Case No. 126605

In the

Supreme Court of Illinois

JANE DOE,

Plaintiff-Appellant,

v.

LYFT, INC., ANGELO MCCOY, and STERLING INFOSYSTEMS, INC. d/b/a STERLING TALENT SOLUTIONS,

Defendants-Appellees.

On Appeal from the Appellate Court of Illinois,
First Judicial District, Case No. 1-19-1328,
There on Appeal from the Circuit Court of Cook County, Illinois,
County Department, Law Division, Case No. 17 L 11355,
Hon. Patricia O'Brien Sheahan, Judge Presiding

AMICI CURIAE BRIEF OF CHICAGO ALLIANCE AGAINST SEXUAL EXPLOITATION, THE TRANSPORTATION ALLIANCE, AND THE NATIONAL LIMOUSINE ASSOCIATION

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STATEMENTS OF INTEREST—WHO WE ARE AND WHY WE ARE *AMICI*

Chicago Alliance Against Sexual Exploitation ("CAASE") envisions a community free from all forms of sexual exploitation and seeks to achieve that by addressing the culture, institutions, and individuals that perpetrate, profit from, or support sexual violence. The work of CAASE includes prevention, policy reform, community engagement, and legal services. CAASE is the primary legal referral for all the rape crisis centers serving Chicago, and the only legal services provider in Illinois solely focused on serving victims of sexual assault and prostitution. These legal services are provided by CAASE for free to all survivors of sexual assault or commercial sexual exploitation, regardless of income. Most victims who come to CAASE have multiple legal issues, and CAASE provides them with advocacy in the criminal system and protection of their rights as crime victims, and with representation in civil venues, including by using the Civil No Contact Order Act and the Illinois Gender Violence Act to vindicate applicable employment, housing, educational, or civil rights.

At the grassroots level, CAASE's community engagement and prevention education efforts are intended to curb the high levels of sexual exploitation and violence which the population endures today. CAASE invites survivors to engage in, co-power, and guide its public programming and workshops. CAASE teaches innovative, evidence-informed curriculum that empowers students to become active allies in the movement to end gender-based violence and the brutal realities of commercial sex trade and sex trafficking.

In local and state government, CAASE advocates for policies and legislation that expand options for survivors of sexual harm, hold perpetrators and systems accountable, curtail the criminalization of trauma behaviors, and prevent future violence. CAASE joins coalitions with survivor-leaders and allies to address major systemic issues. Additionally, CAASE educates voters on candidates' positions on these issues, and engages in strategic judicial reforms through amicus briefs, such as this one.

CAASE had no knowledge of the Transportation Network Providers Act ("TNPA") as codified by SB 2774 when it was introduced and passed on December 3, 2014. Had CAASE known that the TNPA extinguished the common law right of women raped in rideshare vehicles to hold rideshare companies vicariously liable for the criminal acts of its drivers, CAASE would have opposed the TNPA.

The Transportation Alliance, Inc., formerly known as the Taxicab, Limousine & Paratransit Association (hereinafter "The Transportation Alliance"), was formed in 1917. The Transportation Alliance serves as a national organization which represents the owners and managers of taxicab, limousine, sedan, airport shuttle, paratransit, and non-emergency medical transportation (NEMT) fleets. The Transportation Alliance's member companies operate approximately 100,000 passenger vehicles. Before Covid, member companies transported over 2 million passengers each day - more than 900 million passengers annually.

The taxicab, limousine, and paratransit/NEMT industry is an essential part of public transportation that is vital to this country's commerce and mobility, to the relief of

traffic congestion, and to improving the environment. Prior to the global pandemic, the full taxicab, limousine, and paratransit/NEMT industry transported 2 billion passengers annually, compared with the 10 billion passengers transported by public transit; provided half of all the specialized paratransit services furnished to persons with disabilities; served as a feeder service to major transit stations and airports; and provided about half of its service to transport disadvantaged people, such as the elderly, who are either not able to drive or do not have a car.

As a trade association, The Transportation Alliance offers its expertise, institutional knowledge, and the nation-wide experience of its members to municipal, state, and federal legislators and regulators as they consider and interpret laws which affect the taxi and livery industry and the riding public. That is why, for example, The Transportation Alliance has vigorously advocated that ridesharing companies, such as Uber and Lyft, be as stringently monitored and regulated as traditional stakeholders have been in the taxi industry. The Transportation Alliance welcomes competition. It does not countenance unfair competition or special legislation.

The Transportation Alliance has seen throughout the nation the meteoric rise of the rideshare industry in the last eight years. The Transportation Alliance has seen the rideshare industry characterize itself as a mere mobile application, when in fact, it provides the same transportation services as taxicabs and limousines. As a result, the taxi and limousine industry has been decimated by the special treatment the rideshare industry has received in Illinois and nationwide.

The Transportation Alliance typically dedicates its efforts in the legislative and regulatory arena. But when an appellate opinion is so wrongly reasoned and has the potential to dramatically alter the existing common law, The Transportation Alliance is compelled to weigh in.

The National Limousine Association exists to promote and protect the international, national and regional interests of chauffeured transportation. It is dedicated to informing, educating and professionalizing its members – chauffeured transportation operators, suppliers, manufacturers, local/state/regional associations – to ensure the continued growth, development and prosperity of their own organizations and the entire chauffeured transportation industry.

The National Limousine Association is a non-profit organization responsible for and dedicated to representing the interests of the private driver transportation industry at the global, national, state, and local level. It is the unified voice of this industry - linking transportation industry professionals from owners and operators to suppliers, manufacturers, regional and state limousine associations. The Association is committed to exceeding expectations with regards to professionalism, transportation efficiency, and safe riding. The NLA believes that the rideshare industry has benefitted from special legislation nationwide based on the false notion that the rideshare industry does not provide transportation services to the public for a fare.

Neither The Transportation Alliance nor the NLA had any knowledge of the TNPA as codified by SB 2774 when it was introduced and passed on December 3, 2014.

Had they known that the TNPA bestowed the unique benefit common carrier immunity upon rideshare companies, they would have opposed the TNPA and counselled its members in Illinois to oppose the TNPA.

CAASE, The Transportation Alliance, and the NLA have become friends of this Court for several elemental reasons. The TNPA is unconstitutional special legislation which arbitrarily and suddenly altered *Amici's* common law rights. In an instant, on the last day of a legislative session in clear violation of Article VIII(d) of the Illinois Constitution, Section 25(e) simultaneously conferred exclusive common carrier tort immunity on rideshare companies *and* extinguished the common law right for rape victims to seek redress for their injuries. *Amici's* alliance shows that the damage caused by special legislation is sweeping, pervasive, and unfair.

The TNPA is more than a bad law that was badly passed. The TNPA is an unconstitutional law which was unconstitutionally passed.

It is with this background that CAASE, The Transportation Alliance, and the NLA trust that this *amici curiae* brief will assist this Court in resolving the important issues before it.

CONSTITUTIONAL PROVISIONS AND STATUTE INVOLVED

1. "The General Assembly shall pass no special or local law when a general law is or can be made applicable. Whether a general law is or can be made applicable shall be a matter for judicial determination." Ill. Const. 1970, art. IV § 13.

2. "A bill shall be read by title on three different days in each house. A bill and each amendment thereto shall be reproduced and placed on the desk of each member before final passage. . . ." Ill. Const. 1970, art. IV § 8(d).

3. "TNCs or TNC drivers are not common carriers, contract carriers or motor carriers, as defined by applicable State law, nor do they provide taxicab or for-hire vehicle service." 625 ILCS 57/25(e).

ARGUMENT

I.

Introduction

On July 7, 2017, Jane Doe hailed a Lyft through a mobile phone application to take her home. Jane had landed a new job and had been celebrating with friends in River North. Lyft dispatched Angelo McCoy to be Jane's driver. Jane fell asleep in the Lyft vehicle. McCoy took Jane to a dark alley and savagely raped her.

Little did Jane know at the time that her common law right to hold Lyft vicariously liable as a common carrier for the criminal acts of Lyft's drivers had been yanked away from her on December 3, 2014. On the very last day of the session before the holiday break, the Transportation Network Providers Act ("TNPA") was precipitously passed. The bill had been introduced for the first time ever the day before, by way of a non-germane remove-and-replace in its entirety amendment to an unrelated

bill to form a governmental task force to study the qualifications of and possible regulation for certified tax preparers.[1]

Buried ironically in the Safety Section of the TNPA was a land mine provision which is the subject of this litigation. Section 25(e) of the TNPA states as follows:

> "TNCs [Transportation Network Company] or TNC drivers are not common carriers, contract carriers or motor carriers, as defined by applicable State law, nor do they provide taxicab or for-hire vehicle service."

The TNPA was barely debated. The TNPA is unconstitutional special legislation. The TNPA arbitrarily treats TNCs differently than all other common carriers. By virtue of this one sentence, TNCs enjoy immunity from common carrier liability, immunity which no other common carrier enjoys. By virtue of this one sentence, Jane and every other woman raped in a rideshare vehicle have no redress in the courts to assert common law claims for vicarious common carrier liability for the intentional and criminal acts of drivers. The case law is clear that when the legislature intends to alter or abrogate common law rights and remedies, that intent must be plainly and clearly stated. *Rush Univ. Med. Ctr. v. Sessions*, 2012 IL 112906, Par. 16. Burying this law-altering vague sentence into the safety section of a statute—without debate or explanation—is pure oxymoron.

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[1] SB 2774, the tax preparer task force bill, was sponsored by and introduced in March 2014 by former Senator Terry Link. As will be discussed in much more detail below, this tax preparer task force bill remained precisely that—a mundane and wonky add-on to the Illinois Public Accountant Act—until December 2, 2014. (Bill Status Summary from he 98th General Assembly for SB 2774 from the is included as **A001**.)

CAASE, The Transportation Alliance, and the NLA stress this point straightaway: If McCoy had sexually assaulted Jane Doe on a train, plane, ship, elevator, Ferris wheel, or bus, McCoy's employer or principal would have been vicariously liable as a common carrier for McCoy's heinous acts. See, *e.g.*, *McNealy v. Illinois Cent. R. Co.*, 43 Ill.App.2d 460 (1st Dist. 1963)(train); *Kamienski v. Bluebird Air Service*, 321 Ill.App. 340 (1st Dist. 1944)(plane); *Keokuk Northern Line Packet Co. v. True*, 88 Ill. 608 (1878)(ship); *Shoemaker v. Rush-Presbyterian-St. Luke's Medical Center*, 187 Ill.App.3d 1040 (1st Dist. 1989)(elevator); *Pajak v. Mamsch*, 338 Ill.App. 337 (1st. Dist. 1949)(amusement device); *Duncan v. Fisher*, 101 Ill.App.2d 213 (3rd Dist. 1968).

Unquestionably, if McCoy had raped Jane Doe in a cab or limousine, McCoy's employer or principal would also have been vicariously liable as a common carrier. See, *Przybylski v. Yellow Cab Co.*, 6 Ill.App.3d 243 (1st Dist. 1972)(cab); *Smith v. Chicago Limousine Service*, 109 Ill.App.3d 755 (1st Dist. 1982)(limousine); see also IPI 100.04 (common carrier has duty to protect passengers from the assaults of employees).

II.

A Prefatory Note. The Issue before this Court Is a Narrow One: Does Exempting Rideshare Companies from Vicarious Common Carrier Liability Violate the Special Legislation Clause of the Illinois Constitution?

Amici submit that the dissenting opinion in the reviewing court below was spot-on when it shined a bright and concentrated light on the issue then before the court and now before this Court. This is the first case in the nation where a state's high court has been asked whether the bestowal of common carrier immunity for ridesharing companies amounts to special legislation. *Doe v. Lyft, Inc.*, 2020 IL App (1st) 191328 at ¶ 64. Jane

is not seeking invalidation of the entire TNPA as special legislation. Instead, she insists that one provision, Section 25(e), is constitutionally infirm as special legislation. *Id.*

Lyft, of course, has trumpeted the broader economic history of the rideshare industry. In so doing, Lyft pays homage to the Seventh Circuit's opinion in *Illinois Transportation Trade Association v. City of Chicago*, 839 F.3d 594 (2016) ("*ITTA v. City*"), where Justice Posner upheld on equal protection grounds the City of Chicago's one set of comprehensive regulations for rideshare vehicles and another for taxicabs.

