
The Rail

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Remaining vigilant

By Matt Paprocki, President and CEO, Illinois Policy Institute

Aliki Marinos and her brother, Frank, are the owners of Bel-Mar Wire Products, a dependable leader in the custom display manufacturing sector. Their immigrant father, Tom Marinos, started the business from scratch in 1972. He had no help, no connections and no higher education, yet his work ethic built a successful family enterprise.

In December, Bel-Mar Wire's property tax bill was 3.7 times higher than it was the previous year. They were forced to let go about half their staff to pay for it. Their spring tax bill is almost double what it was in December.

"We had siblings working here," Aliki said. "Uncles, nephews, relatives that they would refer. So, we really had a tight-knit trust as far as the work ethic and family values are concerned."

Chicago is Bel-Mar Wire's stake – it's their post. But Brandon Johnson is now the mayor, and he promises \$800 million in new taxes. Johnson pledges to not raise property taxes, so it's important we hold him to that to keep legacy family businesses such as Bel-Mar Wire open. Many industries, including commercial retail, apparel and technology, would be at a loss without their service.

I'm concerned about the city of Chicago with an openly Socialist mayor. The Chicago Teachers Union has purchased the highest office in the city. The most radical mayor in the history of Chicago must now govern

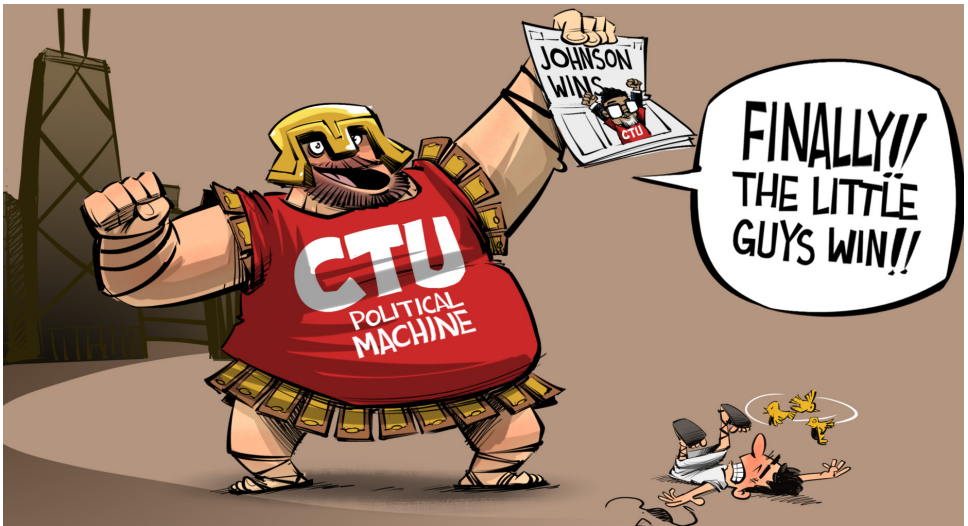
over high crime, failing schools and a massive financial time bomb.

The Chicago Teachers Union has purchased the highest office in the city. The most radical mayor in the history of Chicago must now govern over high crime, failing schools and a massive financial time bomb.

Johnson may throw gas on an already raging fire. But we can put out the flames if we commit to the fight.

Because of your investment, people are waking up to the detrimental effects big labor is having on Illinois. Our documentary film: "Local 1: The Rise of America's Most Powerful Teachers Union" has been viewed over 1 million times. More importantly, it has diminished the teachers union's favorability by 15 points.

Because of your investment, people are waking up to the detrimental effects big labor is having on Illinois.



Your support of our vote-by-mail and early voting initiative in the mayoral runoff convinced 42,023 free-market voters to request a pre-election ballot. Two-thirds of those voters had never voted in a mayoral election before. And because of innovative data modeling, we can build on this number for every future election.

Our polling shows most voters' top priorities are public safety, affordability and good schools. The task, then, is to empower them to participate in democracy and vote for a better future.

Chicagoans don't disagree with what we're trying to achieve. Our polling shows most voters' top priorities are public safety, affordability and good schools. The task, then, is to empower them to participate in democracy and vote for a better future.

