## 99TH GENERAL ASSEMBLY

## State of Illinois

# 2015 and 2016

#### HB6094

Introduced 2/11/2016, by Rep. Tom Demmer

## SYNOPSIS AS INTRODUCED:

New Act 30 ILCS 805/7 30 ILCS 805/9.5 new

from Ch. 85, par. 2207

Creates the Local Unfunded Mandate Exemption Act. Provides that all units of local government, school districts, and public colleges and universities may, by a majority vote of the governing body, exempt themselves from specified mandates that are unfunded if it is determined that it is not economically feasible to comply with the unfunded mandate. Provides for notice, public hearing, and other requirements in order for a governing body to exempt itself from any mandate. Prohibits exemption from federally required mandates, mandates pertaining to health and public safety, mandates pertaining to civil rights, and instructional mandates for school districts. Provides for appeal procedures by State agencies affected by exempted mandates. Amends the State Mandate Act. Provides that the Department of Commerce and Economic Opportunity shall submit yearly to the Governor and the General Assembly a review and report on mandates remaining in effect at the time of submittal of the report.

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AN ACT concerning local government.

# Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 1. Short title. This Act may be cited as the Local
Unfunded Mandate Exemption Act.

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

7 "Director" means the Director, Secretary, Executive8 Director, or other chief executive officer of a State Agency.

9 "Mandate" means, except as otherwise provided in this Act, 10 the following mandates defined in Section 3 of the State 11 Mandates Act: (a) local government organization and structure 12 mandates; (b) due process mandates; (c) service mandates; and 13 (d) personnel mandates.

14 "Public colleges and universities" means public community 15 colleges subject to the Public Community College Act, the 16 University of Illinois, Southern Illinois University, Chicago 17 State University, Eastern Illinois University, Governors State 18 University, Illinois State University, Northeastern Illinois 19 University, Northern Illinois University, and Western Illinois 20 University.

21 "State Agency" has the meaning provided in Section 1-7 of22 the Illinois State Auditing Act.

Section 10. Exemption from unfunded mandates.
 Notwithstanding any other law to the contrary:

- (a) Units of local government, school districts, and public colleges and universities, by resolution or ordinance with a three-fifths vote of the governing board, may exempt themselves from any unfunded mandate under any law or administrative rule if the governing board determines that it is not economically feasible to comply with the unfunded mandate. The resolution or ordinance shall:
- 10 (1) state an estimate of the cost of compliance with 11 the unfunded mandate;
- (2) state how the cost of compliance with an unfunded mandate is not economically feasible and significantly hinders their ability to deliver on the statutory mission of the unit of government, school district, or public college or university;
- 17 (3) attach documentation in support of paragraphs (1)
  18 and (2) of this subsection (a); and
- 19 (4) certify that the exemption is not prohibited by20 subsection (b) of this Section.
- (b) No unit of local government, school district, or public college or university may be exempted from an unfunded mandate if the mandate is:
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- (1) a federally required mandate;
- (2) a mandate pertaining to health and public safety to
  a degree which should not be waived;

(3) a mandate pertaining to local, State, or federal
 civil rights; or

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(4) an instructional mandate for a school district.

(c) Before a unit of local government, school district, or 4 5 public college or university may lawfully be exempted from an unfunded mandate under subsection (a) of this Section, it must 6 7 hold a public hearing on the matter. The unit of local 8 government, school district, or public college or university 9 must publish a notice of the public hearing's time, date, 10 place, and general subject matter at least 7 days prior to the 11 hearing in a newspaper of general circulation within the unit 12 of local government's, school district's, or public college's or university's area and on its website if it has a website. 13

14 Section 15. Notification to Governor and General Assembly. 15 Upon passage of a resolution or ordinance under Section 10 of 16 this Act, a copy of the resolution or ordinance, including all attached documentation, shall be provided to the Office of the 17 Governor, Office of the Senate President, Office of the Senate 18 Minority Leader, Office of the Speaker, Office of the Minority 19 20 Leader, and any Director of an affected State Agency within 10 21 business days of passage.