But, *ITTA v. City* is not the hegemonic case Lyft thinks it is for the following reasons. *ITTA v. City* did not address, discuss or involve Illinois's well-established common law doctrine of common carrier liability. *ITTA v. City* did not address, discuss or involve a state statute like the TNPA which, by granting special immunity to the ride share industry and by robbing rape victims of a remedy, was in derogation of the common law. In *ITTA v. City,* Judge Posner concentrated on the tectonic and historic battle between free enterprise and governmental regulation. When a court focusses on the age-old war between supposed monopolies and supposed innovative and disruptive business models, the casualties of that war, like Jane here, are often forgotten. Further, the legislative history of SB 2774, the TNPA is completely silent about this battle, and it is improper for Lyft to engraft it to this case. Further, in upholding Chicago's different regulatory schemes for rideshare companies and taxicabs, *ITTA v. City* wrongly drew comparisons between the two which do not exist. Rideshare companies and cabs both transport passengers for a fare. Moreover, the rideshare industry's heavy reliance on part-time drivers requires greater safety regulations for rideshare companies, not less. Judge Posner's dismissive quip -- that a City can properly treat rideshare companies like

cats and taxicab companies like dogs -- sleights Illinois's jurisprudence on special legislation. Finally, *ITTA v. City* has nothing to do with the mandates of the Illinois Constitution about how the General Assembly is to make and pass laws.

When it comes to the common law duties owed to passengers like Jane, Section 25(e) arbitrarily treats rideshare companies differently than taxicabs and all other types of common carriers. That is what this case is about.

III.

A Second Prefatory Note: *Amici* Ask that This Court Tackle the Constitutional Issues Involved in This Appeal, Not Avoid Them

As a general rule, courts will address constitutional issues only as a last resort, relying whenever possible on non-constitutional grounds to decide cases. *See, People v. Austin,* 2019 IL 123910, Par. 27. For a number of reasons, *Amici* urge this Court to address the constitutional issues that are front and center in this case.

First, the parties, the trial court, and the appellate court have addressed the special legislation issue ever since Lyft argued that Section 25(e) specially exempted it from common carrier liability. The constitutionality of the TNPA was one of the Rule 308 questions certified for review. In addition, the appellate court expressly said it was for this Court alone to ascertain whether General Assembly's violation of the Three Readings Rule warranted revisiting whether the conclusive presumption of the enrolled bill doctrine.

Second, common sense and rock-solid Illinois case law buttress Jane's assertion that rideshare companies are common carriers or should be treated like common carrier, thus rendering rideshare companies vicariously liable for the criminal acts of their

drivers. *Amici* fully adopt and embrace in this Court Jane's common law arguments for extending common carrier liability to rideshare companies. The high duty of care owed by a common carrier to its passengers is "premised on the carrier's unique control over its passengers' safety." *McNerney v. Allamuradov*, 2017 IL App (1st) 153515, ¶ 76, quoting *Green v. Carlinsville Community School Dist. No. 1*, 381 Ill.App.3d 207, 213 (2008). This tenet is as true for a woman in a cab as it is in a rideshare vehicle. Relatedly, Jane cited cases involving school buses which were held to the highest duty of care because of the control they exercised over their vulnerable passengers, little kids. Lyft's efforts to limit the liability as a non-common carrier to the school bus/child context was hair-splitting and unpersuasive. *See also, Doe v. Sanchez*, 2016 IL App (2d) 150554. It is not a jurisprudential stretch to pin common carrier liability on Lyft for the criminal acts of its drivers. As the court wrote in *Greene,* "If an employee of a common carrier intentionally injures a passenger, the common carrier is liable for the passenger's injuries, even if the employee's actions were not in his actual or apparent scope of authority." *McNerney, supra.*

Finally, numerous factors have all coalesced to put the constitutional issues in this case in bright display for this Court to adjudicate. As will be discussed throughout this brief, we have a heinous sexual assault of a young woman at the hands of a rideshare driver; a rideshare industry flush with billions of dollars seeking to disrupt the taxicab and limousine industry[2]; a statute which was introduced and passed on the last day of a

[2] Lyft was valued at $24.3 billion in its first initial public offering in March 2019, with a single share worth roughly $700.00. Carl O'Donnell, *Lyft valued at $24.3 billion in first*

legislative session; the bestowal of common law immunity on one special industry for no rational reason; the extinguishment of a common law remedy for victims of sexual assault; a clear violation of the Three Readings Rule; and a high court which has warned for more than thirty years that it might police the General Assembly's adherence to its constitutional mandates of bill passage if the General Assembly failed to police itself.

IV.

The TNPA Was Not the Product of Extensive Legislative Deliberation and the Legislative History of the Vetoed HB 4075 Is Not the Legislative History of the TNPA

In the appellate court, Lyft described the legislative deliberations of the TNPA as codified in SB 2774, as "detailed," painstaking," "substantive," and the "collective product of months of debate." (Def.'s Br. 1, 2, 5-12.) This is not true. SB 2774 was introduced and passed in one day, on December 3, 2014, the last day of the legislative session. The TNPA was not debated in the Senate at all; it was barely discussed in the House. Yet, the TNPA granted special tort immunity to Uber and Lyft, and at the same time, snatched a common law cause of action from women sexually assaulted by rideshare drivers. One little sentence of the TNPA, Section 25(e), guaranteed this special tort immunity.

The safety features of an earlier rideshare bill, HB 4075, loom large. As seen in the table below, among other things, HB 4075 defined cabs, limousines, and rideshare companies similarly, each providing passenger vehicles for hire. HB 4075 was passed by

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ride-hailing IPO, Reuters, May 28, 2019, https://www.reuters.com/article/us-lyft-ipo/lyft-valued-at-24-3-billion-in-first-ride-hailing-ipo-idUSKCN1R92P4.

huge margins in both the House and Senate on May 15, 2014. Then-Governor Quinn nonetheless vetoed HB 4075 on August 25, 2014. After relentless lobbying from the rideshare industry, the House and Senate could not override Governor Quinn's veto. (In 2016, Uber and Lyft deployed 478 lobbyists across 44 states to push their agenda, which is more lobbyists than Amazon, Microsoft and Walmart combined. Joy Borkholder, et. al., Uber State Interference: How Transportation Network Companies Buy, Bully, and Bamboozle Their Way To Deregulation 19, endnote 82 (2018)). HB 4075 died on November 21, 2014. (See Bill Status Summary for HB 4075 at **A006**.) SB 2774 came out of hiding for the first time on December 2, 2014, and it was introduced and passed the next day.

HB 4075 and the TNPA could not be more different, especially when it comes to provisions meant to provide for the safety of the public:

HB 4075 Safety Features	**SB 2774, as amended by House Amendment No. 1 on last day of legislative session**
Commercial rideshare vehicles to have distinctive license plates similar to cabs and limousines.	No such provision.
Dispatchers of commercial ride share vehicles required to show proof that driver of rideshare vehicle is an additional insured under a policy of primary insurance.	No such provision.
Rideshare vehicles to meet same safety standards as cabs, limousines, and medical transport vehicles. Such for hire vehicles need to pass state safety test.	Rideshare vehicles need only meet the standards for private passenger vehicles.
"Commercial ridesharing arrangement" defined as for hire passenger vehicles, including taxicabs and ridesharing vehicles, including when a cabdriver receives a dispatch over the internet or smartphone.	Rideshare companies become "transportation network companies," and services defined as "not a taxicab, for hire vehicles or street hail service." 625 ILCS 57/5.
"Dispatch" for rideshare vehicles, cabs and limousines defined as a way by which drivers and passengers are connected for a fare by way of	No such provision.

phone, internet, smartphone, electronic application, with no prior account needed. Dispatchers to be licensed and overseen by the Illinois Department of Financial and Professional Regulation	
Commercial rideshare driver, who drives more than 18 hours per week, required to get chauffeur's license from local municipality; background checks required of prospective drivers.	Rideshare drivers need only be 19 years old, have a valid driver's license, and rideshare companies to conduct background checks. 625 ILCS 57/15(a)(2).
Primary commercial liability insurance required for dispatcher (rideshare company), driver, and vehicle when the driver makes himself or the vehicle available or while a passenger is in the vehicle.	See 625 ILCS 57/10(c)(1)(automobile liability insurance requirement for TNC driver "shall be primary and in the amount of $1,000,000 for death, personal injury, and property damage.")
Dispatchers (i.e., rideshare companies) must assume liability, including the duty to defend and indemnify, when there is a dispute as to whether the injury to a passenger occurred during an actual dispatched ride.	No such provision.
No such provision	Rideshare companies to have standard passenger non-discrimination requirements. 625 ILCS 57/20
No such provision	Rideshare companies to have zero tolerance drug and alcohol policies. 625 ILCS 57/25.
The words "common carrier" do not appear in any version of HB 4075.	Rideshare companies and rideshare drivers "are not common carriers, contract carriers or motor carriers, as defined by applicable State law, nor do they provide taxicab or for hire vehicle service." 625 ILCS 57/25(e).

Although the words "common carrier" did not appear anywhere in the text of HB 4075, the definitions of "commercial rideshare arrangement" and "dispatch" came perilously close for Uber and Lyft to classifying rideshare companies as common carriers. Moreover, during a committee hearing on HB 4075 on March 6, 2014, the bill's sponsor admitted that rideshare companies were common carriers. He was quickly and incorrectly corrected by a Lyft spokesman:

Representative Sims: And Representative [Zalewski], you mentioned that under—as taxicab drivers, and even under the ridesharing agreement, these are both common carriers. Is that right?

Representative Zalewski: They both are passenger vehicles for hire…

Representative Sims: I'm having a little trouble. I am looking at the statute [HB 4075] and this—the definition of ridesharing agreement under the statute as it currently exists, means the transportation by motor vehicle of not more than 16 people, including the driver. I'm having trouble understanding why these—this new technology, these new companies don't—they should not abide by that rule, why they're not—why that doesn't apply to them?...

Mr. Nicolay [of Lyft]: Back to your previous question on the common carriers, just to be clear, the ridesharing companies are not common carriers. Common carrier means I can walk out, and not so much here, but in Chicago, I walk out and put my hand up, and somebody pulls over and picks me up. The ridesharing companies don't do that. (Ill. House Business & Occupational Licenses Committee, Mar. 6, 2014, **A012**)(emphasis added.)

Lyft's definition of common carrier is capricious and wrong as a matter of fact and law. It does not matter whether a passenger whistles for a cab or uses an application to hail a rideshare vehicle virtually. In both circumstances, a driver arrives and takes the passenger to their destination. Under Illinois law, a common carrier is "one who undertakes for the public to transport from place to place such persons or the goods of such person as choose to employ him for hire." *Browne v. SCR Medical Transportation Services, Inc.* 356 Ill.App.3d 642, 646 (1st Dist. 2005). Under Lyft's rationale, radio-dispatched limousines and cabs would not be common carriers, either because they are not summoned via a street hail.

There is more. On April 10, 2014, during a house proceeding about HB 4075, Representative Durkin spoke in support of the then-bill because rideshare companies were being treated like common carriers:

> But, what my concern is, always, is that we...we look at common carriers such as cabbies, and basically these commercial transportation providers, they are and always have been traditionally held to a higher standard of care, and that's [sic] a

> good reason for it. And to me, it came down to very simple. I think the person who's going to be behind that wheel needs to be insured. I think they need to be subject to the same type of background checks that cabs do right now. It's important for me as a father knowing that my nieces, my daughters that they're going to be somewhere in the City of Chicago, that they're going to be safe with the individual driving that car, whether it's a cab of if it's someone with an Uber. I believe you've made some reasonable accommodations and I will support this measure. Ill. House Debate, H.B. 4075, 98th Gen. Assembly, **A014-15**) (Apr. 10, 2014)(Statement of Rep. Durkin) (emphasis added).