In this issue of *The Rail*, you'll read:

- A report on how Illinois politicians allow government unions to rewrite state law under Amendment 1.
- An analysis of Cook County's population decline and outmigration, which is the second worst in the U.S.

- An update on the ComEd 4 trial and how reforming Illinois House rules is essential to stopping the next Madigan.

Some people think it's time to give up on Illinois and head for the exits. But I'm not abandoning the state I call home – I'm buying a house, and it's in the city of Chicago.

I'm planting my feet in the right place and standing firm. I hope you'll do the same because our work is now more important than ever.

Thank you for your commitment to restoring Illinois' freedom and prosperity.

In liberty,

Matthew



Matthew T. Paprocki
President and CEO
Illinois Policy Institute

How Illinois politicians allow government unions to rewrite state law

By Mailee Smith, Hannah Max

Illinois voters passed a first-of-its-kind government union provision when they approved Amendment 1 in November 2022. Inaccurately dubbed a “Workers’ Rights Amendment,” it in truth allows government union contracts to override state and local laws.

Yet even before Amendment 1 passed, precedent existed for some Illinois government unions to void state and local laws simply by writing contrary provisions into their collective bargaining agreements. Nestled toward the end of the state’s labor laws is the following:

“...any collective bargaining contract between a public employer and a labor organization executed pursuant to this Act shall supersede any contrary statutes, charters, ordinances, rules or regulations relating to wages, hours and conditions of employment and employment relations adopted by the public employer or its agents.”

Illinois voters passed a first-of-its-kind government union provision when they approved Amendment 1 in November 2022.

An Illinois Policy Institute review of all 50 states’ labor laws revealed no other state gives such extreme power to government unions to override state and local laws through a collective bargaining agreement, and without limitation.

It is more common for states to do the opposite: explicitly prohibit conflicts between union contracts and state or local laws.

But that might not be the case for long. Illinois is likely Ground Zero for a push to

expand the power of government unions in other states.

No other state allows government union contract to override state or local laws without restriction

The language of Illinois’ Amendment 1 is broad. While typical bargaining includes wages, hours and other terms or conditions of employment – which are traditional subjects of negotiations that have a long history of case law guiding states and courts on their meaning – Amendment 1 adds “economic welfare” to the mix.

No other state has a constitutional provision like Amendment 1.

But “economic welfare” is undefined in the amendment and does not appear in state law labor provisions. It could mean virtually anything. On top of that, the language of the amendment prohibits lawmakers from ever restricting or clarifying the language.

And the broad new provisions negotiated into government union contracts will be backed by the weight of the Illinois Constitution.

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Even before Amendment 1, Illinois was unique in giving some collective bargaining agreements the power to override state law.

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agreements the power to override state law. In addition to the language quoted above, the Illinois Public Labor Relations Act also states:

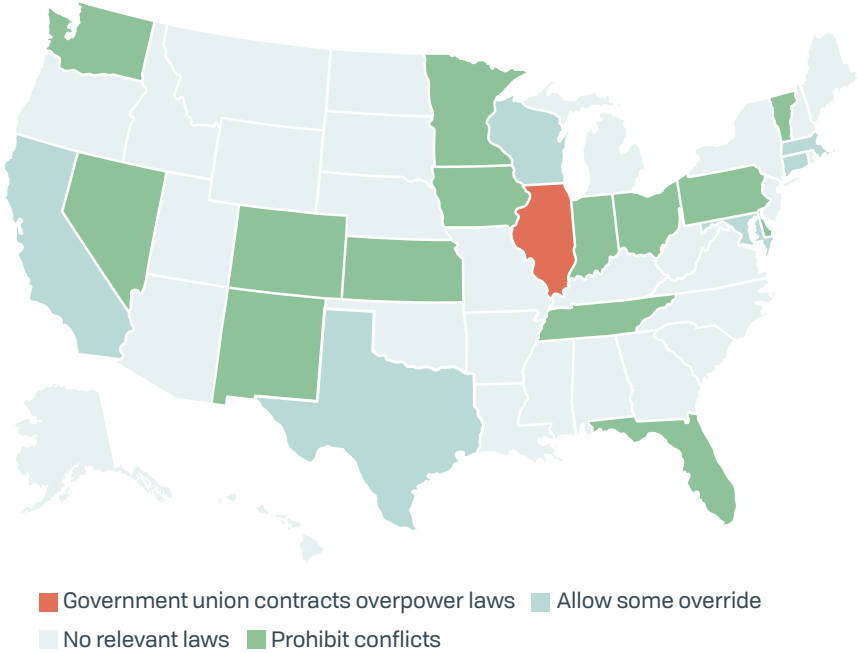
“In case of any conflict between the provisions of this Act and any other law... the provisions of this Act or any collective

