both home rule and non-home rule municipalities (without need for referendum approval) to impose a grocery tax locally, effective on or after January 1, 2026; and, new authority for non-home rule municipalities (without need for referendum approval) to impose a local sales tax on general merchandise.
- [HB 4951 \(Sen. Villanueva, D-Chicago\)](#) is the state revenue bill, which includes various provisions to increase certain taxes, adjust tax credits, change regulatory provisions and other actions to generate \$865 million in projected new state revenue.
- [HB 4959 \(Sen. Sims, D-Chicago\)](#) is the budget implementation (BIMP) bill, which includes multiple provisions that are necessary to effectuate the new state budget.

Like in previous years, the SFY 2025 budget diverts Personal Property Replacement Tax (PPRT) dollars to various state agencies to assist in the performance of other government functions. Total PPRT diversions this year are in excess of \$369 million. IML has two fact sheets about PPRT, *History of Personal Property Taxation* ([available via this link](#)) and *PPRT 101* ([available via this link](#)).

Mass transit funding may have been affected in various ways by legislation related to the budget. Please check with your local mass transit agency for more information.

Governor Pritzker released a statement following the passage of the SFY 2025 budget bills. The Governor’s statement is [available via this link](#).

IML Achieves Legislative Successes

IML initiated several legislative items designed to benefit municipal governments and supported several others. Listed below are some measures that passed both chambers of the General Assembly prior to adjournment, and now head to the Governor for further action:

- Included in the passage of the local revenue bill ([HB 3144](#)) was an item from IML’s *2024 State Legislative Agenda*. Introduced as [SB 158 \(Sen. Hunter, D-Chicago\)](#), this IML initiative allows all non-home rule municipalities to impose a sales tax in 0.25% increments not to exceed 1% by ordinance rather than referendum. **IML supported the passage of this legislation.**
- [SB 2849 \(Sen. Morrison, D-Lake Forest\)](#) allows a unit of local government to regulate the use of drones within the first 150 feet of airspace above ground level of property owned or controlled by that unit that is intended or permitted for use for recreation or conservation, including parks, playgrounds or other recreational facilities. **IML supported this legislation.**
- [HB 5357 \(Rep. E. Hernandez, D-Cicero\)](#) requires insurance companies to provide all applicants for homeowner’s insurance with information about the availability of coverage for loss caused by a sewer backup or overflow of a sump pump, including coverage limits and the cost thereof. **IML supported this legislation.**

- [SB 3362 \(Sen. Castro, D-Elgin\)](#) establishes that a retailer making sales of tangible personal property to Illinois customers from a location outside of Illinois is engaged in the occupation of selling at retail for purposes of the Retailers' Occupation Tax Act. The bill also determines that a retailer that maintains a place of business in Illinois and is making sales to Illinois customers from locations outside of the state is in the business of selling at the Illinois location where the tangible personal property is shipped or delivered. For more information, IML has a fact sheet that is [available via this link](#). **IML supported this legislation and believes it will result in additional local revenue generated through out-of-state and online sales.**
- [HB 4615 \(Sen. Hastings, D-Frankfort\)](#) reauthorizes the Small Wireless Facilities Deployment Act that regulates the deployment of wireless communications technology, which is now scheduled to sunset on December 31, 2030. IML was able to negotiate the fee provisions of the bill to the benefit of municipalities, specifically an increase in the annual pole attachment fee rate a municipality can charge from \$200 now to \$270. **IML supported this legislation.**

IML Helps Stop Crime-Free Housing Prohibition Legislation

[SB 3680 \(Sen. Villa, D-West Chicago\)](#) and [HB 5432 \(Rep. Gong-Gershowitz, D-Glenview\)](#), bills that seek to prohibit the adoption of crime-free housing and nuisance abatement ordinances, were considered this year by the General Assembly. **IML strongly opposed this legislation.**

On March 5, IML CEO Brad Cole was the sole witness to testify in opposition to SB 3680 during a Senate Judiciary Committee hearing. On April 3 and April 16, he provided testimony in opposition to HB 5432 during a House Housing Committee hearing. IML routinely provided updates regarding crime-free housing prohibition legislation in its [Statehouse Briefing \(available via this link\)](#), issuing a request for municipal officials in communities with crime-free housing and nuisance abatement ordinances to contact their local legislators to express their opposition and providing instructions about how to file witness slips.

