



May 27, 2019

Members and Staff  
Illinois House of Representatives  
State House  
Springfield, IL 62706

**Re: Explanation of Continued Opposition to SB 1379**

Dear Honorable Members and Staff:

For reasons that include those outlined below, we respectfully share our continued opposition to SB 1379, along with our collective belief that further work on this legislation is warranted.

**Procedural Background**

On April 4, SB 1379 advanced to the House with the Senate sponsor’s assurance that the bill was a work in progress. This measure, an initiative of Cook County Assessor Fritz Kaegi, requires commercial and industrial properties to submit financial information related to the income and expenses of those properties.

House Revenue & Finance Chairman Michael Zalewski, together with Assistant Majority Leader Will Davis as chief sponsor of SB 1379, convened stakeholder meetings in an effort to bridge a significant communication gap that had developed between the two sides. The first such meeting was on Tuesday, May 14; the final meeting was on Friday, May 24. The parties all acknowledged, upon concluding these meetings, that no agreement on SB 1379 had been reached.

Presuming that a House amendment is filed that reflects where discussions were left at that final meeting, we hope that SB 1379 will have its universally-acknowledged, numerous technical errors corrected, and will better reflect the Assessor’s stated intent in terms of the information he is seeking and who must provide it. In other words, the changes made to SB 1379 were not concessions, as often occurs in legislative negotiations, but rather corrections to a deeply flawed bill.

**Continued Opposition**

Even with the correction of its many drafting errors, we must oppose SB 1379. Significant concerns remain over the impact of this legislation on the Cook County property tax system, as well as those in the remaining 101 Illinois counties given the opt-in provisions. Indeed, we all can envision the next Cook County reassessment cycle in the South Triad resulting in both increased commercial disinvestment and higher residential property taxes if SB 1379 becomes law.

With less than a month of serious consideration, SB 1379 contemplates a tremendous, rapid and uncertain shift in an \$18 billion segment of the Illinois economy. By its own admission, the Assessor's office is unsure as to the ultimate impact this legislation will have on assessments or final property tax bills. A recent report by the International Association of Assessing Officers ("IAAO") calls into question whether SB 1379 will even lead to more accurate assessments.

While the IAAO report does suggest that Cook County assessments are in need of improvement, it also notes that the Cook County Assessor's office is seriously understaffed and utilizes aging technology that is inadequate to handle the data that is currently available. This only raises questions as to what the Assessor's office will do with all the new information for more than 50,000 properties that it seeks through SB 1379. The information sought, and much more, is available through the appeals process. If the Assessor's office lacks the staff and technology to process information currently available to them, why require property owners to submit yet additional data? Even if assessments somehow become more accurate, no one should read this to mean property tax relief. In fact, given the classification system in Cook County, further investment is very likely to become much more expensive.

One of the truly disappointing aspects of the recent 10-day period of intermittent stakeholder discussions was the unwillingness of the Assessor's office to entertain discussion of acknowledged problems with the current assessment process outside the narrow focus of SB 1379. Time and again, as elements requiring reform or transparency were raised, stakeholders were admonished to stick to the narrow focus of the bill as introduced. This represents, we believe, a lost opportunity to produce a truly meaningful reform measure.

Finally, given the format and limited time for discussions, only a narrow range of stakeholders was afforded input on this topic of widespread impact. Several groups that were not initially invited to these stakeholder meetings were able to secure complete exemptions from the legislation – we have no quarrel with these exemptions, but do note that they underscore the worrisome nature of the bill – and we all wish a larger community of impacted groups had been given input.

### **Further Work Warranted**

We believe that a review of outcomes from the ongoing Cook County reassessment of the North Triad, together with additional discussion with a larger stakeholder group over a less compressed time, is warranted.

Respectfully yours,

Alison Howlett Walters

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Julie Sullivan

Illinois REALTORS

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Keith Staats

Illinois Chamber of Commerce

John Martin Green

Illinois CPA Society

Bill Bodine

Illinois Farm Bureau

KJ Johnson

Illinois Fertilizer & Chemical  
Association

Mark Denzler

Illinois Manufacturers' Association

Dan Wagner

Inland Real Estate Group

Robert Grant

National Federation of  
Independent Business

Carol Portman

Taxpayers' Federation of Illinois

CC: Representative Will Davis, Assistant Majority Leader  
Sponsor of SB 1379