

2019 LEGISLATIVE PRIORITIES



Since 1978, the South Suburban Mayors and Managers Association (SSMMA) has developed a common voice on municipal positions in the southern suburbs and advocated for sound public policy initiatives and solutions to local municipal, regional, and statewide problems. As an intergovernmental agency representing 45 municipalities and nearly 750,000 residents, we've listened to the needs of our communities and have one vision for the southern suburbs: a stronger, more economically vibrant and fiscally sustainable Southland. It's with a sense of urgency that we're focused on working with members of the 101st General Assembly during the 2019 legislative session on these targeted, high priority goals for our region:

- ***Expand the Economic Development Tools of the Southland***
- ***Stabilize Local Government and Municipal Budgets***
- ***Reform and Consolidate Public Safety Pension Funds***
- ***Pass a Fiscally Responsible Capital Infrastructure Investment Program***

Our 2019 Legislative Program's priorities—while seemingly unrelated— seek the same result: improving the overall stability, sustainability, and financial solvency of south suburban communities in order to ensure their long term economic success. With innovative economic development tools—such as the proposed Southland Reactivation site designation, along with newly created Enterprise and Opportunity Zones—the South Suburbs will be able to capitalize on its existing strengths and expand its tax base. This will in turn provide revenue that fund the critical services delivered by local governments. With the costs of pensions and essential local services increasing, municipalities now more than ever need to be assured of stable access to local revenues to meet the health, safety, and needs of local residents and to tackle community problems as needed. Similarly, without true reform and consolidation of public safety pension funds, administration and investment costs will eat away local revenues and drive Illinois municipalities every closer to insolvency, forever impacting quality of life and economic competitiveness.

Our long term economic success is also dependant on our ability to maintain and expand our roads, transit and freight rail systems, and other valuable infrastructure assets. While the Southland is home to a vast network of roads and rail lines, our aging infrastructure and how to pay for modernization actually puts us at a competitive disadvantage with nearby Indiana and other midwest regions. The State's lack of a capital investment program has handicapped our ability to leverage our existing assets and enviable position as the crossroads of the nation to attract and maintain private industry and jobs.

With the support of the General Assembly, SSMMA's consensus agenda can put Southland communities on the path to a more economically competitive, socially equitable, and fiscally sustainable future. Our goal is to not only address the needs of municipalities and today's residents, but to provide solutions to existing challenges so that future generations within our communities will also thrive. Decisive action today means Southland communities unleash their economic potential and flourish tomorrow.

What is the Southland Reactivation Act?

The Southland Reactivation Act is a pilot program for the south suburbs of Chicago that utilizes the existing South Suburban Land Bank and Development Authority* to attract market-driven development and successfully revitalize blighted or underperforming commercial and industrial property. The goal is to spur new investment through an innovative tool within a targeted region in order to reactivate, stabilize, and grow the tax base and local jobs in a sustainable manner.

Why is it needed?

Many South Suburban communities have experienced economic blight for decades and those challenges demand strong partnerships across sectors. Awarded with several Illinois Enterprise Zones, and more recently Opportunity Zones that provide a new tool for economic recovery, the Southland still lags other areas of Chicagoland and the State.

The Southland needs a mechanism that provides an incentive to rebuild in targeted areas due to its excessively high property tax rates and the inability to compete with neighboring Indiana. Without the ability to address the high property tax burden within the South Suburbs, properties will continue to languish and remain blighted.

The Southland Reactivation Act marries innovation, policy reform, smarter investment decisions and most of all, collaboration between agencies, businesses and government in a five (5) year pilot initiative to spur private sector investment. It is a pathway for providing an inducement to developers and private sector investors to invest in targeted areas within the South Suburbs—known for its assets and location but not often able to compete with neighboring Indiana for new investment due to high tax rates.

Legislative Ask:

1. Sponsor and support HB 43, the Southland Reactivation Act, which provides a tool that allows the Southland to reactivate their tax base and may serve as a model for other regions.



*The South Suburban Land Bank, in partnership with local municipalities, has been successful with acquiring and selling distressed residential and commercial/industrial properties for nearly a decade. Able to legally hold, manage and develop tax or bank foreclosed properties and put them back into productive use, the SSLBDA has realized some \$16M in added value to communities in a few short years.

Protect All State-Collected Local Revenue Streams

Why is protecting Municipal Revenues important?

With the costs of pensions and essential local services increasing, municipalities now more than ever need stable, predictable access to local revenues to cover local expenditures. Local government provides essential services to residents and businesses, delivering vital municipal services like police and fire protection, critical water and transportation infrastructure and maintenance, garbage pick-up, snow removal and more—all services that impact the local quality of life for residents and the attractiveness of the community for business investment.

What is the current problem?

Diversions of state-shared revenues such as Local Government Distributive Fund (LGDF), Corporate Personal Property Replacement Tax (CPPRT), and cuts to local revenue distributions – as well as the State's Sales Tax Administrative Fee— are eating into revenues that go to support public safety, transportation infrastructure, water and sewer services and all other programs and services that protect and contribute to the safety and welfare of residents. This is impairing the quality of life for Southland residents and is worsening the conditions of cash-strapped communities driving them toward insolvency. Diverting local revenue creates the untenable situation of subjecting local residents to service reductions and potentially higher taxes and fees needed to balance budgets and maintain core services.

