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MEMORANDUM

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From: Terry Steczo
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Re: Legislative Report

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2017 Legislative Session Finally Ends

For the first time in a few years the General Assembly has finally had a session that officially adjourned with a budget in place and all major issues resolved. With the enactment this week of the one lingering issue held over from when the budget was approved, the education funding reform package the battles have ended, albeit temporarily and the next time legislators will be together in Springfield will be for the two week fall veto session. Dates for that session will be announced in the very near future.

Additionally, the Governor has completed action on the first wave of bills, 505 in all, that were sent to him by the General Assembly before their originally scheduled May 31 adjournment date. Of that number the Governor signed 464 or 91.8%. He vetoed a total of 31 bills and used his amendatory veto power to change another 10 bills. There was also a second "wave" of bills totaling 79 that were approved by the General Assembly and sent to the Governor for his consideration in July. Those will have a consideration deadline toward the end of September. Most of those issues have been negotiated and are of little controversy so its presumed all will be approved.

While much of the media attention is focused on major issues such as taxes, budget, education funding, criminal justice, other controversial social issues and so forth, there are literally hundreds of other more minor issues that are considered every year by the General Assembly and the Governor that may never make the media coverage but nevertheless are important to state and local government administration, business operations, professional regulation, law enforcement and many others. Some of the lesser issues involved may be controversial at the outset but through compromise and negotiation become uncontested by the time the legislative process comes to a close. For all of the focus on the animosities relating to major items little attention is paid to how the lesser issues are commonly handled in a bipartisan and mostly

gracious manner. A look at legislative roll calls proves that point. Most of the lesser issues receive unanimous or near unanimous votes after the sponsors, advocates and opponents meet, discuss alternative ideas and solutions, and find common ground.

When the General Assembly does return to Springfield there will be a few issues that will be come to the fore of the 31 vetoed and 10 amendatory vetoes bills and that may generate media interest.

- Senate Bill 81 - increases the minimum wage to \$15.00 incrementally by 2022. In his veto message the Governor cited research showing that for every 10 percent increase in the hourly earnings of low-wage workers, there was a 30 percent reduction in employers providing those jobs.
- House Bill 3649 - requires State agencies to report, on a monthly basis, current State liabilities held by the agency, by fund source (rather than the aggregate dollar amount of all current liabilities being held) and whether the liabilities are appropriated. The legislation was approved in response to suggestions that state agencies were holding back vouchers thereby delaying the vendor payment process and underreporting the extent of the bill backlog. These reports are currently required on an annual basis. The Governor's veto rationale was that the legislation neglected to account for the realities of agency record-keeping and reporting, which makes compliance with the bills mandate especially difficult and expensive. He also indicated the bill would be highly burdensome for agencies.
- Senate Bill 1351 - Creates the Student Loan Servicing Rights Act to provide specialized assistance and disclosures to student loan borrowers and requires that student loan servicers be licensed. The intent was to help students get the best payment information possible when making arrangements to pay loans. The Governor's veto message indicates that that bill would encroach upon the federal government's responsibilities and would add confusion to the already complex student loan process. He stated that while students do need additional support in understanding their loan repayment options loan servicers are not the appropriate actors for the role.
- House Bill 2379 - provides that every executive order of the Governor that expends any state funds must include a fiscal impact statement. This legislation is in response to suggestions that the Governor's Office had spent funds on various big ticket items during the budget stalemate by executive order. The Governor's veto argument was based on the constitutional separation of powers which insulates his office from such dictates by the legislature.

Exodus

Late August marked the beginning of what will be 14 months of seemingly endless campaign season as candidates and their volunteers hit the streets to get petitions signed that will qualify for the 2018 ballot. Filing is in late November and the law allows 90 days for petition distribution and signing. There have already been announcements from a number of legislators on both sides of the aisle, but primarily Republicans, that they are taking a pass on reelection in 2018. There will, no doubt, be more before the petition filing process is completed. But at this

point in time nine House members and three Senators who took the oath of office in January, 2017 will not be doing so in January 2019. A few have resigned already, a few have announced that they will leave before their terms are up, and the remainder will serve until their term is up.