At the end of November 2014, the warning signs were flashing for the rideshare industry. HB 4075 had lumped rideshare companies, taxis and limousines together. That bill had passed overwhelmingly. The bill's sponsor had admitted rideshare companies were common carriers. And another House member supported the bill because rideshare companies were being treated like common carriers. If the rideshare industry did not move quickly, they might be saddled with the legal obligations of all other common carriers. But, after the override of the Governor's veto of HB 4075 failed on November 21, 2014, the rideshare industry had a clean slate to try to ensure that rideshare companies would never be treated like common carriers. What did they do? The rideshare companies created their own tailor-made and arbitrary classification with no notice or meaningful debate, and they simply declared they were not common carriers anymore.

Illinois was the first state where the rideshare industry had succeeded in burying common carrier immunity into a rideshare law. The rideshare industry then recreated that playbook in numerous other states, including Alabama, Alaska, Arkansas, Colorado, Florida, Idaho, Indiana, Iowa, Michigan, Mississippi, Missouri, New Hampshire, New

York, Pennsylvania, Rhode Island, Texas, Virginia, West Virginia, Wisconsin, and Wyoming.[3] As will now be seen, this is hardly a badge of honor.

V.

The Legislative Chronology of How SB 2774, the TNPA, Became Law Is Troubling and It Buttresses Amici's Contention that the TNPA Is Unconstitutional Legislation Passed Unconstitutionally

Amici submit that it is important, albeit tedious, to set forth the timeline for how exactly the TNPA and Section 25(e) sprang into being. The timeline speaks for itself, but preliminarily, *Amici* stress the following:

- From the time it was first introduced on January 30, 2014 until December 2, 2014, SB 2774 was solely and exclusively a technical amendment to the Illinois Public Accounting Act to create an intergovernmental task force to ascertain whether certified tax preparers should be regulated.
- The certified tax preparer task force provisions were replaced in their entirety by the TNPA on the last day of the legislative session, December 3, 2014.
- *Amici's* independent research has revealed that the House proposed a nearly identical companion bill to SB 2774, namely HB 4381. HB 4381 sought to also form a task force to ascertain whether certified tax preparers should be regulated. (See Bill Status Summary for HB 4381 at **A016**.)

[3] Rideshare companies know full well the impact of a state high court's finding that they are common carriers and vicariously liable for the criminal acts of their drivers. For example, Uber warned investors and shareholders as follows in a 2019 filing with the SEC: "If Drivers or carriers, or individuals impersonating Drivers or carriers, engage in criminal activity, misconduct, or inappropriate conduct or use our platform as a conduit for criminal activity, consumers and shippers may not consider our products and offerings safe, and we may receive negative press coverage as a result of our business relationship with such Driver or carrier, which would adversely impact our brand, reputation, and business. There have been numerous incidents and allegations worldwide of Drivers, or individuals impersonating Drivers, sexually assaulting, abusing, and kidnapping consumers, or otherwise engaging in criminal activity while using our platform." "Uber Technologies, Inc. Form 10-Q for Quarterly Period Ended September 30, 2020." *EDGAR*. Securities and Exchange Commission, 2020, https://www.sec.gov/ix?doc=/Archives/edgar/data/0001543151/000162828020015936/uber-20200930.htm.

- HB 4381 received three readings in the House and in the Senate, was passed convincingly by both Houses on May 28, 2014. The bill was signed by the Governor on August 25, 2014. SB 2774 became a dead and moot bill on August 25, 2014 because its companion bill, HB 4381, had become law.
- Even though HB 4381 became law in August 2014, SB 2774 was kept on life support. SB 2774 received its Second Reading, as a tax preparer task force bill on November 25, 2014. Then, on December 2, 2014, the TNPA was filed with the clerk of the General Assembly under the guise of a House amendment to SB 2774.
- SB 2774 had its Third Reading in the House on December 3, 2014, the last day of the legislative session. But, this was the one and only time the TNPA had any readings whatsoever.
- No member of the General Assembly ever complained that SB 2774 was a dead bill as of August 2014, and was being used in December 2014 as a Trojan Horse to pass an entirely unrelated bill to lightly regulate rideshare companies. No one ever complained that the TNPA was a non-germane amendment to replace in its entirety a mundane bill about certified tax preparers.
- The TNPA was barely debated in the House before it was hastily passed. The TNPA was not debated in the Senate before it was hastily passed.
- Section 25(e) was not mentioned in debate on December 3, 2014. The abrogation of Jane Doe's common law rights was not expressly stated in the TNPA and no legislator even mentioned it. No legislator mentioned the special immunity that TNPA bestowed upon rideshare companies alone.

The utter absence of any meaningful debate whatsoever about SB 2774 and especially of the import of Section 25(e) creates a huge void which Lyft sought to fill with constant ruminations about why SB 2774 was passed. The legislative record is silent about SB 2774's purpose, its effect, and why the bill sought to confer special immunity on the rideshare industry. To repeat, during the threadbare debate on SB 2774, not a single legislator mentioned the supposedly delicate balance needed to encourage the rideshare industry to expand in Illinois. There certainly was no discussion that the Legislature knowingly stripped Jane Doe of her common law rights of recovery in order to give Lyft a leg up on its competition.

The majority in the case below jumped into this factual void as well. Over and over and over again, the appellate court hypothesized about what the legislature could or would have rationally and reasonably concluded and declared when it passed the TNPA with the poison pill Section 25(e). *Doe, supra*, at Pars. 27, 31, 37, 41, 45, and 50. The most egregious of the majority's musings is as follows: "We think that this is precisely what the TNPA did: it balanced the competing aims of ensuring safety of TNC passengers and creating a regulatory environment that would allow the then-nascent ridesharing industry to flourish in Illinois, bringing added competition and innovation to the transportation services market." *Id*., at ¶ 24. This might be a compelling basis for Section 25(e) of SB 2774 if the topic was ever openly, completely, and democratically discussed in the House and Senate committees and on the floors of both house as a whole. That did not happen. The TNPA's sketchy and headlong introduction and passage on the last day of session guaranteed there would be no such debate. No amount of judicial hypothesizing about the reasons for special legislation can substitute for a well-vetted, transparent, and fully debated bill.

Amici present the attached timeline of the legislative progression of HB 4381 and SB 2774. (See Timeline attached at **A019.**)

VI.

The Illinois Gender Violence Act Demonstrates How an Important Law of Great Public Importance Can Be Written and Passed Constitutionally

The shadowy and unconstitutional passage of the TNPA resembles nothing like what one learns in a high school civics class about how a bill becomes law.

On the other hand, the Illinois Gender Violence Act, 740 ILCS 82/1 *et seq*., stands in stark chiaroscuro with the TNPA. The IGVA is a textbook example of how a high stakes bill which furthers the protection of the public's health and well-being *should be* thoroughly vetted, deliberated, and passed before it is enacted into law. Even the commonsensical public policy ideas underlying the IGVA were subject to a rigorous and collaborative procedural process which took a number of years. Kaethe Morris Hoffer, the Executive Director of CAASE, was personally involved throughout this process.

To understand how the IGVA came to be, one must first go back to 1994, when the United States Congress passed the Violence Against Women Act ("VAWA"), which had as one of its features a civil rights cause of action. 42 U.S.C. § 13981. The VAWA essentially categorized sex-based violence as sex discrimination that violated the federal civil rights of victims. From the start, the cause of action was challenged as an overreach; that Congress did not have the proper authority; and that violence against women doesn't have a nexus to commerce was one of the specific claims. In the fall of 1998, many of the cases challenging the constitutionality of the VAWA civil rights cause of action were heading towards the United States Supreme Court. In 2000, the VAWA was struck down in *U.S. v. Morrison*, 529 U.S. 598 (2000). Due to the turmoil the VAWA was experiencing on the federal level, a diverse coalition of Illinois activists renewed their campaign to enact similar protections on the state level. See, Parsons, Christi, *New Rape Suit Law Is Pushed*, CHI. TRIB., May 17, 2000; and Robyn, Meredith, *Illinois Mulls New Tactic Over Violence Based on Sex*, N.Y. TIMES, Feb. 8, 2000, at A14.

At this point, Hoffer and her colleague Judith Gold approached then-gubernatorial-candidate George Ryan to request he would pledge to institute a state

version of the rights allowed under the VAWA, if he were to become Governor. Ryan made good on his pledge. In 1999, immediately after he was sworn in, Ryan signed an executive order re-authorizing the Illinois Governor's Commission on the Status of Women (a commission originally created by Governor Jim Edgar.) Ill. Exec. Order No. 1999-1 (Jan. 21, 1999), https://www2.illinois.gov/Documents/ExecOrders/1999/execorder1999-01.pdf.

Ryan made Gold the Chair of the Commission, and nominated Hoffer to be a member of the Commission. Gold appointed Hoffer as co-chairperson of the Commission's "Committee on Violence Against Women." The Commission's charge was to bring to Governor Ryan's attention the best policies and laws which could improve the lives of girls and women in Illinois, and to work with the Office of the Governor in various securing improvements in educational and workplace settings. The Commission itself was limited to appointed members, but the "Committees" of the Commission were comprised of subject matter experts from across the Illinois, including leading executive directors from statewide and regional organizations focused on domestic violence and sexual assault.

By the end of 1999, Hoffer, in collaboration with staff in the Governor's Office and with the statewide members of the Committee, was able to introduce and increase support for what is now the IGVA. Governor Ryan saluted the work of the Commission as follow:

> We need to empower the victims of crime. My Commission on the Status of Women have proposed the "Illinois Gender Violence Act" …to open the doors to justice for women who have been beaten or sexually assaulted…and to provide opportunities to seek justice for those whose lives are damaged or destroyed by

> violence because of their sexual orientation. It is a fair initiative . . . and I support it. Governor George Ryan, 2000 Illinois State of State Address (Feb. 2, 200); Ill. H.R. Journal, 91st General Assemb., 87th Sess., at 30 (Ill. 2000).

Consider the IGVA bill's navigation through the 93rd General Assembly as set forth in the official summary of Bill Status of HB0536 attached at **A027**. Consider also the appellate and federal court precedent interpreting the IGVA.

The IGVA had three *bona fide* Readings in the House and Senate. The two amendments to the IGVA were germane. One was tabled, the other changed the statute of limitations to bring a civil action from ten to seven years. The amendments did not radically alter the IGVA. The IGVA was not rammed through the General Assembly on the last day of a legislative session. The IGVA was not in derogation of the common law. Hundreds of sexually assaulted women have been empowered by the IGVA; The IGVA included clear legislative findings so future courts would not be compelled to divine the Act's purpose. The constitutionality of the IGVA has not been challenged as special legislation or as impermissibly passed. The IGVA shows that good things happen when good bills are passed well. The IGVA shows how a task force can be used to craft important legislation for the public good. The TNPA shows how a task force was used in a last-minute legislative bait-and-switch.

VII.

The TNPA Is Unconstitutional Special Legislation—It Arbitrarily Treats Rideshare Companies Differently from Cabs, Limousines, and Other Common Carriers, and It Treats Victims of Sexual Assault Differently Depending in Which Conveyance They Are Assaulted

The Illinois Constitution of 1970 states as follows:

"The General Assembly shall pass no special or local law when a general law is or can be made applicable. Whether a general law is or can be made applicable shall be a matter of judicial determination." Ill. Const. 1970, Art. IV, Sec. 13.

The purpose of the ban on special legislation is to prohibit "arbitrary and invidious discrimination against a person or a class." *See, e.g.*, *Allen v. Woodfield Chevrolet, Inc*., 332 Ill.App.3d 605 (1st Dist. 2002), *affirmed* 208 Ill.2d 12 (2003). Critically, the 1970 Constitution expressly vested the power to review special legislation with the courts, thus abrogating a long line of decisions which had held that this was the legislature's job. See, *Bridgewater v. Holz* (1972), 51 Ill.2d 103, 110; *Sommers v. Patton*, 399 Ill. 540 (1948).