bargaining agreement negotiated thereunder shall prevail and control.”

The amendment and statutory language together make Illinois the only state that allows government unions to override state and local laws without restriction.

Only Illinois lets public union contracts overpower laws

14 states explicitly prohibit contract provisions that contradict state or local law. Only Illinois gives government union contracts more power than its laws



Source: Illinois Policy Institute review of state labor laws

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It is more common for states to do the opposite, with at least 14 states explicitly prohibiting conflicts between union contracts and state or local laws. These states include Colorado, Delaware, Florida, Iowa, Indiana, Kansas, Minnesota, New Mexico, Nevada, Ohio, Pennsylvania, Tennessee, Vermont and Washington. All maintain one or more provisions prohibiting conflicts between union contracts and state or local laws.

Other states may allow some union contracts to override legal provisions, but with restrictions. For example, Connecticut allows contracts with state employee unions to include provisions that conflict with statutes or regulations of the agency involved, but those contracts must ultimately be approved by the legislature

itself – thereby putting those contradictory provisions through a legislative process.

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Maryland allows some contracts to override the internal regulations or policies of the employer agency or commission negotiating the contract but does not include the ability to contradict

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state or local laws. Texas maintains statutes allowing contracts with unions representing first responders to “preempt” or “supersede” statutes, but collective bargaining in general is prohibited for most government workers.

Wisconsin appears to allow some university employee contracts to conflict with civil service laws, but the current application of those provisions would be limited by the state’s law prohibiting public employers from negotiating anything but wages.

Illinois has long been an outlier in giving government unions broad powers over residents. Amendment 1 takes that status to a new level.

Illinois has long been an outlier in giving government unions broad powers over residents. Amendment 1 takes that status to a new level. Illinois is now the only state to allow, seemingly without restriction, government unions to override state law simply by demanding a contrary provision in a union contract. Plus, it now prohibits lawmakers from enacting any restrictions.

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Even though it takes two parties to finalize a contract, Amendment 1 also gives government unions a permanent right to go on strike to get what they want.

That means government unions will always have the upper hand over Illinois residents and their elected officials.

Government unions in Illinois could override more than 350 state laws

A review of Illinois’ state statutes revealed government unions could override more than 350 provisions related to schools, children and other residents. Among these laws are provisions:

- Protecting school children
- Regulating immunizations of school children

- Outlining required school curriculum
- Protecting children under the watch of the Department of Children and Family Services
- Prohibiting political activities while engaged in government work
- Prohibiting unionization of elected officials
- Prohibiting politicians from holding multiple government offices
- Prohibiting government employment of people convicted of violent crimes
- Allowing termination of government employment for misconduct
- Setting public safety policies

For example, the Illinois School Code prohibits anyone who has committed a sex offense from being licensed to teach and provides no one convicted of a drug offense can be licensed to teach or supervise until seven years after the end of the sentence. But a teachers' union could negotiate a contract provision holding that licensure is not required to be employed as a teacher in the school district (i.e., it's a "condition of employment" the unions can negotiate).

Teachers unions could demand in their contracts other vaccination requirements – such as that all district students have COVID-19 vaccinations – claiming it a negotiable subject because it pertains to “safety at work.”

The School Code also outlines the procedure for required medical examinations and immunizations for Illinois students. Teachers unions could demand in their contracts other vaccination requirements – such as that all district students have COVID-19 vaccinations – claiming it a negotiable subject because it pertains to “safety at work.”

