

Government Affairs Update



February 2021

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Springfield Update

The Illinois General Assembly met in lame duck session from Friday, January 8, 2021 through Wednesday, January 13, 2021 in a busy session and under coronavirus safety restrictions. They passed a number of comprehensive bills addressing the Equity Agenda put forward by the Illinois Black Caucus, which had been proposed and debated since last summer. The legislation addressed changes to policing and criminal justice reform in Illinois, including mandatory body cameras for police statewide and the eventual elimination of the cash bail system for criminal defendants. Other measures addressed equity in education, and employment and financial transactions. These were three of the four main pillars of the equity agenda and are awaiting Governor Pritzker's signature. The final pillar, health care equity, failed to meet the deadline and is expected to be taken up in the spring.

On behalf of the Mechanical Contractors Association, we are monitoring Governor Pritzker's action on Senate Bill 1480, which was passed in the waning hours of the lame duck session over the objections of the business community. The measure makes it a civil rights violation under the Illinois Human Rights Act for an employer to use a conviction record to refuse to hire a prospective employee unless certain conditions are met. Those conditions include that there is a "substantial relationship" between the offense and the employment sought or held; or that the employment involves an "unreasonable risk to property or to the safety or welfare" of specific individuals or the general public.

We will continue to monitor the Governor's action on this measure.

The new 102nd General Assembly was sworn in on January 14, 2021. Representative Emanuel Chris Welch (D-Westchester) was elected Speaker of the Illinois House following a contested race. Speaker Welch is the first African American Speaker of the Illinois House following decades of the seat being held by former Speaker Michael J. Madigan. Speaker Welch is an attorney and was first elected to the House in 2013. He previously served as the Chairman of the House Executive Committee, a position to which he was appointed by former Speaker Madigan.

Representative Jim Durkin (R-Burr Ridge) was reelected House Minority Leader. In the Senate, Senator Don Harmon (D-Oak Park) was reelected Senate President and Dan McConchie (R-Lake Zurich) was elected as the new Senate Minority Leader, replacing Senator Bill Brady (R-Bloomington), who recently resigned his Senate seat. It is interesting to note that all four of the "four tops" (caucus leaders) are from the suburbs of Chicago for the first time.

All four leaders named their leadership teams and the House and Senate Democrats released their new committee structures and chairperson appointments.

We have already seen some post-election resignations which will further change the membership of the General Assembly (although not the partisan balance): Democratic Senators Heather Steans of Chicago and Andy Manar of Bunker Hill have resigned, as has Bill Brady, Republican of Bloomington, who was the previous Senate Minority Leader. Additional resignations are expected in the House, including Representative Thaddeus Jones (D-South Holland) and possibly former Speaker Michael J. Madigan. The remainder of the vacated terms will be filled by appointment.

Due to Covid safety concerns, the legislature did not return for the remainder of the month of January. Both chambers are expected to conduct very limited Session days in Springfield in the month of February, with some days already cancelled for the calendar. Very few bills have been filed in the opening month of this new General Assembly compared to previous new General Assemblies. The House bill filing deadline is February 11th; the Senate is February 19th. We are in the process of creating new legislative tracking files, which will be available online, for all members.

Construction Industry Unemployment Increases

According to a recent article by ENR, the construction industry added over 51,000 jobs in the month of December but the overall unemployment rate in the construction industry rose to 9.6% (up 2.3% from November 2020 – 7.3%). The unemployment rate in the construction industry was at 5% in December 2019. Specialty trade contractors saw an increase of 32,100 jobs while the heavy and civil engineering sector saw an increase of 15,000 jobs.

Economic Indicators

Unemployment Rate	December 2020 U.S. 6.7%, Illinois 7.6% (41st)
Labor Participation Rate	December 2020 = 61.5%, November 2020= 61.5%
CPI Chicago All Items	December 2020 versus December 2019 = 0.89%
Union Membership	2020 10.8% (Private Sector 6.3%), 2019 = 10.3%
30 Year Fixed Mortgage	December 2.68%, down 0.09% (November 2.77%)
15 Year Fixed Mortgage	December 2.22%, down 0.09% (November 2.31%)
Brent Crude Oil Price	\$ 52.80 per barrel (as of January 29 ,2021) \$145.61 per barrel all time high July 2008
Building Permits	17.3% above December 2019 rate (+/-1.8%)
GDP	4 th Quarter 4.0% (Advance Estimate)
DJIA	30,331.02 as of January 29, 2021 28,541.65 as of January 31, 2020

Source: MARBA