The special legislation prohibition also appeared in the 1870 Constitution, and its purpose was clear:

> Governments were not made to make the 'rich richer and the poor poorer,' nor to advance the interest of the few against the many; but that the weak might be protected from the will of the strong; that the poor might enjoy the same rights with the rich; that one species of property might be as free as another-that one class or interest should not flourish by the aid of government, whilst another is oppressed with all the burdens. I Debates and Proceedings of the 1870 Constitutional Convention of the State of Illinois 578 (remarks of Delegate Anderson).[4]

Although Illinois courts have historically analyzed special legislation challenges through an equal protection lens, their respective goals are different. The equal protection clause forbids arbitrary and invidious discrimination that results when government withholds from a person or class of persons a right, benefit or privilege

[4] The term "robber baron" and all that the phrase connotes appeared for the first time in the August 1870 issue of *The Atlantic Monthly.*

without a reasonable basis for the governmental action. *Chicago Nat. Baseball League Ball Club, Inc. v. Thompson* (1985), 198 Ill.2d 357, 367. On the other hand, special legislation confers a special benefit on a group of persons to the exclusion of others similarly situated. It discriminates in favor of a select group without a sound, reasonable basis. *Id.; Allen, supra* at 12.

The prohibition against special legislation is the one provision in the legislative articles that specifically limits the lawmaking power of the General Assembly. *Best v. Taylor Mach. Works*, 179 Ill.2d 367 at 391 (1997). Courts apply a two-pronged test to determine whether the proscription against special legislation has been violated. Courts first ask whether the statutory provision at issue discriminates in favor of a select group, and if so whether the classification created by the statute is arbitrary. *Allen supra*, at 22. In other words, there must be a reasonable basis for the classification, and, the classification must bear a reasonable and proper relation to the purpose of the act and the evil it seeks to remedy. *In re Belmont Fire Protec. Dist*., 111 Ill.2d 373, 489 N.E.2d 1385 (Ill. 1986).

Moreover, the legislature cannot create through the medium of an arbitrary statutory declaration a class which then is the recipient of special and exclusive legislative favors. *Id.* at 380; *Giebelhausen v. Daley*, 407 Ill. 25 at 37 (1950) ("the situation calling for the law must exist and not be created by the legislation making the classification.")(emphasis added).

This quote from *Giebelhausen* captures the essence of special legislation in this case. Cabs, limousines, and ride share companies provide transportation services to the public for a fare. That is precisely what common carriers do. HB 4075 naturally lumped

cabs, limos, and rideshare vehicles together throughout the statute, and particularly in the definition of "commercial ride share arrangement," which was defined as "for hire passenger vehicles, including taxicabs and ridesharing vehicles, including when a cabdriver receives a dispatch over the internet or smartphone." Yet, SB 2774, through an arbitrary *ipse dixit* categorical, simply declared that ride share vehicles were no longer common carriers. SB 2774's discrete classification of rideshare vehicles, exempting them as common carriers, was "created by the legislation;" it did not exist beforehand. *Id*.

"[T]his court has invalidated legislative classifications under the special legislation clause where they have an artificially narrow focus and which appear to be designed primarily to confer a benefit on a particular private group without a reasonable basis, rather than to promote the general welfare." *Best v. Taylor Mach. Works*, 179 Ill.2d 367, 395 (1997)(damages cap of $500,000 arbitrarily distinguished between victims with less serious injuries than those with grievous injuries; the singling out of damages involving death and bodily injury was irrational as it did not cap claims for other torts such as defamation) *see, e.g.*, *In re Belmont Fire Protection District*, *supra*, at 381-86 (invalidating a statute which authorized only counties with populations of between 600,000 and one million residents to consolidate all fire protection services into one district); *Wright v. Central Du Page Hospital Ass'n*, 63 Ill.2d 313, 325-30 (1976) (invalidating $500,000 limit on compensatory damages in medical malpractice actions); *Grace v. Howlett*, 51 Ill.2d 478, 486-87 (1972) (invalidating a limit on recovery applicable to damages inflicted by commercial motorists, but not private motorists); *Skinner v. Anderson*, 38 Ill.2d 455, 459-60 (1967) (invalidating a statute of repose for

construction-related injuries for architects and contractors, but not other potential defendants in the construction process); *Allen, supra.* (amendments to Consumer Fraud Act were special legislation because requirements for suing car salesmen under the Act—including pleading public injury, shielding car dealers from punitive damages, and permitting offers of judgment were far stricter than for other industries; court wrote, "[A]t bottom, the amendments place new and used vehicle dealers on more advantageous footing than all other retailers subject to the Act, this creating favored class of retailers.")[5]

Because the TNPA created a special classification of tort immunity for rideshare companies where no real difference existed between rideshare companies on the one hand and all other common carriers, including cabs and limousines on the other, Section 25(e) is forbidden special legislation.

A. The TNPA's Classification between Rideshare Companies on the One Hand and Taxicabs and Limousines on the Other Is Arbitrary

The majority of the appellate court divined several reasons why the rideshare industry is different than the taxicab and limousine business. This discussion was whimsy and it was wrong. Section 25(e) bifurcated the ride-hailing sector from taxis and limos by creating an alternative classification of "TNC," thus exempting rideshare companies from more stringent public safety taxi regulations. The regulatory regime on taxi and limousines remained intact but no longer operated to their advantage. On the contrary, it puts taxis and limousines at a competitive disadvantage relative to the regulations (or lack thereof) for TNCs.

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[5] *Allen* is a notable case. It was a pure special legislation challenge. No equal protection claim was pleaded.

First, the majority stressed that "the technological platform that TNCs' use to deliver their services also distinguishes them from their taxicab competitors." *Doe,* at ¶ 39. According to the majority, rideshares must be pre-arranged through a smartphone application. Passengers usually hail cabs with a whistle or an extended hand. *Id.* This is a distinction without a difference. It does not matter whether a passenger whistles for a cab or uses an application to hail a Lyft virtually. In both circumstances, a driver arrives and takes the passenger to their destination. *See, O'Connor v. Uber Tech., Inc.,* 82 F.Supp.3d 133 at 1141-42 (N.D.Cal. 2015)("Uber does not simply sell software; it sells rides. Uber is no more a 'technology company' than Yellow Cab is a 'technology company' because it uses CB radios to dispatch cabs…[T]he focus is on the substance on what the firm actually does, [and] it is clear that Uber is most certainly a transportation company.")

Under Illinois law, a common carrier is "one who undertakes for the public to transport from place to place such persons or the goods of such person as choose to employ him for hire. *Browne v. SCR Medical Transportation Services, Inc.* 356 Ill.App.3d 642, 646 (1st Dist. 2005). A common carrier "undertakes for hire to carry all persons indifferently who may apply for passage so long as there is room and there is no legal excuse for refusal." *Id.* A private carrier only serves certain persons by special agreement in particular instances. *Doe v. Sanchez*, 2016 IL App. (2nd) 150554, Par. 11.

The poison pill of Section 25(e) notwithstanding, rideshare companies are common carriers. The rideshare app matches a willing driver with a fare-paying customer. These sorts of applications are ubiquitous across the transportation and common carrier spectrum. They were prevalent in 2014, and they are more so today.

Passengers have used mobile applications to reserve travel on planes, trains, ships, and roller coasters for years. A pre-arranged ticket does not negate common carrier status. Moreover, Section 20 of the TNPA is the statute's non-discrimination provision. Section 20 is a legislative recognition that rideshare companies should be treated as common carriers. Section 20 requires TNCs to adopt policies and to inform TNC drivers that they shall not discriminate against passengers and potential passengers on the basis of their race, color, gender, age, disability, destination, national origin, or sexual orientation. Quoting *Browne*, rideshare companies and drivers "undertake for hire to carry all persons indifferently who may apply for passage."

The appellate court further justified the bifurcation between rideshare companies and the rest of the livery industry by noting that rideshare companies rely heavily on part-time, non-professional drivers. *Doe*, supra, Par. 41. The majority also speculated that the General Assembly may have reasonably concluded that the software technology used by Uber and Lyft would make the imposition of common carrier liability unnecessary for the protection of passengers. *Id*. Again, these conclusions are based on nothing. The dissenting opinion hit this point hard, with the emphasis supplied by the court:

> The fact that TNCs rely on non-professional, part-time drivers demonstrates that it is *unreasonable* for the General Assembly to weaken the protections given to the passengers of TNCs. If anything, the fact that the drivers are not professionals and are driving passengers part-time in their own vehicles would suggest that TNCs should be requires to assume even *more* responsibility for them, not less, to ensure passenger safety in the hands of such drivers. There is simply no rational reason to permit a company to be shielded from liability that it would otherwise be required to assume where the company is providing common carrier services to passengers but is doing so through the use of individuals who are not full-time employees, who are not professionals, and who are largely using their own vehicles. *Doe*, *supra*, at ¶ 69.

Amici fully adopt this reasoning, word-for-word.

By any metric, the taxi industry has been crushed by the rideshare industry. In the Spring of 2017, 39% of all medallions in Chicago were owned by individuals and small businesses. *See James Bradach, Run Off The Road: Chicago's Taxi Medallion Foreclosure* Crisis, AFSCME/AFL-CIO (2017), https://news.wttw.com/sites/default/files/article/fileattachments/Medallion%20Report%20%28FINAL%29_0.pdf). Between 2013, and 2017, nearly 21% of medallions were surrendered, foreclosed upon, or in foreclosure. *Id*. In March, 2014, 4% of the City's 6,999 taxis were "active," defined by the City as having picked up one passenger in a given month. By March 2017, the number of active taxis had plummeted to 58%. *Id***.** Thus, shortly before Jane was raped by a Lyft driver, nearly three thousand (2,940) of Chicago's seven thousand taxis were idle. At the end of 2019, before COVID, the number of active taxis had dropped to 61.6%. *Id*. Further, following the City of Chicago's release of a public dataset concerning over 100 million taxi rides since 2013, one 2017 study determined taxi usage in Chicago has declined dramatically since 2014. Schneider, Todd. "Chicago's Public Taxi Data." Toddwschneider.com, 17 Jan. 2017, toddwschneider.com/posts/chicago-taxi-data/. As of November 2016, Chicago taxi usage was declining at a 35% annual rate, and had fallen a cumulative 55% since peaking in June 2014. *Id*.

B. The TNPA's Classification between Women Sexually Assaulted in Rideshare Vehicles and Those Sexually Assaulted in Cabs, Limousines, and Other Common Carriers Is Arbitrary

When evaluating a statutory provision challenged as special legislation, a court "must consider the natural and reasonable effect of the legislation on the rights affected by the provision" to determine if it has a rational basis. *Best*, *supra*, 179 Ill.2d at 394.

Here, the rights of sexual assault victims must be considered. These rights of course must include their ability to hold common carriers vicariously liable for the criminal acts of their drivers. These rights were ignored by the General Assembly. These rights of redress were not even discussed by the General Assembly.

So, based on no facts, and based on nothing in the legislative record of SB 2774, the appellate court below was forced to divine a rational basis for the distinction between women raped in Lyft vehicles and women raped in cabs and other common carriers. That divination was as follows:

> Whether a person is injured or attacked by a ridesharing driver rather than a taxicab driver does not result from happenstance but from the passenger's voluntary decision to use a ridesharing service rather than a taxi service. As our supreme court has explained, 'relevant differences in the circumstances under which ***various voluntary relationships are created' may justify the imposition of differing standards of care. *Doe*, *supra*, at ¶ 49.

The dissent took sharp issue with this distinction, writing, "I find no relevant differences in the circumstances under which a passenger takes a rideshare as opposed to taking a taxicab, so the mere fact that a passenger chose one form of transportation over the other should have no effect on the relief she is entitled to seek in court." *Id*., at ¶ 67.

Amici agree with the dissent. The majority opinion imposed a level of knowledge upon rideshare passengers that has no basis in fact or reality. *Amici* suspect that virtually no one knows that virtually hailing a Lyft--as opposed to hailing a cab on the street or calling a taxicab dispatcher—means that they cannot sue Lyft for vicarious common carrier liability should that driver rape or assault them.

Equally arbitrary was the appellate court's rationale that it really matters whether a ride is pre-arranged on an application or spontaneously with a whistle or a wave. The majority speculated that pre-arranging a rideshare vehicle gave a consumer time to

consider available information before entering the cab. *Id*., at ¶ 28. The majority stated that a prospective passenger information in advance, including the driver's name, his picture, and the make, model and license plate number of the rideshare vehicle. *Id.* This baseline data has very little to do with a passenger's calculus about whether to take a cab or a Lyft. It has much more to do with making sure that a rideshare passenger gets into a rideshare vehicle driven by a unlicensed total stranger versus a car driven by a total stranger who is not a rideshare driver.[6]

VIII.

