ISAWWA Legislative Update:

On March 5, HB 5501 was assigned to the Business and Industry Regulations Subcommittee, Labor and Commerce Committee for review.

The bill requires IEPA to be responsible for approving all fire hydrants and valves in a municipal water system. That link to the bill is here. Due to the COVID 19 outbreak, it is unknown if this bill will be moved during this year’s regular legislative session. Here is that link:


The companion bill in the Senate has not been assigned to a subject matter committee (SB 3164).

SB 2745, a bill requiring referenda for acquisitions of municipal sewer and water supplies, has been assigned to the Senate Energy and Public Utilities Committee. That link is here and the bill has bi-partisan support:


Both houses of the Illinois General Assembly have suspended their legislative duties until April 7. Given that the President has announced his ‘guidelines’ on social distancing will remain in place until April 30, it is likely the state legislature will not reconvene until that time.

Our belief is the General Assembly will have a substantially reduced workload for the rest of the spring. Future sessions, however, will likely do the following: 1) waive House/Senate procedural rules to allow for voice votes or voting procedures to minimize group activities; 2) deal with items of major significance like a state hospital legislation to maximize $3.5 billion in federal monies; 3) create emergency unemployment/pandemic legislation and 4) enact minimal legislation, perhaps only those bills that have advanced out of House/Senate Committees.

Item 4 above is only a guess, but it is also a possibility the GA will hold session dates during the month of June (Recently, the annual adjournment date has been June 1.)
COVID 19 Update:

By the time you read this legislative update, there will be 5000 Coronavirus cases in Illinois (on Friday March 27, Illinois had reported 2538 cases). As we approach the apex of the pandemic, our State confronts the following: 1) hospitals and healthcare workers are undersupplied with personal protective equipment (PPE). For example, Illinois has only 10.5% of the N95 masks it needs; 2) Illinois is short of respirators/ICU rooms for seriously ill people.; 3) Illinois requested 4000 respirators from the federal government and has received zero; 4) we have only 4.4% of the surgical gloves we have requested from the federal government as well. For a better picture of the material shortages Illinois faces—and perhaps the best illustration of what this pandemic is causing to Illinois’ health facilities and inventory—see this slide Illinois Comptroller Mendoza posted on March 23:

https://twitter.com/ILComptroller/status/1242458693016473602/photo/1

Here are highlights of Pritzker’s Executive Orders so far. We didn’t realize there were this many:

- **Executive Order Number 4**
  
  LARGE GATHERINGS — Gatherings of 1,000 or more people are prohibited, including concerts, conferences and sporting events as well as closes the James R. Thompson Center to the public, except for necessary state business.

- **Executive Order Number 5**
  
  K-12 SCHOOLS — All public and private K-12 schools must close for educational purposes; however, this will not affect the availability of school buildings to supply food for students in need.

- **Executive Order Number 6**
  
  K-12 SCHOOLS CLARIFICATION — All public and private schools must close for educational purposes, but schools operated by the Illinois Department of Juvenile Justice, the Illinois State Board of Education or the Illinois Department of Human Services may remain open.

- **Executive Order Number 7**
  
  RESTAURANTS & BARS — Beginning March 16 at 9 p.m., bars and restaurants must suspend on-premises consumption, but are permitted to continue delivery service, drive-through and curbside pick-up. Gatherings of 50 or more people are prohibited, including fitness centers, private clubs, and theaters.

- **Executive Order Number 8**
  
  SECRETARY OF STATE OPERATIONS — During the duration of the disaster proclamation and 30 days thereafter, the urgent need to address the expiration of vehicle registrations, driver's
licenses, permits, parking decals, Illinois identification cards and hearings pursuant to the Illinois Vehicle Code is suspended, as are the filing of statements of economic interest.

- **Executive Order Number 9**
  TELEHEALTH — All health insurers regulated by the Department of Insurance are required to cover telehealth services and reimburse providers at the same rate as in-person visits and are prohibited from imposing any cost-sharing for in-network providers.