Thanks to the fast actions of municipal officials across the state, SB 3680 and HB 5432 were effectively stopped during this legislative session and did not pass their respective chambers of origin.

IML regularly engaged the bill proponents during the course of the spring legislative session, clearly expressing municipal priorities and concerns along the way. IML will remain engaged with all stakeholders related to crime-free housing going forward to ensure municipal issues are considered, and to distribute best practice information to communities.

IML Continues Work on Legislative Agenda Items

Each item on the *IML 2024 State Legislative Agenda* ([available via this link](#)) was introduced in at least one chamber of the General Assembly. Despite our efforts, the General Assembly refused to address several items of municipal concern. We will continue working to build further support among legislators on these critical measures, including the following IML initiatives:

- [SB 61 \(Sen. Castro, D-Elgin\)](#) and [HB 3154 \(Rep. Ford, D-Chicago\)](#) allow local governments the option to fulfill public notice mandates electronically. As an additional resource, IML's position paper about electronic publication of public notices is [available via this link](#).
- [HB 2216 \(Rep. Kelly, D-Chicago\)](#) grants non-home rule municipalities the authority to impose fees for lift assistance calls. IML will continue fighting to expand authority for non-home rule municipalities. IML's fact sheet about lift assistance fees is [available via this link](#).
- [SB 2875 \(Sen. D. Turner, D-Springfield\)](#) increases the number of small municipalities exempted from annual audits by expanding the population threshold and reassessing other

criteria that trigger such an audit. IML will continue to seek financial relief from these expensive audits. IML's position paper on the topic of municipal audit relief is [available via this link](#).

Near the beginning of this year's spring session, IML hosted a meeting of all stakeholders who supported IML's Open Meetings Act – Authority to Conduct Remote Meetings proposal. Though representatives of more than one dozen supporting entities attended that day, neither [SB 103 \(Sen. Castro, D-Elgin\)](#) nor [HB 1408 \(Rep. Yang Rohr, D-Naperville\)](#), filed as part of IML's formal 2024 *State Legislative Agenda*, advanced in the process. IML will support future efforts to grant the authority to conduct meetings remotely, but will not continue to pursue such legislation as part of its formal state legislative agenda.

IML Defends Tax Increment Financing (TIF)

On May 26, the General Assembly approved [SB 3563 \(Rep. Yednock, D-Ottawa\)](#), a TIF omnibus bill that extends the expiration date for designated TIF districts located in the following communities: City of Chicago, City of Des Plaines, Village of Franklin Park, City of Highland, City of Jacksonville, Village of Malta, City of Oak Forest, City of Ottawa, City of Prophetstown, Village of Rosemont, City of Salem, City of Sullivan and the Village of Tremont.

As a resource to our members, IML has developed a TIF fact sheet ([available via this link](#)). For more information, IML has a dedicated TIF webpage, [iml.org/tif](#), which includes general information regarding TIF and a list of municipalities with TIF districts.

IML has been proactive in its communications with TIF communities regarding legislative proposals that are harmful to TIF districts and shared a legislative update summarizing all proposed TIF legislation of the 103rd General Assembly on February 14, 2024 ([available via this link](#)).

IML continues to be the leading advocate for TIF as an economic development tool and staunchly defends the current TIF statute by opposing efforts to weaken or diminish municipal authority in administering TIF programs.

IML Supports Responsible Public Safety Pension Reform

IML supports the responsible reform of Article 3 (police officers) and Article 4 (firefighters) pension funds, to ensure municipalities are able to properly fund retirement benefits for public safety personnel and continue to provide the programs and services their residents expect.