It Is High Time for the High Court to Abandon or Modify the Enrolled Bill Doctrine; The Three Readings Rule Was Blatantly Ignored, and There Is a Straight Line Between This Constitutional Violation and the Arbitrary Snuffing Out of a Common Law Cause of Action for Jane and Every Other Woman Sexually Assaulted by a Rideshare Driver

Jane argues that the passage of SB 2774 violated the Three Reading Rule of the Illinois Constitution of 1970. Lyft dedicated a single paragraph of its thirty-five-page long appellee's brief on this issue. Lyft contended that the enrolled bill doctrine conclusively prevents a court from examining how a bill was passed so long as the Speaker of the House and the President of the Senate certify that all bill passing

[6] Two additional observations. First, HB 4075, the rideshare bill which was vetoed and not overridden, required rideshare vehicles to display special distinctive rideshare license plates. This simple requirement would help prevent rideshare passengers from getting into the wrong vehicle. Moreover, taxicab drivers in Chicago and throughout the State are required to display their chauffeur's license inside their vehicles. The City of Chicago requires all cabs to display a detailed information sheet setting forth rules, regulations, fare data, and a city number to call if the passenger has a complaint to make.

procedures have been followed. The appellate court deferred to this Court about whether the enrolled bill doctrine should be modified or scrapped.

Lyft's anemic argument about the Three Readings Rule belies the important and substantive impact on the validity and constitutionality of Lyft's special common carrier immunity under Section 25(e). Accordingly, *Amici* will now exhaustively examine the Three Reading Rule and the enrolled bill doctrine.

As a preface to what follows below, *Amici* contend the Three Readings Rule was violated and the enrolled bill doctrine should be modified to be construed to not apply to the legislature's constitutional mandates or create only a rebuttable presumption of a bill's validity. The violation of the Three Readings Rule allowed Section 25(e) to be proposed and passed on the last day of a legislative session, without meaningful debate or scrutiny. *Amici* again stress that Section 25(e) conferred special tort immunity only for rideshare companies. Section 25(e) extinguished a common law cause of action—common carrier vicarious liability for the criminal acts of its agents and employees—for all women who fortuitously hail a rideshare vehicle instead of a cab or limousine and then are viciously raped. The rushed and unconstitutional way SB 2774 was proposed and passed cramped the factual and legal context behind the bill. The rushed and unconstitutional way SB 2774 was proposed and passed gave the trial and appellate courts virtually no information for them to hypothesize the reasons for the legislation, legislation which *Amici* assert is unconstitutional special legislation.

A. The Three Readings Rule Promotes the Salutary Purpose of Informing Legislators, Stakeholders, the Press and the Public as A Whole About Proposed Legislation

To start, Article IV, Sec. 8(d) of the Illinois Constitution of 1970 states as follows:

> A bill shall be read by title on three different days in each house. A bill and each amendment thereto shall be reproduced and placed on the desk of each member before final passage.

The rationale behind the so-called Three Readings Rule is to ensure that legislators know what they are voting for. *Gibelhausen v. Daley*, 407 Ill. 25 (1950). The Three Readings Rule never has required an entire bill to be read in its totality if an amendment is germane to the general bill as originally introduced. *Id*., at 47, *citing People ex rel. Brady v. LaSalle Street Trust and Savings Bank*, 269 Ill. 518 (1915). When applied to a legislative provision, germaneness is "the common tie… found in the tendency of a provision to promote the object and purpose of the act to which it belongs." *Gilbenhausen*, *supra*, at 46.

More than 70 years ago, the *Gilbenhausen* court invalidated a law as unconstitutional because it violated the Three Readings Rule. The words are hauntingly familiar, seven decades hence:

> It is in order, therefore, to examine the language of the original bill to ascertain whether the one finally adopted is the original bill, properly amended, or a substituted bill, dealing with a new subject matter.
>
> The original bill was to appropriate money for refunds to taxpayers, in accordance with a certain provision of the Motor Fuel Tax Act (Ill.Rev.Stat.1947, chap. 120, par. 429,) which authorized refunds in certain cases. After this bill had been adopted in the Senate, after three separate readings, every word of the original bill was stricken, except the number thereof, '687,' and the first words, 'A Bill,' and then there was added to this number and the words 'A Bill' new language, which provided for the salaries and expenses to be paid by the Revenue Department in the Property Division, to be incurred

under the amendment to the Revenue Act. This is claimed by the Attorney General to be an amendment, and is said to be germane to the original bill.

For this court to hold a new bill, which bears no similarity to that originally introduced, except only the appropriation for a different purpose, is germane to the original, would render this clause of the constitution nugatory by construction, and invite disregard of its salutary provisions.

We think there was a complete substitution of a new bill under the original number, dealing with a subject which was not akin or closely allied to the original bill, and which was not read three times in each House, after it has been so altered, in clear violation of section 13 of article IV of the constitution.

Giebelhausen, at 47–48.

B. The Violation of the Three Readings Rule Was More than Technical; It Precluded Due Consideration of Special Legislation Which Arbitrarily Abrogated the Common Law Duty of Common Carriers for Rideshare Companies Exclusively

The Three Readings Rule serves another important purpose. By requiring three readings on three separate days, members of the General Assembly, the media and the public at large can inform themselves about proposed changes in the law. *Orr v. Edgar*, 298 Ill.App.3d 432 450 (1998), *J. Zwick, dissenting*.

The three day requirement also presents a window of opportunity when our citizenry can contact their representatives to urge a vote in favor of or against pending legislation. In this case, where the bill was read only once on the same day it was passed, even thee press, armed with satellite and high-speed internet connections, could not have disseminated the potential effects of this law before it was set for vote. *Id.*

Seen through this lens of transparency and participatory democracy, the General Assembly's violation of the Three Readings Rule is corrosive and damaging.

The TNPA was slipped into the carcass of a dead SB 2774 on the last day of session. As a result, the TNPA was not debated at all in the Senate. Meanwhile, in the House, the debate was abbreviated. Yet, some representatives had some serious reservations. Several questioned why the bill was so hurried. They were placated by the

promise of trailer bills which never materialized. There was no discussion whatsoever about the most substantive clause in the entire bill, Section 25(e), the common carrier liability exemption, a benefit bestowed only upon the rideshare industry. Section 25(e) extinguished a cause of action for vicarious liability by sexual assault survivors in derogation of the common law. It is Kafkaesque that Section 25(e) was tucked away into the "Safety" section of the TNPA. Section 15-25 of the Illinois Bill Drafting Manual, published by the Illinois Legislative Reference Bureau warns that "Section headings should be clear and concise." Richard C. Edwards, *Illinois Bill Drafting Manual*, at 24 (James W. Dodge et al. eds., The Legislative Reference Bureau, 10th ed. 2012). https://www.ilga.gov/commission/lrb/Manual.pdf. Granting rideshare companies tort immunity and depriving victims of assault are exceptions to and limitations upon safety. Section 25 more aptly should have been called "Safety; Exceptions" or "Safety; Limitations."

Uber was armed with six lobbyists from three different firms in the General Assembly on December 3. (See Proponent Witness Slips, **A029**.) Lyft actually texted its support of the TNPA to its sponsor while the bill was being introduced and discussed. Ill. House Debate, H.B. 2774, 98th Gen. Assembly, **A039** (Dec. 3, 2014) How does that happen? How is that allowed to happen? Meanwhile, stakeholders were muzzled or caught off guard by the rushed passage of the TNPA with only one reading, also on the last day of the legislative session. CAASE and other groups which advocate for victims of sexual assault had no clue that Section 25(e) wiped out victims' ability to hold rideshare companies vicariously liable for the criminal acts of their drivers. Taxicab and limousine associations like The Transportation Alliance and the NLA were precluded

from offering their expertise and national perspective about the shortcomings of the TNPA and its artificial creation of a special classification for rideshare companies.

The public at large was also silenced by the secret and rushed manner by which the TNPA was introduced and passed. Would any member of the public in 2014 support a bill which granted any transportation company--innovative or traditional--immunity for the criminal sexual assaults of its agents and employees? Would any father or mother, aunt or uncle, think it was right that Uber and Lyft could escape scot-free if their daughter or niece were raped by "Joe the sexual assaulter?" See, Ill. House Debate, H.B. 2774, 98th Gen. Assembly, **A036** (Dec. 3, 2014). (Statement of Rep. Harris)

Bottom line: *Amici* believe that the vetoed HB 4075 was a far more balanced and comprehensive bill than SB 2774. When it came to safety and the protection of the public, HB 4075 treated rideshare, taxi, and limousine companies similarly. For example, the definitions of "commercial rideshare arrangement" and "dispatch" captured all three types of transportation companies within their scope. Moreover, HB 4075 required rideshare drivers to obtain chauffeur's licenses; mandated that rideshare vehicles met the same stringent safety standards as taxis and limousines. SB 2774 did none of those things. Worse, it clandestinely exempted rideshare companies from the same vicarious common carrier liability which is imposed on every other common carrier. *Amici*, had they known about SB 2774 and Section 25(e), would have opposed the bill and would have counselled its members to oppose it.

C. The Enrolled Bill Doctrine Does Not Expressly Foreclose Judicial Review of Whether the General Assembly Constitutionally Complied with Its Obligations to Make and Pass Legislation

Lyft asserts that the enrolled bill doctrine precludes all judicial review of the process by which the TNPA became law. Article VIII, Section 8(d) of the Illinois Constitution of 1970, part reads:

> The Speaker of the House of Representatives and the President of the Senate shall sign each bill that passes both houses to certify that the procedural requirements for passage have been met.

Section 8(d) does not expressly outlaw judicial review of the lawmaking process. If the framers of the 1970 Illinois Constitution wanted to give the leaders of the Illinois legislature the carte blanche certification power over lawmaking and if the framers wanted to foreclose judicial inquiry into the review into the regularity of the passage of bills, they could have readily so provided. *People v. Dunigan*, 165 Ill.2d 235, 257-8 (1995), *J. Heiple dissenting*; see also, Lousin, Ann "Where Are We At? The Illinois Constitution After Forty-Five Years," 48 J. Marshall L. Rev. 1 at 31 (2014)("[The] single subject rule and the ban on special legislation are not immune from challenge under the enrolled bill rule because violations of those requirements are apparent on the face of the bill.")

Instead, the enrolled bill doctrine is a judicial gloss based in part on what the Framers discussed at the Constitutional Convention. The Committee on the Legislature explained that the purpose of the enrolled bill doctrine is to avoid judicial nullification of statutes on purely procedural grounds. *Geja's Café v. Metropolitan Pier and Exposition Authority*, 153 Ill.2d 239, 259-60 (1992). So said the Committee, as quoted in *Geja's*:

Presently Illinois has the "journal entry" rule as distinguished from an "enrolled bill" rule. It is proposed that Illinois adopt the "enrolled bill" rule.

The "journal entry" rule means that a piece of legislation can be challenged in the courts by pointing to a defect in its passage as reflected in the journal. Under this rule, a statute duely [*sic*] passed by the General Assembly and signed by the Governor may be attacked in the courts, not necessarily on its merits, but on some procedural error or technicality found in the legislative process. The "journal entry" rule, as a result, leads to complex litigation over procedures and technicalities.

The "enrolled bill" rule would provide that when the presiding officers of the two houses sign a bill, their signatures become conclusive proof that all constitutional procedures have been properly followed. The "enrolled bill" rule would not permit a challenge to a bill on procedural or technical grounds regarding the manner of passage if the bill showed on its face that it was properly passed. Signatures by the presiding officers would, of course, constitute proof that proper procedures were followed.'" *Benjamin,* 68 Ill.2d at 145, 11 Ill.Dec. 270, 368 N.E.2d 878, quoting 6 Record of Proceedings, Sixth Illinois Constitutional Convention 1386–87 (hereinafter cited as Proceedings). (emphasis added.)

The Framers grounded their adoption of the enrolled bill doctrine on the notion that the Illinois legislature would dot and cross its constitutionally required i's and t's: "We determined, in accordance with many other states that have adopted the enrolled bill doctrine and have found no difficulties, that…if they were to commit any fraud or chicanery, the legislature would certainly take care of them." 4 Proceedings 2881, quoted in *Geja's*, *supra*, at 260.