22 Section 20. Appeal by a State Agency Director.

(a) The Director of any State Agency affected by a mandate
 exemption under Section 10 of this Act can appeal the exemption

within 45 days from the date of receipt to the Joint Committee on Administrative Rules requesting compliance with the unfunded mandate if the Director determines compliance by the unit of local government, school district, or public college or university is economically feasible and the exemption should be voided based upon any of the following:

7 (1) The Director shows that the State does or will
8 provide adequate and direct funding to meet the full cost
9 of compliance with the mandate;

10 (2) The Director shows compliance with the mandate is 11 inherent in the statutory mission of the unit of local 12 government, school district, or public college or 13 university; or

14 (3) The Director shows the mandate cannot be exempted15 under subsection (b) of Section 10 of this Act.

(b) If the Joint Committee on Administrative Rules finds, by a majority vote, that the Director has not shown that an exemption to a mandate should be voided, the Joint Committee shall prepare a written opinion upholding the exemption within 45 days after receipt of the appeal from the Director.

(c) If the Joint Committee on Administrative Rules finds, by majority vote, that the Director has shown that an exemption to a mandate should be voided, the Joint Committee shall prepare a written opinion within 45 days after receipt of the appeal from the Director detailing its findings and provide a copy of its written findings to the Governor for final review.

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1 If the Governor agrees in writing with the findings of the 2 Joint Committee, the exemption is void. If the Governor 3 disagrees and objects in writing to the findings of the Joint 4 Committee, then the Joint Committee may, by a two-thirds vote, 5 override the Governor's objection thereby making the exemption 6 void. If the Governor's objection is not overridden by the 7 Joint Committee, then the exemption shall continue in force.

8 (d) If the Joint Committee on Administrative Rules fails to 9 issue a written opinion under subsections (b) and (c) within 45 10 days after receipt of the appeal from the Director, the 11 exemption is upheld.

Section 25. Conflicts with State Mandates Act. In any instances in which this Act conflicts with the State Mandates Act, this Act shall control.

Section 30. The State Mandates Act is amended by changing Section 7 and by adding Section 9.5 as follows:

17 (30 ILCS 805/7) (from Ch. 85, par. 2207)

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Sec. 7. Review of Existing Mandates.

(a) Concurrently with, or within 3 months subsequent to the publication of a catalog of State mandates as prescribed in subsection (b) of Section 4 the Department shall <u>every year</u> submit to the Governor and the General Assembly a review and report on mandates <del>enacted prior to the effective date of this</del>

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Act and remaining in effect at the time of submittal of the report.

include for each mandate 3 The report shall the (b) following: (1) The factual information specified in subsection 4 5 (b) of Section 4 for the catalog; (2) extent to which the enactment of the mandate was requested, supported, encouraged 6 7 opposed by local governments or their or respective 8 organization; (3) whether the mandate continues to meet a 9 Statewide policy objective or has achieved the initial policy 10 intent in whole or in part; (4) amendments if any are required 11 to make the mandate more effective; (5) whether the mandate 12 should be retained or rescinded; (6) whether State financial 13 participation in helping meet the identifiable increased local 14 costs arising from the mandate should be initiated, and if so, 15 recommended ratios and phasing-in schedules; and (7) any other 16 information or recommendations which the Department considers 17 pertinent; and (8) a statewide cost of compliance estimate.

(c) The appropriate committee of each house of the General
Assembly shall review the report and shall initiate such
legislation or other action as it deems necessary.

The requirement for reporting to the General Assembly shall be satisfied by filing copies of the report with the Speaker, the Minority Leader and the Clerk of the House of Representatives and the President, the Minority Leader, the Secretary of the Senate, the members of the committees required to review the report under subsection (c) and the Legislative Research Unit, as required by Section 3.1 of "An Act to revise the law in relation to the General Assembly", approved February 25, 1874, as amended, and filing such additional copies with the State Government Report Distribution Center for the General Assembly as is required under paragraph (t) of Section 7 of the State Library Act.

7 (Source: P.A. 84-1438.)

8 (30 ILCS 805/9.5 new)

9 <u>Sec. 9.5. Conflicts with the Local Unfunded Mandate</u> 10 <u>Exemption Act. In any instances in which this Act conflicts</u> 11 <u>with the Local Unfunded Mandate Exemption Act, the Local</u> 12 <u>Unfunded Mandate Exemption Act shall control, including but not</u> 13 <u>limited to, exemptions set forth in Sections 8.1 and following</u> 14 <u>of this Act.</u>