



Adopted in House Comm. on Apr 12, 2006

09400SB2872ham001

LRB094 14984 BDD 58336 a

1 AMENDMENT TO SENATE BILL 2872

2 AMENDMENT NO. _____. Amend Senate Bill 2872 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the Local
5 Government Facility Lease Act.

6 Section 5. Definitions. As used in this Act:

7 "Facility property" means property owned by a municipality
8 with a population of over 500,000 inhabitants, or a unit of
9 local government whose jurisdiction includes territory located
10 in whole or in part within a municipality with a population of
11 over 500,000 inhabitants, that is used by the municipality or
12 other unit of local government for the purpose of an airport,
13 parking, or waste disposal or processing. "Airport", however,
14 does not include any airport property, as defined under Section
15 10 of the O'Hare Modernization Act.

16 "Leased facility property" means facility property that is
17 leased to a private entity for continued use for the same
18 airport, parking, or waste disposal or processing purpose.

19 Section 10. Compliance with applicable ordinances. Each
20 party to whom facility property is leased shall comply with all
21 applicable ordinances of the municipality in which the property
22 is located governing contracting with minority-owned and
23 women-owned businesses and prohibiting discrimination and

1 requiring appropriate affirmative action, to the extent
2 permitted by law and federal funding restrictions, as if the
3 party to whom the property is leased were that municipality.

4 Section 15. Limitation on the expansion of airport
5 property. Chicago Midway International Airport is facility
6 property used for airport purposes under this Act. Unless an
7 expansion is required by the federal government or a federal
8 agency, no runway of Chicago Midway International Airport shall
9 be expanded beyond the territory bounded by 55th Street on the
10 north, Cicero Avenue on the east, 63rd Street on the south, and
11 Central Avenue on the west, as those avenues and streets are
12 situated on the effective date of this Act.

13 Section 20. Use of lease proceeds by lessor.

14 (a) With respect to any leased facility property used for
15 airport purposes, at least 90% of the net proceeds of the lease
16 shall be expended or obligated by the lessor municipality for:

17 (i) the construction and maintenance of infrastructure
18 within the municipality;

19 (ii) contributions to pension funds created for
20 municipal employees; or

21 (iii) any combination of (i) or (ii).

22 (b) The amount of net proceeds expended or obligated for
23 item (ii) in subsection (a) may not exceed the amount of net
24 proceeds expended or obligated for item (i) in subsection (a).
25 As used in this Section, "net proceeds" means the gross
26 proceeds less any debt service payments on, and payments to
27 retire, debt that is specifically associated with the leased
28 facility property or otherwise required to be paid out of lease
29 proceeds.

30 Section 25. Project labor agreements for projects funded by
31 airport lease proceeds. With respect to the construction of

1 public works funded by the proceeds described in Section 20,
2 where the project has an estimated contract value of \$500,000
3 or more, where there has been a written determination that the
4 public interest in cost, timely and orderly construction, labor
5 stability, and advancement of minority-owned and women-owned
6 businesses and minority and female employment would be served
7 by a project labor agreement, and where not otherwise
8 prohibited by applicable law, the municipality or municipal
9 corporation responsible for implementing the project shall in
10 good faith negotiate a project labor agreement with labor
11 organizations engaged in the construction industry. Any
12 project labor agreement shall:

13 (1) set forth effective, immediate, and mutually
14 binding procedures for resolving jurisdictional disputes
15 and grievances arising before completion of work;

16 (2) contain guarantees against strikes, lockouts, or
17 similar actions;

18 (3) ensure a reliable source of skilled and experienced
19 labor;

20 (4) further public policy objectives as to improved
21 employment opportunities for minorities and women in the
22 construction industry to the extent permitted by State and
23 federal law;

24 (5) be made binding on all contractors and
25 subcontractors on the public works project through
26 inclusion of appropriate bid specifications in all
27 relevant bid documents; and

28 (6) include such other terms as the parties deem
29 appropriate.

30 Section 30. Labor neutrality and card check procedure
31 agreement at the leased property. With respect to employees
32 assigned to work on the premises of leased facility property
33 used for airport purposes and who are not otherwise members of

1 an existing bargaining unit cognizable under the National Labor
2 Relations Act, and where not otherwise prohibited by applicable
3 law, the lessee shall negotiate in good faith, with any union
4 that seeks to represent its employees, for a labor neutrality
5 and card check procedure agreement. The agreement shall apply
6 only to employees actually assigned to work on the premises of
7 the leased facility property used for airport purposes and
8 shall have no applicability to employees not so assigned. The
9 agreement shall contain provisions accomplishing the following
10 objectives: resolution by a third party neutral of
11 disagreements regarding bargaining unit scope, inclusions, and
12 exclusions; determination of the existence of majority support
13 for a bargaining agent by means of a card check procedure;
14 employer neutrality; prohibition of coercion or intimidation
15 of employees by either the employer or the union; and a
16 prohibition on strikes, work stoppages, or picketing for the
17 duration of the agreement.