And while more than 350 provisions have been identified, more likely exist. Illinois' amendment and statutory language are so broad and vague it's hard to predict every potential state law or local ordinance that could be trumped by a union contract.



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The Illinois Compiled Statutes include thousands of provisions related to all aspects of residents' lives, from general provisions (Chapter 5) and elections (Chapter 10) to business transactions (Chapter 815) and employment (Chapter 820). This review highlighted only provisions in statutes directly related to government employment that are most obviously affected.

Government unions have a history of pushing unpopular issues, or issues beyond the scope of ordinarily negotiated employment topics, that lawmakers don't want to address. For example, the Chicago Teachers Union has already pushed its social agenda on housing, immigration, wealth redistribution and defunding the police in negotiations with Chicago Public Schools.

Under Illinois law, government unions could "pass" their most-unpopular demands at the bargaining table, and voters would have no way to hold them accountable.

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Illinois is likely the blueprint for expanding government union powers in other states

Illinois wasn't the first state targeted with the expansion of government union power through a broad labor amendment. A similar "Protect Our Jobs" initiative was attempted in Michigan in 2012, but it failed 57% to 42%.

The Michigan experience dampened union efforts to pass far-reaching constitutional amendments for a decade. But with the passage of Amendment 1 in Illinois, government labor leaders won't likely wait that long to try again in other states.

Tim Drea, president of the Illinois AFL-CIO, acknowledged in the lead-up to the November 2022 election that Illinois was drawing the interest of pro-union forces in other states. During an interview on WMAY, he stated, "I gotta tell you, I mean, we're getting a lot of interest on this amendment from other states... it's a bold initiative. Very, very bold."

Now that unions in Illinois have set the precedent, it may not seem so bold. Illinois has shown the potential for sweeping union takeovers in states all over the nation.



Mailee Smith is the senior director of labor policy and policy staff attorney at the Illinois Policy Institute.



Hannah Max is a policy analyst at the Illinois Policy Institute.

Cook County population decline, outmigration 2nd worst in U.S.

94,344 residents moved out of Cook County, the sole reason for 2022 population decline.

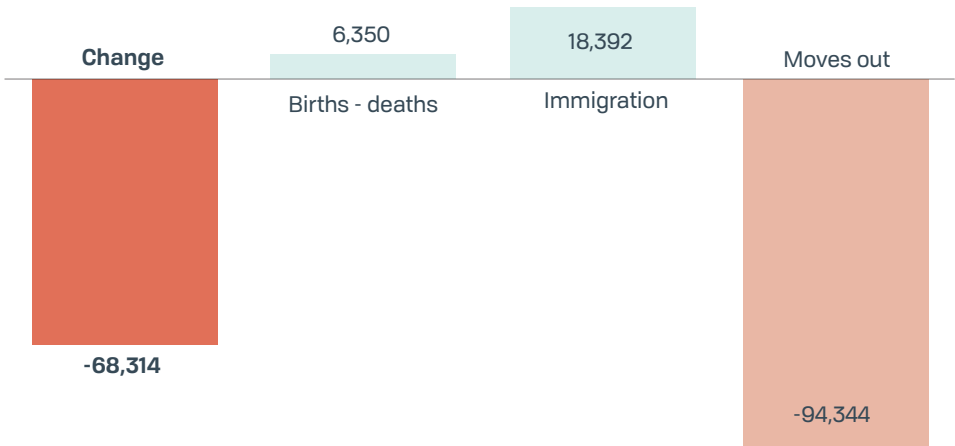
By Bryce Hill

Cook County lost more population than almost any other county in the nation, with the exception of Los Angeles County, from July 2021 to July 2022, according to U.S. Census Bureau estimates released March 30.

The leading cause of the drop was 94,344 residents who moved out of Cook County during the year, completely driving the county's population to shrink by 68,314 residents.

