

Legislation (100th G.A.)

Government Update

Government Affairs Update:

Veto Session:

The 2017 Veto Session has concluded, of the 39 vetoes by Governor Rauner this year, 15 of those vetoes were overridden by the General Assembly.

Revenue:

Since our last update in July 2017, we have learned more about the implications of the legislative changes approved and passed by the legislature and signed into law by the Governor as part of the SFY 2018 Operating Budget.

- **LGDF: Local Government Distributive Fund (“LGDF”):** LGDF payments should be accelerated starting in FY 2018 as they now will be directly deposited for municipalities, rather than being distributed through the current “check and voucher” system. The LGDF direct deposit has been long sought-after and should result in municipalities receiving their payments in a timelier manner.

In FY 2018, municipalities will receive 14 LGDF payments rather than 12. The 10 percent cut was inserted in SB 42 to partially offset the two accelerated payments. It is expected that the LGDF distributions received in 2018 should be equal to FY 2017 levels. Beginning in FY 2019, LGDF distributions will return to a 12-payment schedule.

However, it should be noted that none of the income tax increase would be applied to the LGDF. Factoring in the new taxes, the actual distribution to the LGDF, which was intended to be a full 10 percent of income tax collections when it was enacted in the 1970s, will now stand at approximately 6 percent of total personal – and 6.85 percent of corporate – receipts.

- **Personal Property Replacement Tax:** SB 6 also continues the recent practice of diverting Personal Property Replacement Tax (PPRT) revenues intended for units of local government, for other purposes in the state. The estimates of the diversion range from \$200 million to \$300 million.
- **Road Fund:** Attempts are being made to raid \$200 to \$300 million from IDOT’s Road Fund.

Capital and Grants:

Grants awarded in 2014, but not yet disbursed in the State of Illinois:

- 15 - 203343
- 14 - 203037
- 15 - 203046
- 14 – 203484

“Invest in Cook County” program, under Cook County Board applied for \$240K for the resurfacing of 84th Avenue from 159th Street to 171st Street.

CMS / Howe Property:

Monitoring the situation and conducted meetings with CMS, regarding the process and possibility of the Village acquiring the closed Howe Mental Hospital, that is located in Tinley Park.

Miscellaneous:

- **Soda Tax Repeal:** With the repeal of the Cook County sweetened beverage tax, taxpayers remind elected official who they represent. On October 11, the Cook County Board of Commissioners voted to repeal the notorious sweetened beverage tax. Fifteen of the 17 commissioners voted in favor of the repeal, providing enough support to thwart a possible veto of the ordinance. Shoppers will no longer have to pay the penny-per-ounce tax starting December 1.
- **Gaming – SB 7:** Parts of Tinley Park qualify for a casino.
- **Property Tax Freeze – SB 851:** Proposed 2-year property tax freeze for Cook County.