- **Executive Order Number 10**
  STAY AT HOME — All individuals must stay at home, with exceptions for essential activities, essential government functions, and essential businesses and operations. All non-essential business and operations must cease, aside from Minimum Basic Operations. Business can continue with employees working from home. Local government units across the state must halt all evictions, and gatherings of more than 10 people are prohibited.

- **Executive Order Number 11**
  ESSENTIAL HUMAN SERVICES OPERATIONS — Individuals may leave their residence to work for or obtain any Human Services Operations, such as adoption agencies, long-term care facilities, residential settings for individuals with disabilities and day care centers for children of essential employees. Illinois school districts do not need approval by the school board for an e-learning curriculum.

- **Executive Order Number 12**
  SUSPENDS HEALTHCARE WORKER'S BACKGROUND CHECKS Individuals who are certified as a nurse assistant, but are currently inactive on the Health Care Worker Registry, may be hired under certain provisions, such as the inactive status being no more than five years and limiting conditional employment to three months pending the result of a more extensive background check.

- **Executive Order Number 13**
  SUSPENDS ADMISSIONS TO THE ILLINOIS DEPARTMENT OF CORRECTIONS (from County jails).

- **Executive Order Number 14**
  SUSPENDS IN PERSON AFFIRMATIONS FOR NOTARIES AND LEGAL DOCUMENTS.

- **Executive Order Number 15**
  SUSPENDS VARIOUS PORTIONS OF THE ILLINOIS SCHOOL CODE (attendance requirements, grants for child care for essential workers, creating remote learning procedures, construction).

- **Executive Order Number 16**
  SUSPENDS CLASSROOM TRAINING REQUIREMENTS FOR SECURITY PROFESSIONALS.

There is this excellent piece in *The Atlantic* on the collapse of America’s public health system. It is not a pretty picture:
Finally on March 26, the Associated Press reported unemployment claims in the 50 states jumped by nearly 5x the previous record set in 1982, for a total of 3.3 million individuals now out of work. Illinois reported 113,000 claims during the last full week in March, while our friends at the St. Louis Federal Reserve are predicting total unemployment from Coronavirus could total 47 million Americans.

I was laid off from a fortune 500 company in August of 2008, the last time the USA had a bad recession. I remember watching US economic activity declining for months on end, bankruptcies, homeowners defaulting on mortgage loans, and real estate markets collapsing in places like Las Vegas and Florida. A terrible recession followed in 2009.

I will say I was fortunate because I got a severance package that year and then job as a lobbyist with the Illinois Trial Lawyers Association. I came through it ok, except when it came time to sell my condo and lost $30,000 at closing.

But this pandemic has exacerbated the economic downturn in ways that seem different from 2008. The collapse in our financial markets, tied to our unprepared public health system, happened in days and weeks, as opposed to months. In late February and early March, the S&P 500 lost 12% of its value in only 7 days. Similarly, COVID cases in Illinois grow exponentially, 50 or 75% growth in one day. It is like we have two viruses, one in public health and one in the financial markets. Crises that once took months and years to play out during the Great Depression, and in 2008, now take days.

It may be because of algorithmic trading on Wall Street, and the rise of passive investing, where financial firms like Vanguard and Blackrock own huge swaths of the world’s wealth. Traders hedging and selling billions or hundreds of billions of financial assets in a second, coupled with artificial intelligence algorithms that trigger automatic buy or sell programs. The largest corporations—think Apple and Amazon—are their own GDPs and they easily afford the world’s best economists and actuaries who can then predict trends in the economy in an instant. That, I guess, is viral technology running the world; moving from full employment, to a great recession or depression in two weeks and perhaps back to recovery mode by the summer.

But when I read about USA’s failure to invest in public health, and Illinois’ failure to invest in a rainy day fund, or other common sense fiscal reforms (given what this Champaign, Urbana editorialist has written), Illinois is destined to get the worst of it:


Other Helpful Items:
DCEO has a list of essential businesses allowed to operate during the quarantine and a list for small business assistance:


https://www2.illinois.gov/dceo/SmallBizAssistance/Pages/Coronavirus-Disease-2019-%28COVID-19%29-Information-for-Small-Business.aspx

John Carr