18 Section 35. Wage requirements. In order to protect the
19 wages, working conditions, and job opportunities of employees
20 employed by the lessee of leased facility property used for
21 airport purposes to perform work on the site of the leased
22 premises previously performed by employees of the lessor on the
23 site of the leased premises and who were in recognized
24 bargaining units at the time of the lease, the lessee, and any
25 subcontractor retained by the lessee to perform such work on
26 the site of the leased premises, shall be required to pay to
27 those employees an amount not less than the economic equivalent
28 of the standard of wages and benefits enjoyed by the lessor's
29 employees who previously performed that work. The lessor shall
30 certify to the lessee the amount of wages and benefits (or
31 their equivalent) as of the time of the lease, and any changes
32 to those amounts as they may occur during the term of the
33 lease. All projects at the leased facility property used for

1 airport purposes shall be considered public works for purposes
2 of the Prevailing Wage Act.

3 Section 40. Required offers of employment. As part of any
4 transaction to lease facility property that is used for airport
5 purposes:

6 (1) the lessee must offer employment, under
7 substantially similar terms and conditions, to the
8 employees of the municipality who are employed, at the time
9 of the lease, with respect to the facility property used
10 for airport purposes; and

11 (2) the municipality must offer employment in another
12 department, division, or unit of the municipality, under
13 substantially similar terms and conditions, to employees
14 of the municipality who are employed, at the time of the
15 lease, with respect to the facility property used for
16 airport purposes.

17 Section 45. Judicial enforcement. The provisions of this
18 Act are judicially enforceable by injunctive relief and an
19 award of actual damages.

20 Section 50. Home rule preemption; exemption from State
21 Mandates Act.

22 (a) A home rule unit may not exercise its home rule powers
23 and functions in a manner that is inconsistent with this Act.
24 This subsection is a limitation under subsection (i) of Section
25 6 of Article VII of the Illinois Constitution on the concurrent
26 exercise by home rule units of powers and functions exercised
27 by the State.

28 (b) Notwithstanding Sections 6 and 8 of the State Mandates
29 Act, no reimbursement by the State is required for the
30 implementation of any mandate created by this Act.

1 Section 900. The Property Tax Code is amended by changing
2 Section 15-185 as follows:

3 (35 ILCS 200/15-185)

4 Sec. 15-185. Exemption for leaseback property and
5 qualified leased property ~~Leaseback exemption.~~

6 (a) Notwithstanding anything in this Code to the contrary,
7 all property owned by a municipality with a population of over
8 500,000 inhabitants, or a unit of local government whose
9 jurisdiction includes territory located in whole or in part
10 within a municipality with a population of over 500,000
11 inhabitants, shall remain exempt from taxation and any
12 leasehold interest in that property shall not be subject to
13 taxation under Section 9-195 if, ~~for the purpose of obtaining~~
14 ~~financing,~~ the property is directly or indirectly leased, sold,
15 or otherwise transferred to another entity whose property is
16 not exempt and immediately thereafter is the subject of a
17 leaseback or other agreement that directly or indirectly gives
18 the municipality or unit of local government (i) a right to
19 use, control, and possess the property or (ii) a right to
20 require the other entity, or the other entity's designee or
21 assignee, to use the property in the performance of services
22 for the municipality or unit of local government. Property ~~The~~
23 ~~property~~ shall no longer be exempt under this subsection
24 ~~Section~~ as of the date when the right of the municipality or
25 unit of local government to use, control, and possess the
26 property or to require the performance of services is
27 terminated and the municipality or unit of local government no
28 longer has any option to purchase or otherwise reacquire the
29 interest in the property which was transferred by the
30 municipality or unit of local government.

31 (b) Notwithstanding anything in this Code to the contrary,
32 all property owned by a municipality with a population of over
33 500,000 inhabitants, or a unit of local government whose

1 jurisdiction includes territory located in whole or in part
2 within a municipality with a population of over 500,000
3 inhabitants, shall remain exempt from taxation and any
4 leasehold interest in that property is not subject to taxation
5 under Section 9-195 if the property, including dedicated public
6 property, is used by a municipality or other unit of local
7 government for the purpose of an airport or parking or for
8 waste disposal or processing and is leased for continued use
9 for the same purpose to another entity whose property is not
10 exempt.

11 For the purposes of this subsection (b), "airport" does not
12 include any airport property, as defined under Section 10 of
13 the O'Hare Modernization Act.

14 Any transaction described under this subsection must be
15 undertaken in accordance with all appropriate federal laws and
16 regulations.