D. This Court Should Revisit Whether the Irrebuttable Presumption of the Enrolled Bill Doctrine Should Be Modified

Nearly 30 years ago, this Court warned that it might one day revisit the validity of the enrolled bill doctrine. In *Geja's*, the Court noted that the General Assembly had shown remarkably poor self-discipline in policing itself. *Id*. The Court continued:

> "Plaintiff's urge is to abandon the enrolled bill doctrine because history has proven that there is no other way to enforce the constitutionally mandated three readings requirement. While plaintiffs make a persuasive argument, we decline their invitation. We do so because, for today at least, we feel that the doctrine of separation of powers is more compelling. However, we defer to the legislature hesitantly, because we do not wish to understate the importance of complying with the Constitution when passing bills. If the General Assembly continues its

> poor record of policing itself, we reserve the right to revisit this issue on another day to decide the propriety of ignoring this constitutional violation."

Geja's at 260; *see also*, *Friends of Park v. Chicago Park Dist*., 203 Ill.2d 312, 329 (2003)(repeating the Court's threat about revisiting the enrolled bill doctrine, but declining to do so because the record was not sufficiently developed to support that the Three Readings Rule had been breached.)

Cases decided by this Court about the enrolled bill doctrine have not drawn a clear distinction between each house's rules of procedure on the one hand and the constitutionally mandates of lawmaking on the other. See, e.g., Article IV, Section 6(d)("each house shall determine the rules of the proceedings, judge the elections, returns, and qualifications of its members and choose its officers"). *Amici* do not suggest that this Court should interpret the enrolled bill doctrine so as to encourage judicial review of the General Assembly's or each political party's own internal rules.

Rules mandated by the Illinois Constitution are another matter entirely. The Illinois Constitution contains these constitutional rules for the overarching purpose of transparency in the legislative process. Critically, the Framers of the 1970 Constitution took the power away from the legislature to determine if a law was special legislation. Since 1970, courts decide whether legislation is unconstitutional special legislation.

Amici suggest that this Court adopt the position that the enrolled bill doctrine does not apply to constitutional mandates at all, or, as suggested by the dissent in *People v. Dunigan* that the signatures of the presiding officers on an enrolled bill create a rebuttable presumption that all of the constitutional mandates have been followed properly. *Amici*

also urge that the judiciary could enforce those constitutional mandates by referring to the journals, verbatim transcripts, and other official records.

Amici beseech this Court to modify or abandon the enrolled bill doctrine conclusive presumption of validity. This case is the case to do so for the following reasons:

- Statutes in derogation of the common law are strictly construed. *Williams v. Manchester*, 228 Ill.2d 404 at 418 (2008). An act in derogation of the common law must be construed strictly against the entity claiming immunity. *Van Meter v. Darien Park District*, 207 Ill. 2d 359 at 358 (2003). The repeal of a common law remedy by implication is not favored. *Callahan v. Edgewater Care & Rehabilitation Centre, Inc*., 374 Ill.App.3d 630 at 634 (2007). The TNPA declared that rideshare companies were not common carriers. The TNPA extinguished the right of Jane Doe and every other victim of sexual assault to hold rideshare companies vicariously liable for the criminal acts of its agents and employees.

- The enrolled bill doctrine in Illinois creates a conclusive and irrebuttable presumption that a bill was passed constitutionally. Irrebuttable presumptions are greatly disfavored. *Kline v. Illinois Racing Bd*., 469 N.E.2d 667, 673 (Ill. App. 1st Dist. 1984)("Assuming arguendo that [the rule] creates an irrebuttable and conclusive presumption, we must review it with disfavor.")

- It is especially appropriate for the Court to re-examine the enrolled bill doctrine because the trial court and appellate court below believed that the constitutionality of the TNPA was an important question to answer through an appeal per Illinois Supreme Court Rule 308. The appellate court deferred discussing the enrolled bill doctrine in its opinion, writing that whether the time has come for the enrolled bill doctrine to be revisited "is a question only the Supreme Court can answer." *Doe*, *supra*, at ¶ 56.

- As the dissent in the underlying case pointed out, the issues before this Court are ones of national first impression. This is the first case where the common carrier immunity of rideshare companies has been challenged. *Doe*, *supra*, at ¶ 64. The way TNPA sprung into being and how it was precipitously passed on the last day of session are front and center in this case.

- The letter and spirit of the Three Readings Rule were violated. SB 2774 was twice read in the Senate in January and March 2014 when it was a bill under the Illinois

Public Accounting Act to create an intergovernmental task force about certified tax preparers. Meanwhile, a nearly identical House made its way through the legislature, was passed in May 2014, and signed by the Governor in August 2014. SB 2774 died on August 25, 2014. Yet, the proponents of the TNPA were undeterred. The Third Reading of a now-dead SB 2774 did not take place until December 3, 2014, after it had been gutted and replaced with the TNPA.

- The Three Readings on SB 2774 in the House are even more suspect. The First Reading occurred on April 10, 2014. The Second Reading took place on November 25, 2014, when SB 2774 was still a mundane bill about a tax task force. The Second Reading in the House coincidentally occurred three days after HB 4075 withstood the Governor's veto, and a week before House Amendment No. 1 was introduced on the last day of session. There was minimal debate in the House about the TNPA and no debate whatsoever in the Senate.

- The Illinois legislature did not police itself with regard to whether it was following its constitutional prerogatives in passing the TNPA. No one questioned why SB 2774 was still being treated like a proposed bill when its companion bill had been fully passed by the General Assembly and signed by the Governor. No one questioned why SB 2774 was amended in its entirety on December 2. No one complained that House Amendment No. 1 had no "close tie" and was not germane to SB 2774. *Gilbenhausen*, *supra*, at 46.

- Lyft uses the Three Readings Rule as a shield and sword. As a shield, Lyft argues that no court can review how a bill was passed. Instead, the mere signatures of the two leaders of the General Assembly that all bill-passing procedures have been scrupulously adhered to, and judicial review of that certification is foreclosed. As a sword, Lyft then asserts that a court can divine and hypothesize about what conceivable reason there might have been to bestow a special favor to a discrete group.

Since this Court's stern warning in 1992 in *Geja's* that this Court might step in and invalidate a law based on a Three Readings Rule violation, this Court has not done so. *See e.g.*, *People v. Dunigan*, *supra*; *Friends of the Park, supra*; *Cutinello v. Whitley*, 161 Ill.2d 409 (1994). The dubious passage of the TNPA shows that the General Assembly must think that this Court's warning is bluster. *Amici* suspect that the rideshare industry knew full well that there was a constitutional vacuum they could exploit to swap in its

entirety a brand-new bill of great public importance on the last day of session to a completely unrelated and arcane bill about tax preparers and then pass that bill with virtually no debate. This type of gamesmanship is more than dispiriting and cynical and Machiavellian to its core. It is unconstitutional.

E. The Enrolled Bill Doctrine Should Be Modified Such that the Certification of House Leaders Creates a Rebuttable Presumption That All Procedural Requirements of Bill-Making Have Been Met

Amici suspect that in response, Lyft will argue that abolishing or modifying the enrolled bill doctrine's conclusive presumption of validity will lead to a flood of trivial lawsuits seeking invalidation of laws based on technical violations of the Three Readings Rule. Not so.

In *People v. Dunigan*, the dissenting opinion noted, "In truth, the signatures of the officers [the House Speaker and Senate President] are merely *prima facie* evidence that the General Assembly has abided by the requirements of the constitution. In other words, it raises a rebuttable presumption that the requirements for passage have been met." *Dunigan*, *supra*, at 258 (emphasis added).

Amici proffer two alternatives to the conclusive presumption of the enrolled bill doctrine. First, *Amici* so that the enrolled bill doctrine not apply to the Legislature's constitutional mandates that a bill be read three times or its prohibition against special legislation. After all, whether a law is special legislation is for the judicial branch to decide.

Alternatively, the enrolled bill doctrine should be modified to provide that the certification by the Speaker and of the President should create a rebuttable presumption that a law was duly proposed and passed. A rebuttable presumption would remind

legislators that they need to follow the constitutional mandate of the Three Readings Rule, and if they failed to do so, their conduct would be subject to judicial review. A rebuttable presumption would discourage a flood of lawsuits over technical violations of the Three Readings Rule since the plaintiff would bear the burden of proof to overcome the presumption of bill-passing constitutional legitimacy. A rebuttable presumption would not violate the separation of powers doctrine. Instead, it would help establish the judiciary as a co-equal branch of government. Indeed, a rebuttable presumption would declare that no legislature, including the Illinois General Assembly, is above the constitutional law of Lawmaking.

Many states follow the extrinsic evidence rule wherein an enrolled bill is accorded a *prima facie* presumption of validity, but allows the presumption to be rebutted by evidence that the constitutional requirements have not been met. See, *e.g*, *People ex rel. Manville v. Leddy*, 53 Colo. 109, 112 (1912) ("While a properly signed, enrolled act of the General Assembly…is, prima facie, the law, nevertheless, under our Constitution and court decisions, the proof may show otherwise, and it is competent to establish by the journals of either house that a particular act was not passed in the mode prescribed by the Constitution, and, when so proven, that which appeared to be the law has no validity and is not the law at all"); *Ridgely v. City of Baltimore*, 119 Md. 567, 87 A. 909, 916 (1913) (Maryland Court of Appeals noting the "strong presumption" that an enrolled bill was properly passed in the Legislature and "can only be rebutted by clear and satisfactory evidence"); *State v. Steen*, 55 N.D. 239, 212 N.W. 843, 845 (1927) (Supreme Court of North Dakota restating the principle that "the courts may go behind the enrolled bill and inquire into the legislative records to determine whether or not constitutional

requirements have been observed"); *State v. Adams*, 323 Mo. 729, 735 (1929) (In taking judicial notice of the journal entries pertaining to the passage of a bill, the Missouri Supreme Court held that "[a]n enrolled bill may be impeached by the journals."); *State ex rel. Loseke v. Fricke*, 126 Neb. 736, 254 N.W. 409, 410 (1934) ("An enrolled bill, signed by the presiding officer of each house of the Legislature and approved by the Governor, imports verity as to its passage, and its passage can only be overthrown by the journals of the house or senate showing affirmatively that the bill was not passed in the manner prescribed by the Constitution"); *Barnsdall Refining Corp. v. Welsh*, 64 S.D. 647, 269 N.W. 853, 859 (1936) (In determining whether a bill had received the necessary majority, the Supreme Court of South Dakota held that "[t]he clear trend of decisions is in support of the view that an enrolled bill duly authenticated, approved by the Governor, and filed with the proper officer, may be impeached by the legislative journals on the ground that it has not received a constitutional majority"); *D&W Auto Supply v. Department of Revenue*, 602 S.W.2d 420, 424-25 (Ky. 1980) (In comparing the approaches to the enrolled bill doctrine, the court embraced the "extrinsic evidence" rule. "Under this approach, there is a prima facie presumption that an enrolled bill is valid, but such presumption may be overcome by clear, satisfactory and convincing evidence establishing that constitutional requirements have not been met"); *Consumer Party of Pennsylvania v. Com*., 510 Pa. 158, 178 (1986) (abrogated on other grounds) ("While it is appropriate to give due deference to a co-equal branch of government as long as it is functioning within constitutional constraints, it would be a serious dereliction on our part to deliberately ignore a clear constitutional violation."); *Association of Texas Professional Educators v. Kirby*, 788 S.W.2d 827, 829 (Tex. 1990) (In recognizing

exceptions to the conclusive presumption of the enrolled bill rule, the court opined that "the enrolled bill rule is contrary to modern legal thinking, which does not favor conclusive presumptions that may produce results which do not accord with fact… the present tendency favors giving the enrolled version only prima facie presumptive validity, and a majority of state recognize exceptions to the enrolled bill rule."); and *Baines v. New Hampshire Senate President*, 152 N.H. 124, 126 (2005) ("New Hampshire does not subscribe to the enrolled bill doctrine" and instead uses "legislative journals…to determine whether the presumed validity of a bill is refuted."); and § 15:6.The extrinsic evidence rule, 1 Sutherland Statutory Construction § 15:6 (7th ed.).