While it may appear that the tax increase and budget impasse have played a big part in the current exodus, and that is most probably the case, the records show that there has been a huge turnover in both the House and Senate since 2012. In fact, since the 2012 election there has been a 78.8% turnover in the Illinois House and a 57.6% turnover in the Illinois Senate. Such high turnover drastically undercuts the argument for term limits. It seems that the public pressure on officeholders and the high cost of political campaigns has served to "cull the flock" on its own.

2012 was a redistricting election so it would be expected that a larger number of legislators would leave at that time and that is true. When the January, 2013 legislative session began 40 House (33.8%) and 19 Senate (32.2%) who had served in the previous session were gone. And while the redistricting election is a normal time for legislators to retire, especially if their districts have changed dramatically through the redistricting process, there were just as many, in fact a few more, House members who retired through the next two election cycles as did during the redistricting election in 2012. In January, 2015 another 20 House members (16.9%) and four Senate members (6.7%) left service. And the session that began last January saw yet another 25 House members (21.1%) and eight Senators (13.5%) retiring. So, adding up those numbers shows that of the legislators who took the oath of office in January, 2011, 93 (78.8%) House members and 34 (57.6%) Senate members have chosen, most by their own volition, to leave the legislature and become private citizens.

Looking toward the 2019 legislative session, thirteen House members and four Senate members will not be a part. In the Senate so far there has been one resignation (Sen. Christine Radogno, R-Lemont), one member leaving to run for governor (Sen. Daniel Biss, D-Evanston), and three announced retirements (Sen. Tim Bivins, R-Dixon, Sen. Kyle McCarter, R-Vandalia, and Sen. William Haine (D-Alton)). In the House there has been one resignation and one pending (Rep. Emily McAsey, D-Romeoville and Rep. Elaine Nekritz, (D-Northbrook), three leaving to run for other offices (Rep. Scott Drury, D-Highwood, Rep. Laura Fine, D-Glenview, and Rep. Cynthia Soto, D-Chicago), and six who not be seeking reelection (Rep. Robert Pritchard, R-De Kalb, Rep. Chad Hayes, R-Danville, Rep. Barbara Wheeler, R-Crystal Lake, Rep. Sara Wojcicki Jiminez, R-Springfield, Rep. Steven Andersson, R-Geneva, Rep. Bill Mitchell, R-Decatur, Rep. Daniel Beiser (D-Alton) and Rep. Michael Fortner, R-West Chicago). Others may yet join the parade before petition filing begins.

Of the seven GOP House members who made decisions to pass on re-election all but Rep. Barbara Wheeler voted to override the Governor's veto of the budget and tax increases. After the vote there was a strong suggestion made by outside forces opposed to the override that any Republican legislator who broke ranks might be in for a nasty and expensive primary election challenge. That certainly may have played a role in the decision of those five to look at retirement as a more suitable option. And, if that is the case then it may be interesting to see what decisions the remaining nine House members make by the time filing closes. A number of them may feel that they have strong enough in their districts to weather any challenge. Others may be waiting to see whether or not any serious challenge materializes. The process resembles both a high stakes chess match and a game of cat and mouse as each side strategizes on the odds and possible outcome. The other Republican members and districts to watch over the next few weeks and months are Rep. Terri Bryant, R-Mount Vernon, Rep. John Cavaletto, R-Salem, Rep. C.D.

Davidsmeyer, R-Jacksonville, Rep. Norine Hammond, R-Macomb, Rep. David Harris, R-Arlington Heights, Rep. Charles Meier, R-Highland, Rep. Reginald Phillips, R-Charleston, Rep. David Reis, R-Olney, and Rep. Michael Unes, R-Pekin.

However many legislators decide to try to stay or skip the upcoming election season one thing appears to be certain. That change in the General Assembly membership had been continual and has been, at times, dramatic.

A "Singular" Persona

A majority people when defining the word "singular" would refer to the most often utilized meaning, that being "lone" or "single". However, there are many other meanings to the word, including the one that might be most familiar to fans of Sherlock Holmes where he often uses the word "singular" to mean "unusual" or "odd". It's that alternative meaning that has been bandied about recently when describing Governor Rauner and his comments and/or activities.