Cook County drop driven by residents moving out of Illinois

Components of Cook County population change, July 2021 - July 2022



Source: U.S. Census Bureau

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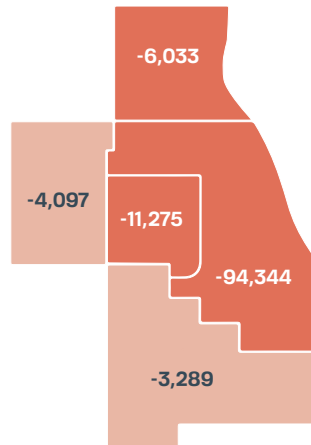
While Cook County had 6,350 more births than deaths, and welcomed 18,392 residents from abroad, 94,344 residents fled for other areas of the country, leading to a massive total drop in the population.

And residents aren't just fleeing to nearby suburbs: every collar county is also seeing people leave. The entire region is experiencing a mass exodus.

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People leaving Illinois hits Cook, collar counties

Estimated domestic outmigration by county, July 2021 - July 2022



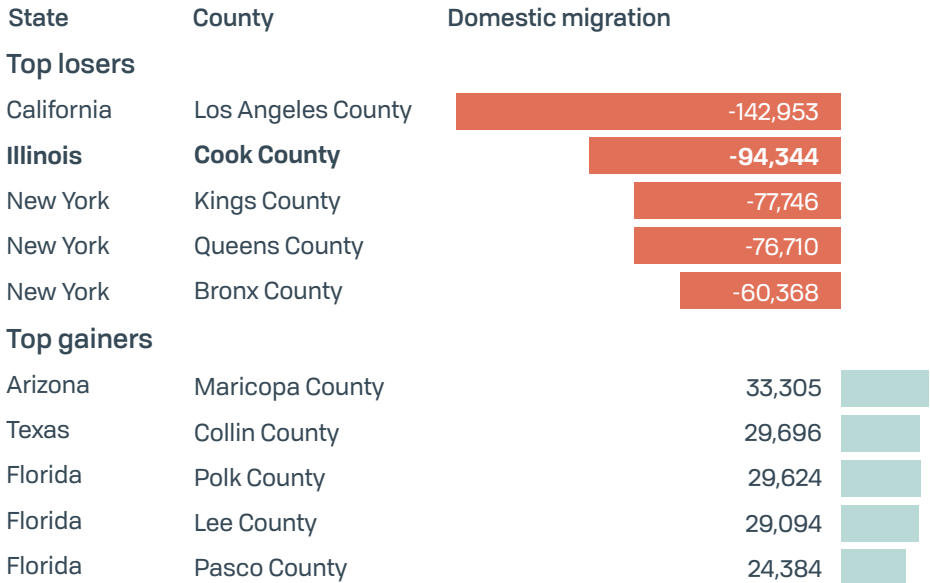
Source: U.S. Census Bureau

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The results are even worse when looking through a national lens. Cook County population decline and domestic outmigration are the second worst in the nation, behind only Los Angeles County.

Only Los Angeles lost more people than Cook County

Five counties in U.S. with the most negative net domestic migration and positive net domestic migration totals, July 2021- July 2022



Source: U.S. Census Bureau

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While the five counties losing the most residents to other areas of the country are each located in high-tax environments in California, Illinois and New York, the counties experiencing the largest influx of people are in low-tax jurisdictions in Arizona, Texas and Florida.

The Chicago area’s population problems could get even worse if mayor-elect Brandon Johnson’s tax proposals become reality. One of Johnson’s key campaign platforms was to drastically raise taxes. Johnson’s proposal calls for at least \$800 million in new and increased taxes on what he calls “the suburbs, airlines and ultra-rich.” That plan will likely mean more businesses and residents fleeing the city.

An Illinois Policy Institute survey conducted by Echelon Insights Feb. 15-19 found 34% of Chicagoans would leave the city if given the opportunity, citing taxes and affordability as their No. 2 concern behind crime.

The Chicago area’s population problems could get even worse if mayor-elect Brandon Johnson’s tax proposals become reality.

In their open responses, 39% cited the city’s near nation-leading taxes and the high cost of living as their main reason for wanting to leave. Johnson’s tax plan would virtually guarantee the area continues to experience a mass exodus of residents well into the future.