SB 2774, like every other bill passed by the General Assembly, starts with the phrase that the law, "SB xxxx Enrolled…was enacted by the People of the State of Illinois, represented in the General Assembly." This language is required by Article IV, Section 8(a) of the Illinois Constitution of 1970. Sadly, the People were not represented when 25(e) of the TNPA was slyly introduced and hurriedly passed on December 3. The enrolled bill doctrine should not bar this Court from concluding that Section 25(e) is special legislation. The enrolled bill doctrine should not foreclose this Court from finding that the Three Readings Rule was violated. The enrolled bill doctrine should not bar this Court from concluding that Section 25(e) did not "provide for the health, safety, and welfare of the people," and "to assure legal, social, and economic justice." Ill. Const. 1970 pmbl.

Conclusion

Amici do not object to the sausage-making messiness of the Illinois legislative process. Making a good law takes a ton of hard work and grit. CAASE knows this well.

The Gender Violence Act was the product of years of study, collaboration, negotiation, compromise, and consensus. The Transportation Alliance and the NLA know this, too. Taxis and limousines have been an integral part of this country's transportation network for more than a hundred years, and they continue to be so, even now, as heavily regulated as they are. It is telling that rideshare companies will say anything or do anything to avoid the common-sense safety regulations imposed on taxi and limousine companies which have kept the public safe for a century.

Amici do object to unconstitutional law-making. Special legislation is unfair. Special legislation which confers tort immunity upon a particular group arbitrarily is especially problematic. Special legislation which extinguishes a common law cause of action arbitrarily is even more harmful. TNPA did both.

In addition, the way SB 2774 was introduced and passed is constitutionally suspect. The letter and the spirit of the Three Readings Rule was violated. The conclusive presumption of the enrolled bill doctrine should not foreclose this Court from determining whether the General Assembly complied with its constitutional obligations.

Respectfully submitted, *Amici Curiae*

CHICAGO ALLIANCE AGAINST SEXUAL EXPLOITATION (CAASE)

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CERTIFICATE OF COMPLIANCE

I certify that this brief conforms to the requirements of Rules 345 and 341(a) and (b). The length of this brief, excluding the pages contained in the Rule 341(d) cover, the Rule 341(h)(1) table of contents and statement of points and authorities, the Rule 341(c) certificate of compliance, and the certificate of service, is 13,482 words.

By: /s/ Michael M. Tannen

Attorney for *Amici Curiae*

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Bill Status of SB2774 *98th General Assembly*

Short Description: TAX RETURN PREPARER-REGULATION

Senate Sponsors
Sen. Antonio Muñoz and Martin A. Sandoval

House Sponsors
(Rep. Michael J. Zalewski)

Last Action

Date	Chamber	Action
1/12/2015	Senate	Public Act 98-1173

Statutes Amended In Order of Appearance

225 ILCS 450/30.9 new

Synopsis As Introduced

Amends the Illinois Public Accounting Act. Provides that the Department of Financial and Professional Regulation shall convene a task force in order to prepare a report that determines the appropriate scope of a program for regulating tax return preparers, addresses the appropriate qualifications for tax return preparers, and considers any other matters that the task force determines to be necessary or appropriate. Requires that the report be submitted no later than September 1, 2015 to the Secretary of Financial and Professional Regulation, the Governor, the Speaker of the House of Representatives, and the President of the Senate. Effective immediately.

Senate Floor Amendment No. 1

Replaces everything after the enacting clause. Amends the Illinois Public Accounting Act. Provides that the Department of Financial and Professional Regulation shall convene a task force in order to prepare a report that determines the appropriate scope of a program for regulating commercial tax return preparers, addresses the appropriate qualifications for commercial tax return preparers, and considers any other matters the task force determines to be necessary or appropriate. Further provides that the task force shall consist of 7 members, one of whom shall be appointed by the Department and be a representative of the Department; one of whom shall be appointed by the Department and be a representative of a statewide association representing CPAs; one of whom shall be appointed by the Department and be an enrolled agent or representative of the tax return preparation industry; one of whom shall be appointed by the majority caucus leader of the House of Representatives; one of whom shall be appointed by the majority caucus leader of the Senate; one of whom shall be appointed by the minority caucus leader of the House of Representatives; and one of whom shall be appointed by the minority caucus leader of the Senate. Requires that the report be submitted by no later than December 1, 2014 to the Secretary of Financial and Professional Regulation, the Governor, the Speaker of the House of Representatives, and the President of the Senate. Further provides that members of the task force shall receive no compensation, but shall be reimbursed for expenses necessarily incurred in the performance of their duties. Effective immediately.

Senate Floor Amendment No. 2

Replaces everything after the enacting clause with the bill as amended by Senate Amendment No. 1 with the following changes: adds the Director of Revenue or his or her designee as a member of the task force; requires that the task force submit its report to the Secretary of Financial and Professional Regulation, the Governor, the Speaker of the House of Representatives, and the President of the Senate by no later than December 1, 2015 (rather than December 1, 2014); and provides for the repeal of the provisions on July 1, 2016. Effective immediately.

Correctional Note (Dept of Corrections)

There are no penalty enhancements associated with this bill. The bill would have no fiscal or population impact on the Department of Corrections.

Land Conveyance Appraisal Note (Dept. of Transportation)

No land conveyances are included in this bill; therefore, there are no appraisals to be filed.

Fiscal Note (Financial & Professional Regulation)

This bill has minimal fiscal impact to the Department of Financial and Professional Regulation.

Judicial Note (Admin Office of the Illinois Courts)

This bill would neither increase nor decrease the number of judges needed in the State.

Housing Affordability Impact Note (Housing Development Authority)

This bill will have no effect on the cost of constructing, purchasing, owning, or selling a single-family residence.

State Mandates Fiscal Note (Dept. of Commerce & Economic Opportunity)

This bill does not create a State mandate.

Home Rule Note (Dept. of Commerce & Economic Opportunity)

This bill does not pre-empt home rule authority.

Pension Note (Government Forecasting & Accountability)

There is no discernible fiscal impact of any public pension system associated with this Bill.

State Debt Impact Note (Government Forecasting & Accountability)

This bill would not change the amount of authorization for any type of State-issued or State-supported bond, and, therefore, would not affect the level of State indebtedness.

Balanced Budget Note (Office of Management and Budget)

SB 2774 will have an impact of less than $1,000 for reimbursements in other State funds. The Bill would have a minimal impact to the State budget.

House Floor Amendment No. 1

Deletes reference to:

225 ILCS 450/30.9

Adds reference to:

New Act

625 ILCS 30/2 from Ch. 95 1/2, par. 902

Replaces everything after the enacting clause. Creates the Transportation Network Providers Act. Requires transportation network companies and participating drivers to maintain transportation network company insurance. Provides for driver requirements. Requires transportation network companies to adopt a non-discrimination policy towards passengers. Provides for both safety and operational requirements. Amends the Ridesharing Arrangements Act to make conformity changes.

Land Conveyance Appraisal Note, House Floor Amendment No. 1 (Dept. of Transportation)

No land conveyances are included in this bill; therefore, there are no appraisals to be filed.

Correctional Note, House Floor Amendment No. 1 (Dept of Corrections)

There are no penalty enhancements associated with this bill. The bill would have no fiscal or population impact on the Department of Corrections.

Pension Note, House Floor Amendment No. 1 (Government Forecasting & Accountability)

There is no discernible fiscal impact of any public pension system associated with this Bill.

State Debt Impact Note, House Floor Amendment No. 1 (Government Forecasting & Accountability)

This bill would not change the amount of authorization for any type of State-issued or State-supported bond, and, therefore, would not affect the level of State indebtedness.

Home Rule Note, House Floor Amendment No. 1 (Dept. of Commerce & Economic Opportunity)

This bill does not pre-empt home rule authority.

State Mandates Fiscal Note, House Floor Amendment No. 1 (Dept. of Commerce & Economic Opportunity)
This bill does not create a State mandate.

Balanced Budget Note, House Floor Amendment No. 1 (Office of Management and Budget)
This bill has no impact on the State Budget.

Fiscal Note, House Floor Amendment No. 1 (Office of Management and Budget)
This bill would have no fiscal impact to the Governor's Office of Management and Budget.

Judicial Note, House Floor Amendment No. 1 (Admin Office of the Illinois Courts)
This bill would neither increase nor decrease the number of judges needed in the State.

Actions

Date	Chamber	Action
1/30/2014	Senate	Filed with Secretary by Sen. Terry Link
1/30/2014	**Senate**	**First Reading**
1/30/2014	Senate	Referred to Assignments
2/11/2014	Senate	Assigned to Licensed Activities and Pensions
2/20/2014	Senate	Do Pass Licensed Activities and Pensions; 008-000-000
2/20/2014	Senate	Placed on Calendar Order of 2nd Reading February 25, 2014
3/3/2014	Senate	Senate Floor Amendment No. 1 Filed with Secretary by Sen. Terry Link
3/3/2014	Senate	Senate Floor Amendment No. 1 Referred to Assignments
3/4/2014	**Senate**	**Second Reading**
3/4/2014	Senate	Placed on Calendar Order of 3rd Reading March 5, 2014
3/5/2014	Senate	Senate Floor Amendment No. 1 Assignments Refers to Licensed Activities and Pensions
3/6/2014	Senate	Senate Floor Amendment No. 1 Recommend Do Adopt Licensed Activities and Pensions; 007-000-000
3/6/2014	Senate	Recalled to Second Reading
3/6/2014	Senate	Senate Floor Amendment No. 1 Adopted; Link
3/6/2014	Senate	Placed on Calendar Order of 3rd Reading March 19, 2014
4/1/2014	Senate	Senate Floor Amendment No. 2 Filed with Secretary by Sen. Terry Link
4/1/2014	Senate	Senate Floor Amendment No. 2 Referred to Assignments
4/7/2014	Senate	Senate Floor Amendment No. 2 Assignments Refers to Licensed Activities and Pensions
4/9/2014	Senate	Senate Floor Amendment No. 2 Recommend Do Adopt Licensed Activities and Pensions; 010-000-000
4/9/2014	Senate	Recalled to Second Reading
4/9/2014	Senate	Senate Floor Amendment No. 2 Adopted; Link
4/9/2014	Senate	Placed on Calendar Order of 3rd Reading
4/9/2014	**Senate**	**Third Reading - Passed; 057-000-000**
4/10/2014	House	Arrived in House
4/10/2014	House	Chief House Sponsor Rep. Michael J. Madigan
4/10/2014	**House**	**First Reading**
4/10/2014	House	Referred to Rules Committee
5/8/2014	House	Assigned to Executive Committee
5/16/2014	House	Committee Deadline Extended-Rule 9(b) May 23, 2014
5/23/2014	House	Final Action Deadline Extended-9(b) May 30, 2014