The Governor has been an interesting character study since he assumed office in January, 2017. Even before, during his campaign, he zealously avoided taking positions on topics of controversy and stuck to his main message. He was, and is, very good at what is called "pivoting" in the trade. Regardless of the question or topic get back to the talking points. Whether his focus is "shaking up Springfield", criticisms of the General Assembly leadership, harping on tax issues, term limits, pension reform, workers comp reform, regulatory relief for businesses, etc. ask him a question on any issues if and when the opportunity arises and see him pivot. No doubt he has been media trained very well and excels at making sure his message is heard. However, is there a point where the public expects more facts and information and less pivoting?

So far during his term in office the Governor has been superb at rankling his governmental foes. Not only has he been able to verbalize his message but also has had the wherewithal to create a paid media blitz whenever he has deemed it as necessary. When there have been media availabilities, and they are infrequent, reporters are often frustrated at the inability to get the Governor to answer a question without a pivot or without saying that an issue is still under consideration. Often times these press availabilities consist of the Governor making a statement then walking away, with no opportunity for the media to ask questions or get more complete information. But sometimes the "pivot train" goes off the rails and throws both the message and the messenger off the track.

Earlier this month the Governor and his staff decided to schedule his first interview with a national media outlet, in this case Fox News. The Illinois based media outlets have pretty much become accustomed to the Governor's evasive responses to questions. His first national exposure proved to be no different, except for the tidal wave of criticism he received when during the entire eight minutes of the live interview his go to response was about "broken systems" with no discernible position taken on any of the questions asked and leaving a fairly confused interviewer unsuccessfully trying to probe for even scant information that would hint at where the Governor stood on any of those topics. He did, however, find a way to pivot to remarking about his major nemesis, Speaker Madigan, who seemingly has consumed most of the Governor's waking moments and thoughts.

Shortly after the Fox News session the Governor was being interviewed on a local call-in show in Chicago. He was asked "when is the time that you take responsibility for what's going on in

our state?" His response? Speaker Madigan's "lock on power", term limits, pension reform, workers comp reform, and regulatory relief for businesses. More pivoting.

Since his term of office began the Governor has had inconsistency problems when he does pivot to his talking points. In any given interview in any given part of the state he has been known to "shift" what he feels are his main priorities. During the budget debacle he would constantly redefine what his top priorities were. It was term limits one day, property taxes the day after, and reapportionment reform the day after that. Sometimes the stated priorities changed so quickly that observers almost got whiplash. And, things haven't changed all that much since the budget fracas was resolved. For instance, just last Thursday the Governor applauded the legislative leaders for negotiating an agreement on school funding reform and indicated his support and indicated he couldn't wait to sign the bill. While not directly at the negotiating table he was being apprised of developments and various proposals by the GOP legislative leadership. Then on Friday, appearing in Marion, he said there were "bad things" in the bill inserted by his arch nemesis and they would need to be fixed. He never said what the problem that need fixing were but the speculation is that that it was a response to Chicago Mayor Rahm Emanuel's apparent happiness with the outcome of the education funding negotiations. The Governor's credo over the past few years is that if Chicago likes it there must be a problem with it.

In a communications sense, since he assumed office the Governor and his minions have been in a rather good place. While his approval ratings aren't too great his message has resounded with many Illinoisans, particularly his emphasis on high property taxes and on Speaker Madigan. In fact, since his inauguration he's pretty much had the message space all to himself. Democrats woefully underestimated the Governor's messaging capability and have never been able to equal it. Even if they were to have tried they couldn't match the Governor's available resources. Political campaigns, however, can be great equalizers and it appears that at least one of the Governor's potential opponents is sparing no expense trying to upend the Governor's messaging plan and throwing a little heat on the race.

During the late part of the legislative session and into the overtime session that produced a budget ads began appearing in the media that criticized the Governor with a "Do your job" mantra. Those types of critical messages have continued to be broadcast through the summer. It's the first time during his tenure that the Governor is faced with the same as he's been dishing out and with potential opponent, J.B. Pritzker having an even much larger fortune it's going to be interesting to watch how the Governor handles the onslaught, especially if Pritzker wins the primary election and becomes the general election opponent. Politics is hardball and we just may see how that game is playing in the ensuing months.

Session Schedule/Deadline Dates

Here are relevant dates for the 2017 legislative session:

- Fall veto session - TBA