

Illinois State Association of Counties

April 9, 2020

The Honorable John Curran State Senate 1011 State Street Suite 210 Lemont, IL 60517

Dear Senator Curran,

As you are aware, counties remain on the frontlines of our state's ongoing local public health emergency response and overall public safety efforts. ISACo is committed to working with the General Assembly and Governor on measures to protect the financial solvency of county budgets and the integrity of county services offered to residents. This letter proposes public policies that would assist counties in anticipation of the challenging financial circumstances ahead.

First and foremost, the Illinois State Association of Counties (ISACo) requests that the General Assembly and Governor protect the existing share of revenues collected by the state and distributed to counties. This includes revenue distributed through the Local Government Distributive Fund (LGDF), sales tax revenues, Personal Property Replacement Taxes (PPRT), etc. Protecting the existing local share of these revenue sources would ensure that counties will not lose revenue to which they are otherwise entitled. The timely distribution of these revenues is also critical. To that end, please find enclosed a letter I sent to Comptroller Mendoza on March 25, 2020, urging that her office prioritize county revenue distributions.

Three issues from our 2020 legislative agenda would offer financial relief to counties throughout the state. None of the proposals below would have a fiscal impact on the state.

IMRF Pension Relief

Most counties participate in the Illinois Municipal Retirement Fund (IMRF). The IMRF Board has established a 100% funding target. This is an ambitious goal but imposes an unnecessarily high cost burden on employers. An 80% funding target is consistent with sound actuarial practices and legislation establishing this target would provide cost relief for ALL local governments throughout the state that participate in IMRF, including counties. ISACo currently has a bill with an 80% target (HB 4078).

Local Option Motor Fuel Tax (MFT)

Under current law, counties and municipalities with home rule status (and non-home rule municipalities in Cook County at three cents per gallon) have authority to impose a local MFT. A small number of non-home rule counties have special authority from the General Assembly and Governor to impose a county MFT (DuPage, Kane, Lake, McHenry and Will). This local county MFT cannot exceed eight cents per gallon following passage of an ordinance or resolution by the county board.

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The authority to impose a local option MFT should be extended to all counties. This would allow counties to raise revenue for ongoing maintenance and infrastructure while freeing up existing revenues for other critical purposes. ISACo currently has a bill extending this authority (HB 4695).

Substitute a Specific Newspaper Posting Requirement with a Website Posting Option

In general assessment years, counties must post a list of all property assessments in a newspaper of general circulation within the county. In the years between general assessments, counties are mandated to publish in a newspaper a list of only those real property assessments that have been changed.

The General Assembly and Governor should amend the law to allow county governments to meet the property assessment publication mandate by either publishing the information on a county website or in a newspaper of general circulation in the county. Allowing counties to fulfill the publication mandate on their websites would save taxpayers thousands of dollars annually. ISACo currently has a bill amending this posting requirement (SB 3143).

Thank you for your consideration of these proposals. Please feel welcome to contact me if I can provide additional information or otherwise be of assistance.

Respectfully,

Joe McCoy

Executive Director

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