Bryce Hill is the director of fiscal and economic research at the Illinois Policy Institute.

ComEd 4 trial shows why fixing Illinois House rules vital to stop next Madigan

The ComEd 4 corruption trial proves concentrated power breeds corruption. The fix? Reform the rules former Illinois House Speaker Mike Madigan crafted to concentrate all that power.

By Joe Tabor

Witness testimony about the Com Ed 4's alleged bribery of former Illinois House Speaker Mike Madigan showed how the control Madigan exercised over the legislative process made him a ripe target and warped the system.

What is more, the structures Madigan used to make himself the most powerful man in Springfield remain largely in place. They are ready for another corrupt figure to take over.

Illinois state Rep. Bob Rita, D-Blue Island, told the jury how Madigan ruled through "fear and intimidation," and how he controlled the flow of legislation, largely through the House Rules used to govern operation of the chamber. Witnesses pointed specifically to the House Rules as one of the key instruments of Madigan's control.

The structures Madigan used to make himself the most powerful man in Springfield remain largely in place. They are ready for another corrupt figure to take over.

Former Reps. Scott Drury and Carol Sente testified about the speaker's use and abuse of the House Rules.

"The House Rules gave the speaker ultimate power," Drury testified.

The House Rules gave Madigan the authority to appoint committee chairs. Defendant Mike McClain noted that would

be needed to "withstand pressure" to pass opponents' bills.

Both Drury and Sente described losing committee chair positions, which they attributed to displeasing Madigan. Those committee chair positions offered a stipend of over \$10,000.

Witnesses pointed particularly to the speaker's control of the House Rule Committee, which acted as a chokepoint through which Madigan could kill any legislation he didn't want considered.

"I did not expect to lose my chairmanship because I was acting in the best interests of my district," Sente said.

Witnesses pointed particularly to the speaker's control of the House Rule Committee, which acted as a chokepoint through which Madigan could kill any legislation he didn't want considered. Madigan's use of the Rules Committee for that was so well known in the chamber that McClain suggested an alternate path to send disfavored bills to subcommittees to keep Madigan's "fingerprints" off of the bills' ultimate demise.

In the previous General Assembly, the Illinois House made steps towards rules reform by requiring all bills be discharged from the Rules Committee in odd-numbered years – the first half of a

full term of the state legislature. But that reform was unceremoniously rolled back at the beginning of the current Illinois General Assembly.

Madigan's status as the most powerful man in Springfield allegedly made him an irresistible target for lobbyists looking for favorable results in the legislature.

Madigan's power over the legislative process made him an essential ally for lobbyists. Former ComEd attorney Tom O'Neill testified that for then-Senior Executive Vice President and CEO of Exelon Utilities Anne Pramaggiore, "[T]he speaker stood out as the political elected official whose relationship mattered the most." And former ComEd Vice President Fidel Marquez testified Madigan's "immense power" would make it difficult to pass legislation without a good relationship with the speaker.

Although Madigan is gone, the structures that consolidated the speaker's power remain.

Madigan's status as the most powerful man in Springfield allegedly made him an irresistible target for lobbyists looking for favorable results in the legislature. Although Madigan is gone, the structures that consolidated the speaker's power remain.

If Illinois wants to get past Madigan's corrupt legacy, that structure needs to be dismantled. The House Rules should be first on the list of reforms.

To roll back the speaker's concentrated power, Illinois should enact the following reforms:

1. Go back to requiring the House Rules Committee refer all bills to a substantive committee in odd-numbered years so each bill has a chance to be heard.
2. Require majority approval of chair and minority spokesperson positions so the speaker cannot use appointments as rewards for loyalty or punishments for dissent.
3. End unnecessary temporary committee substitutes that distort the committee process.
4. Operate the House on a set schedule members can count on so they know what bills will be up for a vote and when.
5. End last-minute "gut and replace" bills that force lawmakers to vote on hundreds of pages of legislation without getting a chance to read them first.

These reforms would put the Illinois House in line with other state legislative chambers and make it that much harder for another Madigan to rise.



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