



Legislative Update January 31, 2020

The Illinois General Assembly kicked off the 2020 spring legislative session this week. Both chambers returned to Springfield on January 28th. Top priorities for lawmakers this session appear to be finding remedies for the state's high property taxes and soaring public pension debt. Additionally, ongoing federal investigations of lawmakers and political insiders have placed strengthening the states ethics laws at forefront of issues to be addressed this session. The Illinois Senate is also beginning the year with new leadership. Senator Don Harmon (D-Oak Park) was elected to become the Senate President upon the retirement of Senate President John Cullerton.

Governor Pritzker presented his second "State of the State" address on January 29th. The State of the State address is the annual report of the current conditions of the state. The annual address also provides the governor an opportunity to lay out his top priorities for the year. During this year's address, Governor Pritzker praised the Illinois legislature for the passage of many bi-partisan initiatives in 2019, which included the passage of a budget that invested in job creation, healthcare and education, a capital plan to address the state's crumbling infrastructure needs, and passage of business friendly reforms such as the phase out of the corporate franchise tax and incentives for building new data centers. Governor Pritzker's address reiterated his belief that our state is growing stronger each day.

The top priorities the Governor outlined as his 2020 agenda included the passage of "real and lasting" ethics reform. The Governor was specific in his desire to end the practice of legislators serving as paid lobbyists, requiring the disclosure of conflicts of interest and creating a "revolving door" provision that would prevent legislators from retiring and immediately becoming paid lobbyists. In addition, the Governor wants to see the adoption of clean energy legislation that promotes renewable energy and reduces carbon pollution. Other top priorities include working toward a fairer criminal justice system, and a two-pronged approach to address high property taxes.

Governor Pritzker enjoyed a successful first year in office. He saw the majority of his ambitious "Think Big" agenda passed by the Illinois legislature. The Governor spent a lot of his political capital getting those measures across the finish line last year. Previous administrations have shown an interest in addressing ethics and property

taxes to little or no avail. Some of Pritzker's priorities may be met with some resistance by Illinois lawmakers. This year will be a test of whether the second-year Governor can be as successful working with lawmakers to address our state's problems that stem from years of fiscal instability and political corruption.

Legislation is slowly being introduced that will be debated by the Illinois General Assembly this year. IMSCA staff is reviewing each bill introduction and is paying close attention to those that may impact the Illinois construction industry. **The deadline for bill introductions is February 14th in both chambers.**

IMSCA plans to introduce two legislative initiatives this year. One initiative seeks to amend Sections 7 and 24 of the Mechanics Lien Act. These sections describe the requirements for contractors and subcontractors to perfect their mechanics liens for work performed on Illinois real property. Subcontractors, but not contractors, must serve a notice on the property owner within 90 days of the subcontractors' last date of furnishing labor or materials. IMSCA is proposing language to permit the notice to be served within 90 days of the completion of the contractor's contract with the owner. This change is intended to give more time for filing liens for subcontractors who work earlier in the project cycle. In addition, IMSCA also plans to introduce a bill to renew a sunset provision on a current law that extends the time a commercial construction project may last and still permit the filing of a mechanics lien from 3 to 5 years. The current law contains a sunset provision that is set to expire this year. IMSCA will propose another 5 year extension to this law. IMSCA staff will provide an update when our proposals have been introduced, and will share those bill numbers with everyone.

Please mark your calendars and plan to attend **IMSCA's 2020 Lobby Day on Tuesday March 24th at The Inn at 835 in Springfield.** IMSCA staff encourages you to invite your colleagues to attend this important day to discuss issues important to the Illinois construction industry and your business. Full event details can be found on IMSCA's website at www.imsca.org. IMSCA's Lobby Day is generously sponsored by the ***Finishing Contractors Association of Illinois, Underground Contractors Association of Illinois*** and ***ASA Chicago – Association of Subcontractors and Affiliates***. Thank you to our sponsors for your generous support!

IMSCA staff looks forward to representing the Illinois sub-contracting industry in Springfield this session. We are confident that by working alongside our members IMSCA will have another legislatively successful year.

If you have any questions regarding this information, please do not hesitate to contact Jessica Newbold Hoselton by calling 217.523.4361 or by email at jnewbold@boldnewstrat.com.