

Government Affairs Update



MAY 26, 2020

Good Morning MCA Members:

The Illinois General Assembly concluded its Special Session after meeting in Springfield from Wednesday May 20 until late into the night on Saturday, May 23, 2020. They addressed issues important to MCA members during this pandemic.

Worker's Compensation COVID-19 Claims: House Bill 2455

Legislation addressing the Illinois Worker's Compensation Committee's (IWCC) emergency rule was passed. The emergency rule provided a rebuttable presumption on behalf of claimants that they had contracted COVID-19 as a result of workplace exposure. The rule was withdrawn following legal action resulting in a temporary restraining order. The language was agreed to by representatives of both the labor and employer communities. The language contained in this bill makes it easier for employers to rebut the presumption by showing evidence that the employee could have contracted the virus elsewhere and that the employer engaged in best practices.

- The term "COVID-19 first-responder or front-line worker" is defined as all individuals employed as police, fire personnel, emergency medical technicians, or paramedics; all individuals employed and considered as first responders; all workers for health care providers, including nursing homes and rehabilitation facilities and home health care workers; corrections officers; and any individuals employed by essential businesses and operations as defined in Executive Order 2020-10 dated March 20, 2020, **as long as individuals employed by essential businesses and operations are required by their employment to encounter members of the general public.** This language is an improvement over the emergency rule, and takes into consideration that construction sites are controlled environments with mandated safety protocols and are generally not open to the public.
- Provides that the presumption may be rebutted by evidence that includes that the employer was engaging in and enforcing industry-specific workplace sanitation, social distancing, and health and safety practices based on updated guidance issued by the Centers for Disease Control or Illinois Department of Public Health or was using a combination of administrative controls, engineering controls, or personnel protective equipment to reduce the transmission of COVID-19 to all employees **for at least 14 consecutive days prior** to the employee's injury, occupational disease, or period of incapacity.
- The bill contains a broad definition of personal protective equipment. It is defined as industry-specific equipment worn to minimize exposure to hazards that cause illnesses or serious injuries, which may result from contact with biological, chemical, radiological, physical, electrical, mechanical or other workplace hazards. It includes but is not limited to face coverings, gloves, safety glasses, safety face shields, barriers, shoes, earplugs or muffs, hard hats, respirators, coveralls, vests, and full body suits. The inclusion of this language as a defense is also an improvement over the emergency rule.

- An employer’s experience modification rating **will not change** due to COVID claims.
- The bill provides that an employer may rebut the presumption by showing that the employee was working from their home or on leave for a period of 14 or more consecutive days immediately prior to the employee’s injury, occupational disease, or incapacity resulting from exposure to COVID-19.

Mechanic's Lien Sunset Extension: House Bill 2174

One of IMSCA's legislative initiatives this year was a five year extension to Section 6 of the Illinois Mechanics Lien Act, which provides that work must be done or material furnished within 3 years from beginning the work for owner-occupied residential property, and within 5 years for other types of property in order to obtain a lien under the Act. This law was set to expire December 31, 2020. A one-year extension was provided in House Bill 2174, along with a number of additional one-year sunset extensions as agreed by both parties.

Single/Multiple Prime Contracting Sunset Extension: Senate Bill 1857

This sunset also received a one-year extension. The Capital Development Board's statutory authority to use the single prime delivery method expires January 1, 2021 and will be extended until January 1, 2022. No other changes to the CDB's ability to use single prime are made in the bill.

Fiscal Year 2021 Budget

The legislature passed the Fiscal Year 2021 funding state government operations. The budget contains \$40 billion in spending, and provides “level” funding in most cases from the Governor’s proposal earlier this year. It does not have significant spending cuts, although revenues are expected to be extremely reduced given the pandemic. The budget relies on up to \$5 billion in borrowing from federal COVID-19 relief funds available to all states, and it assumes this borrowing will be repaid with additional federal grant relief from the federal government.

At Mayor Lightfoot’s request, the General Assembly changed the tax structure, thereby ensuring a Chicago casino moving forward.

A special thanks to IMSCA for providing some of the content in this report.