As a part of our 2024 *State Legislative Agenda*, IML supported [HB 1185 \(Rep. Vella, D-Rockford\)](#), which would extend the date that the total assets of Article 3 and Article 4 pension funds must be 90% funded from Municipal Fiscal Year (MFY) 2040 to the end of MFY 2050, providing immediate relief to municipalities in Illinois. HB 1185 passed the House Personnel and Pensions Committee on March 22, but did not advance further. More information on public safety pension reform, including an IML fact sheet about pension reamortization, can be found on a dedicated IML webpage, [iml.org/pensions](#).

Legislation like [HB 4099 \(Rep. Kifowit, D-Oswego\)](#) that would expand Article 3 (police officers) and Article 4 (firefighters) downstate public safety pension benefits and roll back Tier 2 benefit structures to match Tier 1 benefits was considered by the General Assembly in 2024. **IML opposed each of these bills, such as HB 4099.** Proponents of this bill, and other similar legislation, primarily affecting state pension systems, cited an alleged need to meet Social Security safe harbor provisions.

As part of our advocacy against this type of legislation, **IML CEO Brad Cole sent a letter ([available via this link](#)) on April 22 to Governor Pritzker reaffirming that there is no current non-compliance issue regarding Social Security safe harbor provisions that warrants a costly expansion of benefits** by eviscerating the Tier 2 pension system for Article 3 and Article 4 pension funds. The letter included a legal opinion obtained from an outside law firm that supports this position. **HB 4099 and other related legislation did not advance.**

IML was also instrumental in efforts to stop other potentially harmful legislation that was considered during this year's spring session. For example, [HB 3765 \(Rep. Kifowit, D-Oswego\)](#) establishes a deferred retirement option plan (DROP) for members of Article 3 (police officers) and Article 4 (firefighters) downstate public safety pension systems. The DROP plan would be made available by January 1, 2026, eligible members would elect to participate by January 1, 2029, and the DROP duration is not to exceed five years. The bill also places Article 3 and Article 4 systems under the scope of the Retirement Systems Reciprocal Act. **IML opposed this legislation; it passed the House but did not pass the Senate.**

Rather than address meaningful reforms to alleviate the financial burden felt by municipalities due to rising pension costs, harmful proposals like [SB 2918 \(Sen. Martwick, D-Chicago\)](#) and [HB 5104 \(Rep. Hoffman, D-Swansea\)](#) were passed. These measures expand pension benefits for municipal police officers.

IML Pushes Back on Proposed Mandates

Every year, legislators introduce numerous proposals that would impose or expand unfunded state mandates adding overwhelming financial and administrative challenges for municipal governments.

IML published the [2024 Proposed State Mandates Report \(available via this link\)](#) highlighting legislation that proposes new unfunded state mandates as a resource to our members and to educate legislators on their impact. This report demonstrates the frequency with which legislators introduce new or expanded mandates, with little regard for the financial consequences to communities and the residents who live there.

As of May 28, 2024, 179 bills which impose unfunded mandates on municipal governments have been introduced. **This report will be updated in the coming weeks to reflect the final status of those various bills.** IML intervened on the following items:

- [SB 2716 \(Sen. Fine, D-Glenview\)](#) provides that decisions made by the corporate authorities of a municipality in regard to any petition or application for special use, variance, rezoning or other amendment of a zoning ordinance shall be subject to judicial review. **IML opposed this legislation and it did not advance.**
- [HB 3908 \(Rep. Stuart, D-Edwardsville\)](#) would require municipal fire departments to provide six weeks of paid family leave to a firefighter per year for the birth or adoption of a child and to care for a family member in the case of a serious health condition. **IML opposed this legislation; it passed the House but did not pass the Senate.**
- [HB 4418 \(Rep. Davis, D-Chicago\)](#) places restrictions on contract retainage practices of state and local governments. IML met with stakeholders frequently to express opposition to the further limitation of municipal retainage practices. **IML opposed this legislation and it did not advance.**
- [HB 5089 \(Rep. Johnson, D-East Moline\)](#) changes the definition of supervisor to include municipal police supervisory employees, such as sergeants and lieutenants, in collective bargaining units. **IML opposed this legislation; it passed the House but did not pass the Senate.**
- [HB 5119 \(Rep. Didech, D-Buffalo Grove\)](#) requires units of local government to replace all street lights within their jurisdiction with LED light technology and sets forth minimum illuminance criteria. **IML opposed this legislation and it did not advance.**

IML will continue to oppose unfunded mandates on local governments. To view reports from previous years and to see a full list of mandate bills for the 103rd General Assembly, visit iml.org/mandates.

IML Argues Against the Preemption of Municipal Authority

In addition to the unfunded state mandates proposed by the General Assembly, as of May 28, 2024, 94 legislative measures to preempt home rule authority were introduced. IML actively opposes legislation that preempts or restricts municipal authority and worked to stop legislation that would do so.

To assist in this effort, IML produced the [2024 Proposed Legislation Imposing Local Preemption Report \(available via this link\)](#), which identifies specific legislative proposals that would preempt local authority in various areas including gaming regulations, pension benefits and zoning. **This report will be updated in the coming weeks to reflect the final status of those various bills.** IML intervened on the following items:

- [SB 3359 \(Sen. Lightford, D-Chicago\)](#) creates a third-party retailer liquor delivery license and provides that the issuance and regulation of such a license is under the exclusive jurisdiction of the Illinois Liquor Control Commission and does not require local approval prior to issuance by the Commission. **IML opposed this legislation; it passed the Senate but did not pass the House.**
- [HB 4451 \(Rep. Andrade, D-Chicago\)](#) requires a municipality that operates an automated speed enforcement system (red light cameras) to set aside 10% of the net proceeds from each system that generates more than \$500,000 in revenue for a school or park in the safety zone in which the automated speed enforcement system is located. **IML opposed this legislation; it passed the House but did not pass the Senate.**
- [HB 4603 \(Rep. Slaughter, D-Chicago\)](#) provides that no law enforcement officer shall stop a motor vehicle for a variety of reasons, including failing to display registration plates or stickers, speeding, improper lane usage, defective mirrors, an obstructed windshield, failure to wear a safety belt and others. **IML strongly opposed this legislation and it did not advance.**
- [HB 4892 \(Rep. Tipword Jr., R-Metamora\)](#) prohibits the use of a ranked-choice voting method in local, state and federal elections in Illinois. The bill voids any previously existing ordinance that authorizes the use of a ranked-choice voting method and further prohibits a municipality from adopting an ordinance to administer an election using a ranked ballot for municipal and township office candidates in a consolidated election. **IML opposed this legislation and it did not advance.**
- [HB 5315 \(Rep. Didech, D-Buffalo Grove\)](#) prohibits a municipality from adopting an ordinance or resolution that prohibits the installation of a solar energy system or low voltage solar powered device. The bill also requires municipal utility systems and rural electric cooperatives to have a shared policy governing self-generation of renewable energy submitted for approval by the Illinois Commerce Commission. **IML opposed this legislation and it did not advance.**

IML will continue to oppose preemptions on municipal authority. Preemption reports from previous years and a full list of preemption bills for the 103rd General Assembly can be viewed by visiting iml.org/preemption.

