



# LEGISLATIVE UPDATE

June 1, 2005

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On These and Other Legislative Issues Important To Working People

## Session Ends

The spring session of the 94th General Assembly wrapped up business late Tuesday evening with the passage of a state budget for the fiscal year beginning July 1st - narrowly avoiding an overtime session.

During the final week of session several pro-Labor bills were passed including a major overhaul of the Workers' Compensation Act. Illinois AFL-CIO Secretary-Treasurer Michael Carrigan was a key negotiator during the talks that have been ongoing for 18 months. Representatives from Labor and Business agreed to revisions that will increase benefits for workers, require prompt payment from insurance companies, prohibit doctors from collecting unpaid insurance bills from workers while claims are pending, create a cost containment medical fee schedule and strengthen fines and penalties against uninsured employers.

Also after much negotiation, an agreement on Public Employee Pension Fund reform was reached. In order to guarantee adequate funding for health and human services and education, restructuring was needed. No pension cuts were made for any employees or retirees. SB 27, which is on its way to the Governor, preserves pension benefits and extends the early retirement option for teachers. It does not include a two-tiered system - as initially proposed - that would cut benefits for new hires and require them to work longer before being eligible for retirement. The state's share of pension fund payments was restructured for two years.

Medical Malpractice Insurance legislation also passed both chambers in the waning hours of session. The bill does include insurance regulation and physician accountability - however, it also places caps on the dollar amount working people can be awarded by a jury for non-economic damages when they or their families are injured or killed by a doctor or hospital. The Illinois AFL-CIO was opposed to caps in any amount. Under the negotiated legislation, the Illinois Medical Society was forced to accept industry regulation. The law requires insurance companies to defend any rate increase over six percent at public hearings and to disclose all claims data. Insurers will also be required to give 180 days notice to doctors before discontinuing their coverage and must allow doctors to make quarterly installment payments. Several downstate Democratic legislators jumped ship to support caps to working families. To see a complete vote count on SB 475 go to [www.ilga.gov](http://www.ilga.gov).

Overall, this has been a very beneficial session for working families. In most instances, our allies in the legislature have supported us. The Illinois AFL-CIO is working on this year's Capitol Report - a complete wrap-up of the 2004-2005 sessions. It should be a valuable tool for all affiliates. The piece should be available in the coming month. It will be mailed to all affiliates and available on line at [www.ilaf-cio.org](http://www.ilaf-cio.org).

## HB 2137 - Workers Compensation

Sponsor: Rep. Hoffman (D-Collinsville), Sen. Link (D-Lake Bluff)

### SUPPORT

A workers' compensation agreed bill has been negotiated by Labor and Business. This legislation will improve the delivery and level of benefits to those injured on the job and reduce the total amount paid by the employer for the system.

*Passed the full Senate 49-4-6.*

*Passed the House on Concurrence 113-2-1. Goes to the Governor.*

## SB 475 - Medical Malpractice

Sponsor: Sen. Clayborne (D-East St. Louis), Rep. Holbrook (D-Bellefonte)

### OPPOSE

Reforms the Medical Practice Act. Sets caps on the amount an individual may receive for medical negligence by doctors and hospitals. Caps set at \$500,000 for doctor mistakes, and \$1,000,000 for hospital errors.

*Passed the House 68-46-3. Passed the Senate 36-22. Goes to the Governor.*

## SB 1699 - Steel Development Board

Sponsor: Sen. Wilhelmi (D-Crest Hill), Rep. McKeon (D-Chicago)

### SUPPORT

Creates the Illinois Steel Development Board as an advisory body. Requires the Board to advise and make recommendations on the research, marketing, and promotion of American steel and the Illinois steel industry. Specifies the composition of the Board, including members appointed by the Governor with Senate confirmation and members appointed by the legislative leaders.

*Passed the full House 116-0.*

*Previously passed the Senate 57-0. Goes to the Governor.*

## HB 188 - Certified Payroll

Sponsor: Rep. Lang (D-Skokie), Sen. Halvorson (D-Chicago Heights)

### SUPPORT

Amends the Prevailing Wage Act.

Provides that while participating on public works, each contractor and subcontractor shall submit monthly a certified payroll to the public body in charge of the project.

*Passed the full House on concurrence 66-47-1. Previously passed the Senate 42-14-1. Goes to the Governor.*

## HB 1480 - Picketing

Sponsors: Sen. Halvorson (D-Chicago Heights), Rep. Phelps (D-Harrisburg)

### SUPPORT

Provides that persons engaged in picketing in labor disputes may use public rights of way to apprise the public of the existence of a dispute for: "the purposes of picketing."

*Passed the full House on concurrence 110-6. Previously passed the Senate 40-14-1. Goes to the Governor.*

## HB 1100 - Payday Loan Reform

Sponsor: Rep. Miller (D-Dolton), Sen. Lightford (D-Chicago)

### SUPPORT

Regulates and requires licensing of businesses that offer payday loans.

*Passed the full House on concurrence 116-0. Previously passed the Senate 57-1. Goes to the Governor.*

## SB 157 - Hospital Medicaid Assessment

Sponsors: Sen. Schoenberg (D-Evanston), Rep. Currie (D-Chicago)

### SUPPORT

Requires the Department of Public Aid to annually report to the General Assembly the names of employers with more than 100 employees that have 25 or more employees receiving publicly subsidized health care. The report will show which employers are paying such low wages that many of their employees qualify for government subsidized programs such as Medicaid and KidCare, thus shifting the burden of health care costs from the employer to taxpayers. Illinois becomes the seventeenth state to require such disclosure reports.

*Passed the Senate as amended 53-6. Previously passed the House 105-8. Goes to the Governor.*