Legislative Ask:

1. Opposed any diversions of revenue that is collected by the state on behalf of local governments;
2. Restore previously-diverted Corporate Personal Property Replacement Tax and Local Government Tax Fund revenues;
3. Restore to a full 10% share the state Income Tax collections; and
4. Support automatic appropriation authority for Local Funds, making all revenues collected by the state on behalf of municipal governments subject to continuing appropriation authority. This includes Motor Fuel Tax (MFT), video/casino gaming, Use Tax and 9-1-1 revenues.

Reform and Consolidate Local Public Safety Pension Funds

Why is true reform and consolidation of public safety pension funds needed?

Soaring public safety pension costs are at a crisis level and threatening the future of local governments as current municipal public safety pension systems are unsustainable. Not only are public safety costs rising but available municipal revenues are being further diverted away from funding other important programs and services intended to secure the health, safety and welfare of municipal residents. At a time when both the state and local governments have constrained local revenues, state lawmakers, in coordination with local partners, must work diligently and expeditiously to reduce local pension costs.

How can this work?

Without cutting benefits, consolidating the more than 650 separate public safety pension funds into a single multiple-employer pension system would expand investment opportunities and lower operational expenses for those who serve our communities. Combining administrative functions among public safety pension funds would immediately reduce administrative costs and result in savings to municipalities and taxpayers without altering existing benefit levels for existing employees, including current police officers and firefighters.

Legislative Ask:

1. Begin the process of consolidating public safety pension funds by identifying the best option to reduce inefficiencies;
2. Support reform and consolidation of the downstate and suburban municipal police and firefighter pension funds in a manner that reduces the long-term financial obligations to municipal employers and protects the solvency of the systems for participating employers;
3. Support legislation that eliminates the practice of “pension spiking” involving vacation, sick time and longevity pay and other benefits sweeteners; and
4. Support cost-saving reforms to the Public Safety Employee Benefits Act and adopt the federal definition if “catastrophic injury”.

Why is a comprehensive Capital Bill needed?

The State's infrastructure is in a condition of disrepair due to years of underfunding and neglect. Illinois' road, bridge, transit, rail, air, and water infrastructure needs revitalization in order to protect the investments made by past generations and ensure future generations continue to have access to a safe, reliable infrastructure system and the economic opportunity it brings.

What is at stake?

Both Illinois' and the Southland's long term economic success is dependant on our ability to maintain and expand our roads, transit and freight rail systems, and other valuable infrastructure assets. The nation's crossroads intersect within the Southland and our past economy benefited from both our location and physical assets which supported commerce and jobs. Now, our infrastructure is aging and there's a backlog of critical infrastructure projects desperately needed to modernize these assets—crucial to rebuilding and driving higher levels of economic activity.

We also need to be able to address other public infrastructure needs related to water, stormwater, sewage treatment, and other facilities that serve municipalities and protect the health and safety of residents. Without adequately and responsibly attending to the local funding priorities and growing capital demands throughout Illinois, we're not planning for the necessities of communities and investing in our future. Worse, we're putting our citizenry at risk.

Legislative Ask:

1. Enact a fiscally responsible Capital Infrastructure Investment Program during the 101st General Assembly;
2. Pass a comprehensive program which includes funding for Illinois' roads, bridges, transit, rail, air, open space and trails, and water infrastructure needs in order to improve our state's transportation network and tackle other important infrastructure initiatives;
3. Identify and secure sustainable, reliable funding in order to be competitive with neighboring states and responsive to current and future infrastructure demands. The state's past practice of inconsistent funding cycles and capital programs has not kept pace with system needs, nor supported strategic economic growth; and
4. Prioritize funding and direct state and regional resources in disinvested areas—like the Southland—to create a pathway to economic success and attract market-driven private sector investment that supports economically competitive, socially equitable, and fiscally sustainable growth.

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The Association is composed of **forty-five (45)** municipal governments located in southern Cook and Will Counties representing a population of nearly **750,000**. The Mayors and Managers of the member communities form the Board of Directors for the SSMMA organization. This year's officers are:

- President Vernard Alsberry, Jr. , President, Village of Hazel Crest
- Vice President Tyrone Ward, Mayor, Village of Robbins
- Secretary Robert "Bob" Kolosh, Mayor, Village of Thornton
- Treasurer Ron Gardiner, Mayor, Village of Glenwood

This Legislative Program reflects the collective consideration and position of member municipalities. In many instances the policies are coordinated with other municipal organizations.

The Association will use this Program in response to specific legislation as introduced in the General Assembly and to advocate for other measures as they relate to our member communities and the south suburban region as a whole. This document also serves to notify our state, federal and county legislative delegations of the legislative concerns and policies of their municipalities. In this way the SSMMA hopes to promote a mutual partnership among the local, county, state, and national governments which serve the southern suburbs.

In summary, the SSMMA looks forward to working with Governor Pritzker and with state, federal and county legislators this year, both on items contained in our SSMMA Legislative Program, as well as other issues that may arise. Please contact Legislative Chairman Mayor Richard Reinbold or Executive Director Kristi DeLaurentiis if you have questions about the 2019 Policy Agenda or our SSMMA communities. Thank you.

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