Other Legislative Issues of Note

- [SB 594 \(Sen. Morrison, D-Lake Forest\)](#) amends the Law Enforcement Camera Grant Act to allow funding for the entire costs of an officer-worn body camera program and contract, including hardware, video management, software and licenses, accessories, storage, maintenance, warranty costs, training, charging docks, data transfer devices and systems and mobile data costs. **IML supported this legislation but it did not advance.**

- [SB 861 \(Sen. Villivalam, D-Chicago\)](#) creates the Guaranteed Income Task Force within the Illinois Department of Human Services to examine the efficacy of guaranteed income in improving outcomes for Illinois residents. **This bill did not advance.**
- [SB 1289 \(Sen. Fine, D-Glenview\)](#) establishes a regulatory framework for carbon sequestration and sets forth requirements regarding ownership and conveyance of pore space, integration or ownership interests, surface access for pore space owners, compensation for surface damages and additional landowner rights. **This bill passed both chambers.**
- [SB 1960 \(Sen. Koehler, D-Peoria/Rep. Evans, D-Chicago\)](#) permits municipalities to authorize and regulate the operation of low-speed electric scooters within their jurisdictions. The amended legislation does not require a municipality to authorize scooter use. This may ultimately lead to increased litigation for municipalities if they choose to opt-in to its regulatory structure. **IML opposed this legislation but it passed both chambers.**
- [SB 1996 \(Sen. Peters, D-Chicago\)](#) is a workers' compensation omnibus bill that provides for increases in the rates of the Illinois Workers' Compensation Commission Operations Fund Surcharge, the Illinois Workers' Compensation Operations Fund Fee and payments to the Rate Adjustment Fund among other provisions. **This bill passed both chambers.**
- [SB 2876 \(Sen. Villa, D-West Chicago\)](#) requires event facilities with a maximum capacity of 3,500 persons or more shall offer the disposal of recyclable material and organic waste in separate containers clearly labeled and distributed throughout the facility. **IML opposed this legislation but it passed both chambers.**
- [SB 3268 \(Sen. Harmon, D-Oak Park\)](#) is a Medicaid omnibus bill that contains various provisions related to the funding and implementation of the Medicaid program. **This bill passed both chambers.**
- [SB 3455 \(Sen. Martwick, D-Chicago\)](#) requires IDOR in consultation with the Illinois Department of Commerce and Economic Opportunity to conduct a study to evaluate the property tax system in Illinois and issue a report by July 31, 2026. It allows IDOR to determine whether the existing property tax levy, assessment, appeal and collection process is reasonable and fair and may issue recommendations to improve that process. **This bill passed both chambers.**
- [HB 2911 \(Sen. Lightford, D-Westchester\)](#) is cannabis omnibus legislation that provides a number of changes to cannabis related laws. Those changes include allowing dispensaries to offer drive-through and pickup options for cannabis products, enhanced security requirements for dispensaries and requiring the Illinois Department of Agriculture to license cannabis laboratories. **IML was neutral on this legislation; it passed the Senate but did not pass the House.**
- [HB 3046 \(Rep. A. Williams, D-Chicago\)](#) permits the use of treated wastewater for irrigation and allows that the Illinois Environmental Protection Agency may propose and the Illinois Pollution Control Board may adopt rules establishing programs for direct potable reuse of treated wastewater. **This bill passed both chambers.**
- [HB 4179 \(Rep. Meier, R-Okawville\)](#) increases the amount of tax an emergency services district can levy and collect if approved by referendum. Excludes districts in Cook, DuPage, Kane, Lake, McHenry and Will counties. **IML supported this legislation and it passed both chambers.**
- [HB 4255 \(Rep. Elik, R-Godfrey\)](#) provides that tow trucks and certain state vehicles or equipment may use green oscillating, flashing or rotating lights when used in combination with

amber or amber and white oscillating, flashing or rotating lights. **This bill passed both chambers.**