17 (c) For purposes of this Section, "municipality" means a
18 municipality as defined in Section 1-1-2 of the Illinois
19 Municipal Code, and "unit of local government" means a unit of
20 local government as defined in Article VII, Section 1 of the
21 Constitution of the State of Illinois. The provisions of this
22 Section supersede and control over any conflicting provisions
23 of this Code.

24 (Source: P.A. 93-19, eff. 6-20-03.)

25 Section 905. The Illinois Municipal Code is amended by
26 adding Section 11-102-15 as follows:

27 (65 ILCS 5/11-102-15 new)

28 Sec. 11-102-15. Chicago Midway International Airport;
29 application of other Acts. In addition to the provisions of
30 this Division 102, Chicago Midway International Airport is
31 subject to the provisions of the Local Government Facility
32 Lease Act.

1 Section 910. The Prevailing Wage Act is amended by changing
2 Section 2 as follows:

3 (820 ILCS 130/2) (from Ch. 48, par. 39s-2)

4 Sec. 2. This Act applies to the wages of laborers,
5 mechanics and other workers employed in any public works, as
6 hereinafter defined, by any public body and to anyone under
7 contracts for public works.

8 As used in this Act, unless the context indicates
9 otherwise:

10 "Public works" means all fixed works constructed by any
11 public body, other than work done directly by any public
12 utility company, whether or not done under public supervision
13 or direction, or paid for wholly or in part out of public
14 funds. "Public works" as defined herein includes all projects
15 financed in whole or in part with bonds issued under the
16 Industrial Project Revenue Bond Act (Article 11, Division 74 of
17 the Illinois Municipal Code), the Industrial Building Revenue
18 Bond Act, the Illinois Finance Authority Act, the Illinois
19 Sports Facilities Authority Act, or the Build Illinois Bond
20 Act, and all projects financed in whole or in part with loans
21 or other funds made available pursuant to the Build Illinois
22 Act. "Public works" also includes all projects financed in
23 whole or in part with funds from the Fund for Illinois' Future
24 under Section 6z-47 of the State Finance Act, funds for school
25 construction under Section 5 of the General Obligation Bond
26 Act, funds authorized under Section 3 of the School
27 Construction Bond Act, funds for school infrastructure under
28 Section 6z-45 of the State Finance Act, and funds for
29 transportation purposes under Section 4 of the General
30 Obligation Bond Act. "Public works" also includes all projects
31 financed in whole or in part with funds from the Department of
32 Commerce and Economic Opportunity ~~Community Affairs~~ under the

1 Illinois Renewable Fuels Development Program Act for which
2 there is no project labor agreement. "Public works" also
3 includes all projects at leased facility property used for
4 airport purposes under Section 35 of the Local Government
5 Facility Lease Act.

6 "Construction" means all work on public works involving
7 laborers, workers or mechanics.

8 "Locality" means the county where the physical work upon
9 public works is performed, except (1) that if there is not
10 available in the county a sufficient number of competent
11 skilled laborers, workers and mechanics to construct the public
12 works efficiently and properly, "locality" includes any other
13 county nearest the one in which the work or construction is to
14 be performed and from which such persons may be obtained in
15 sufficient numbers to perform the work and (2) that, with
16 respect to contracts for highway work with the Department of
17 Transportation of this State, "locality" may at the discretion
18 of the Secretary of the Department of Transportation be
19 construed to include two or more adjacent counties from which
20 workers may be accessible for work on such construction.

21 "Public body" means the State or any officer, board or
22 commission of the State or any political subdivision or
23 department thereof, or any institution supported in whole or in
24 part by public funds, and includes every county, city, town,
25 village, township, school district, irrigation, utility,
26 reclamation improvement or other district and every other
27 political subdivision, district or municipality of the state
28 whether such political subdivision, municipality or district
29 operates under a special charter or not.

30 The terms "general prevailing rate of hourly wages",
31 "general prevailing rate of wages" or "prevailing rate of
32 wages" when used in this Act mean the hourly cash wages plus
33 fringe benefits for training and apprenticeship programs
34 approved by the U.S. Department of Labor, Bureau of

1 Apprenticeship and Training, health and welfare, insurance,
2 vacations and pensions paid generally, in the locality in which
3 the work is being performed, to employees engaged in work of a
4 similar character on public works.

5 (Source: P.A. 92-16, eff. 6-28-01; 93-15, eff. 6-11-03; 93-16,
6 eff. 1-1-04; 93-205, eff. 1-1-04; revised 1-12-04.)

7 Section 915. The State Mandates Act is amended by adding
8 Section 8.30 as follows:

9 (30 ILCS 805/8.30 new)

10 Sec. 8.30. Exempt mandate. Notwithstanding Sections 6 and 8
11 of this Act, no reimbursement by the State is required for the
12 implementation of any mandate created by this amendatory Act of
13 the 94th General Assembly.

14 Section 999. Effective date. This Act takes effect upon
15 becoming law."