- [HB 4293 \(Sen. Lightford, D-Westchester\)](#) sets forth a regulatory structure for hemp-derived THC products that is similar to how the state regulates adult-use cannabis as it relates to taxing, testing, possession limits and more. **This bill passed the Senate but did not pass the House.**
- [HB 4592 \(Rep. Buckner, D-Chicago\)](#) permits the Illinois Secretary of State to issue a mobile Illinois identification card or driver's license. **This bill passed both chambers.**
- [HB 4604 \(Rep. Slaughter, D-Chicago\)](#) eliminates burdensome reporting requirements in the Law Enforcement Camera Grant Act equalizing them with those of the Law Enforcement Officer-Worn Body Camera Act. **IML initiated and supported this legislation.** It passed the House Judiciary-Criminal Committee but did not advance further.
- [HB 5005 \(Stadelman, D-Caledonia\)](#) includes various business development incentives and expands eligibility for the River Edge Tax Credit, a program that gives income tax credits to project owners who rehabilitate historic buildings to revitalize riverfront communities. River Edge Redevelopment Zones may now also extend to the following communities: City of East Moline, City of LaSalle, City of Moline, City of Ottawa, City of Peru, City of Quincy and the City of Rock Island. **This bill passed both chambers.**
- [HB 5345 \(Rep. E. Hernandez, D-Cicero\)](#) is the "tipped wage" bill. It provides that an employer shall not be entitled to an allowance for gratuities and shall pay each employee no less than the applicable minimum wage. **This bill did not advance.** Representative E. Hernandez has asked IML to engage in conversations on this topic as they develop during the summer with other stakeholders and legislators.
- [HB 5367 \(Rep. Benton, D-Plainfield\)](#) provides that the Illinois Gaming Board may waive the requirement that a licensed establishment, licensed truck stop establishment, licensed large truck stop establishment, licensed fraternal establishment or licensed veterans establishment may not be located within 100 feet of a place of worship under the Religious Corporation Act if they meet other specified criteria. **This bill passed the House but did not pass the Senate.**
- [HB 5829 \(Rep. Delgado, D-Chicago\)](#) overhauls public transportation in northeastern Illinois by combining the Chicago Transit Authority, Metra and Pace under a single agency, the Metropolitan Mobility Authority, dissolving the Regional Transit Authority. The bill also creates the Zero-Emission Vehicle Act that requires all on-road vehicles operated by a unit of government to be zero-emission by January 1, 2048, with other benchmarks along the way. **IML opposed this legislation and it did not advance.**

Closing Message

While the General Assembly has adjourned until the call of the Speaker of the House and/or Senate President, the Fall Veto Session or unless called into special session by the Governor, IML staff will maintain efforts to benefit our members. **Our important work continues year-round.**

We will work with our membership to build positive support for IML's initiatives, and also strengthen our opposition to harmful legislative items that could be considered later in the year. We will continue to provide the [Statehouse Briefing \(available via this link\)](#) to ensure IML members have the most up-to-date information. If you do not already receive this e-newsletter, please feel welcome to [subscribe via this link](#).

The IML legislative webpage ([available via this link](#)) is regularly updated with resources to utilize when interacting with state and federal officials. Additionally, IML has fact sheets on a variety of issues on a dedicated webpage, iml.org/factsheets, to provide more detailed information on issues of importance to municipalities.

IML will continue to have a seat at the table at the State Capitol to give a voice to the challenges facing municipal officials. We are proud to work for the protection of local authority and revenues critical to Illinois' cities, villages and towns.

To all of our members, thank you for the opportunity to serve you and the residents of your communities.

P.S. Join us later this year for our annual conference as we move to a new location. IML's Annual Conference is the premier educational and professional development event for all municipal officials in Illinois. The conference will be held September 19-21, 2024, at the Hyatt Regency Chicago, 151 E Wacker Drive, Chicago.

New this year – in addition to exciting sessions and an expanded Exhibit Expo – will be an all-day Tax Increment Financing (TIF) Seminar, included at no additional cost to the regular registration fee.

We look forward to seeing you in September; more information is available at iml.org/conference.

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500 East Capitol Avenue | PO Box 5180 | Springfield, Illinois 62705

217.525.1220 phone | 217.525.7438 fax

iml@iml.org | www.iml.org | [Facebook](#) | [Twitter](#)