5/26/2014	House	Do Pass / Short Debate Executive Committee; 007-004-000
5/26/2014	House	Placed on Calendar 2nd Reading - Short Debate
5/26/2014	**House**	**Second Reading - Short Debate**
5/26/2014	House	Held on Calendar Order of Second Reading - Short Debate
5/27/2014	House	Fiscal Note Requested by Rep. Ed Sullivan, Jr.
5/28/2014	House	Correctional Note Filed
5/28/2014	House	Land Conveyance Appraisal Note Filed
5/28/2014	House	Fiscal Note Filed
5/28/2014	House	Judicial Note Filed
5/28/2014	House	Housing Affordability Impact Note Filed
5/28/2014	House	State Mandates Fiscal Note Filed
5/28/2014	House	Home Rule Note Filed
5/28/2014	House	Pension Note Filed
5/28/2014	House	State Debt Impact Note Filed
5/29/2014	House	Balanced Budget Note Filed
5/30/2014	House	Rule 19(a) / Re-referred to Rules Committee
5/30/2014	Senate	Added as Co-Sponsor Sen. Martin A. Sandoval
11/25/2014	House	Approved for Consideration Rules Committee; 004-000-000
11/25/2014	House	Placed on Calendar 2nd Reading - Short Debate
12/2/2014	House	House Floor Amendment No. 1 Filed with Clerk by Rep. Michael J. Zalewski
12/2/2014	House	House Floor Amendment No. 1 Referred to Rules Committee
12/2/2014	House	House Floor Amendment No. 1 Rules Refers to Business & Occupational Licenses Committee
12/2/2014	Senate	Chief Sponsor Changed to Sen. Antonio Muñoz
12/3/2014	House	Alternate Chief Sponsor Changed to Rep. Michael J. Zalewski
12/3/2014	House	House Floor Amendment No. 1 Recommends Be Adopted Business & Occupational Licenses Committee; 007-002-001
12/3/2014	House	House Floor Amendment No. 1 Land Conveyance Appraisal Note Filed as Amended
12/3/2014	House	House Floor Amendment No. 1 Correctional Note Filed as Amended
12/3/2014	House	House Floor Amendment No. 1 Pension Note Filed as Amended
12/3/2014	House	House Floor Amendment No. 1 State Debt Impact Note Filed as Amended
12/3/2014	House	House Floor Amendment No. 1 Home Rule Note Filed as Amended
12/3/2014	House	House Floor Amendment No. 1 State Mandates Fiscal Note Filed as Amended
12/3/2014	House	House Floor Amendment No. 1 Balanced Budget Note Filed as Amended
12/3/2014	House	House Floor Amendment No. 1 Fiscal Note Filed as Amended
12/3/2014	House	House Floor Amendment No. 1 Adopted
12/3/2014	House	Placed on Calendar Order of 3rd Reading - Short Debate
12/3/2014	House	House Floor Amendment No. 1 Judicial Note Filed as Amended
12/3/2014	**House**	**Third Reading - Short Debate - Passed 105-007-002**
12/3/2014	Senate	Secretary's Desk - Concurrence House Amendment(s) 1
12/3/2014	Senate	Placed on Calendar Order of Concurrence House Amendment(s) 1 - December 3, 2014
12/3/2014	Senate	House Floor Amendment No. 1 Motion to Concur Filed with Secretary Sen. Antonio Muñoz
12/3/2014	Senate	House Floor Amendment No. 1 Motion to Concur Referred to Assignments

12/3/2014	Senate	House Floor Amendment No. 1 Motion to Concur Assignments Referred to Executive
12/3/2014	Senate	House Floor Amendment No. 1 Motion To Concur Recommended Do Adopt Executive; 014-000-000
12/3/2014	Senate	House Floor Amendment No. 1 Senate Concurs 052-002-001
12/3/2014	Senate	Passed Both Houses
12/15/2014	Senate	Sent to the Governor
1/12/2015	Senate	Governor Approved
1/12/2015	Senate	Effective Date June 1, 2015
1/12/2015	**Senate**	**Public Act 98-1173**

Bill Status of HB4075 *98th General Assembly*

Short Description: TRANSPORTATION-TECH

House Sponsors
Rep. Michael J. Zalewski - Jim Durkin - Arthur Turner - Marcus C. Evans, Jr., Dennis M. Reboletti, Camille Y. Lilly, Ann Williams, Elizabeth Hernandez, Derrick Smith and Edward J. Acevedo

Senate Sponsors
(Sen. Antonio Muñoz - Karen McConnaughay - Martin A. Sandoval - John M. Sullivan - Jacqueline Y. Collins, Steven M. Landek, Melinda Bush, Linda Holmes and Emil Jones, III)

Last Action

Date	Chamber	Action
11/21/2014	House	Total Veto Stands - No Positive Action Taken

Statutes Amended In Order of Appearance

625 ILCS 5/1-100	from Ch. 95 1/2, par. 1-100

Synopsis As Introduced
Amends the Illinois Vehicle Code. Makes a technical change in a Section concerning the short title.

House Committee Amendment No. 1

Deletes reference to:
625 ILCS 5/1-100

Adds reference to:

625 ILCS 5/1-122.7	
625 ILCS 5/1-176.1	from Ch. 95 1/2, par. 1-176.1
625 ILCS 5/3-412	from Ch. 95 1/2, par. 3-412
625 ILCS 5/8-101	from Ch. 95 1/2, par. 8-101
625 ILCS 5/13-101	from Ch. 95 1/2, par. 13-101
625 ILCS 5/18c-6102	from Ch. 95 1/2, par. 18c-6102
625 ILCS 30/1	from Ch. 95 1/2, par. 901
625 ILCS 30/2	from Ch. 95 1/2, par. 902
625 ILCS 30/5	from Ch. 95 1/2, par. 905
625 ILCS 30/7 new	

Replaces everything after the enacting clause. Amends the Illinois Vehicle Code. Provides that the Secretary of State shall issue distinctive registration plates for vehicles used in commercial ridesharing arrangements. Provides that vehicles used in commercial ridesharing arrangements must have proof of financial responsibility. Amends the Ridesharing Arrangements Act. Changes the title to the Ridesharing Arrangements and Consumer Protection Act. Defines a "commercial ridesharing arrangement" as the transportation in a vehicle owned or leased for personal use, of not more than six persons (including the driver), prearranged through a dispatcher, and for which a fee is charged, but that is not provided in accordance with the limitations on for-profit ridesharing arrangements. Defines "dispatch" as connecting passengers and drivers for a commercial ridesharing arrangement through telephone, Internet, smartphone, or any electronic application. Provides that units of local government, including home rule units, may not regulate commercial ridesharing arrangements in a manner less restrictive than this Act. Provides that drivers wishing to provide transportation under a commercial ridesharing arrangement must obtain a chauffeur's license from the unit of local government in which their vehicles are registered or operated, unless no unit of local government in which their vehicles are registered or operated offer a chauffeur's license. Provides that dispatchers must secure a commercial ridesharing dispatcher's license from the Department of Financial and Professional Regulation. Requires dispatchers to submit evidence of insurance that will provide coverage in the event that the insurance coverage of a driver they dispatch does not provide coverage. Provides that vehicles used for commercial ridesharing arrangements must have distinctive registration plates issued by the Secretary of State, must indicate on the exterior of the vehicle that the vehicle is used for commercial ridesharing arrangements, must display the dispatcher's phone number in the interior of the vehicle and be less than 4 years from the date of manufacture. Provides that vehicles used in commercial ridesharing arrangements are required to undergo the

same safety tests that a unit of local government requires for other vehicles used in transporting passengers for-hire unless the unit of local government does not require safety tests, in which case vehicles used in commercial ridesharing arrangements are subject to safety tests under the Illinois Vehicle Code. Provides that commercial rideshare arrangements may only be arranged through a dispatcher and not through driver solicitation. Provides that commercial ridesharing arrangements may not pick up or discharge a passenger at any airport that serves as a base for commercial flights open to the general public, to any convention center, or to any designated taxicab stands, queues, or loading zones. Prohibits pricing in excess of the highest per-mile rate charged by taxi cabs within the unit of local government where the commercial ridesharing arrangement is conducted. Provides that drivers may not participate in commercial ridesharing arrangements for more than 10 hours in a 24 hour period. Provides that where a unit of local government has requirements for licensed chauffeurs to provide service in under-served areas, drivers participating in commercial ridesharing arrangements are subject to the same requirements. Requires at least 5% of the vehicles utilized by a dispatcher to be wheelchair accessible according to federal and State standards. Provides that any person, other than a passenger, who participates in a commercial ridesharing arrangement in violation of these requirements is guilty of a violation of this Act. Provides that penalties for a violation of these requirements shall be set by administrative rule by the Department of Financial and Professional Regulation. Provides that a person whose person or property has been damaged or is in imminent danger due to a violation of these requirements may file suit in a circuit court having jurisdiction for damages or injunctive relief. Effective immediately.

Correctional Note, House Committee Amendment No. 1 (Dept of Corrections)

There are no penalty enhancements associated with this bill. The bill would have no fiscal or population impact on the Department of Corrections.

Land Conveyance Appraisal Note, House Committee Amendment No. 1 (Dept. of Transportation)

No land conveyances are included in this bill; therefore, there are no appraisals to be filed.

Judicial Note, House Committee Amendment No. 1 (Admin Office of the Illinois Courts)

This bill may have a minimal impact on judicial workloads; however, it is not anticipated that the bill would increase the number of judges needed in the State.

Balanced Budget Note, House Committee Amendment No. 1 (Office of Management and Budget)

The impact on the budget cannot be determined at this time.

Pension Note, House Committee Amendment No. 1 (Government Forecasting & Accountability)

This bill will not impact any public pension fund or retirement system in Illinois.

State Debt Impact Note, House Committee Amendment No. 1 (Government Forecasting & Accountability)

HB 4075 (H-AM 1) would not change the amount of authorization for any type of State-issued or State-supported bond, and, therefore, would not affect the level of State indebtedness.

Home Rule Note, House Committee Amendment No. 1 (Dept. of Commerce & Economic Opportunity)

HB 4075 (H-AM 1) does not pre-empt home rule authority.

State Mandates Fiscal Note, House Committee Amendment No. 1 (Dept. of Commerce & Economic Opportunity)

HB 4075 (H-AM 1) does not create a State mandate

Housing Affordability Impact Note, House Committee Amendment No. 1 (Housing Development Authority)

This bill will have no effect on the cost of constructing, purchasing, owning, or selling a single-family residence.

Fiscal Note, House Committee Amendment No. 1 (Financial & Professional Regulation)

House Bill 4075 (H-AM 1) has a recurring annual fiscal impact of $1,380,395.70 to pay for the operational costs associated with investigations, prosecutions, and licensure that are created in this bill. There will also be an approximate initial cost of $50,000 to establish the I.T. systems required. This will lead to a first year fiscal impact of $1,430,395.70.

House Floor Amendment No. 3

Replaces everything after the enacting clause. Reinserts provisions of House Amendment Number 1. Amends the Ridesharing Arrangements Act. Removes the requirement that vehicles used in ridesharing arrangements be labeled on the outside of the vehicle. Replaces the requirement that 5% of a dispatcher's fleet be wheelchair accessible with a requirement that drivers of vehicles used in rideshares meet the requirements of the local unit of government for chauffeurs regarding access. Requires dispatchers to submit evidence of insurance that will provide coverage for the driver and the vehicle. Replaces the prohibition on commercial ridesharing arrangements picking up or dropping off passengers at an airport or convention center with a requirement that commercial ridesharing arrangements obey local government restrictions on location. Removes the restriction on the amount of hours a driver may participate in commercial ridesharing arrangements in a 24 hour period. Provides that the license, registration, and display requirements for drivers and vehicles in a commercial ridesharing arrangement only apply to drivers or vehicles that participate in commercial ridesharing arrangements for more than 18 hours per week. Provides that dispatchers assume liability, including liability for legal defense costs, for any claims that arise out of the involvement of a driver or vehicle that is available for dispatch or in use in a commercial ridesharing arrangement. Provides that the insurer of a motor vehicle used in a commercial ridesharing arrangement may deny coverage during the time the vehicle is made available for dispatch or used in a commercial ridesharing arrangement. Requires dispatchers to make this insurance information available to the drivers and owners of vehicles used in commercial ridesharing arrangements. Provides a duty on the part of dispatchers to keep the owner and insurer of a vehicle used in commercial ridesharing arrangements notified of information involving the use of the vehicle, including its involvement in accidents. Prevents local units of government from adopting regulations inconsistent with the hours requirement or the requirement that dispatchers negotiate the fare prior to dispatch. Makes corresponding changes to the Illinois Vehicle Code. Effective immediately.

Actions

Date	Chamber	Action
1/3/2014	House	Filed with the Clerk by Rep. Michael J. Madigan
1/13/2014	**House**	**First Reading**
1/13/2014	House	Referred to Rules Committee
3/18/2014	House	Chief Sponsor Changed to Rep. Michael J. Zalewski
3/19/2014	House	Assigned to Business & Occupational Licenses Committee
3/25/2014	House	House Committee Amendment No. 1 Filed with Clerk by Rep. Michael J. Zalewski
3/25/2014	House	House Committee Amendment No. 1 Referred to Rules Committee
3/25/2014	House	House Committee Amendment No. 1 Rules Refers to Business & Occupational Licenses Committee
3/26/2014	House	House Committee Amendment No. 1 Adopted in Business & Occupational Licenses Committee; by Voice Vote
3/26/2014	House	Do Pass as Amended / Short Debate Business & Occupational Licenses Committee; 009-002-000
3/27/2014	House	Placed on Calendar 2nd Reading - Short Debate
3/27/2014	House	Added Co-Sponsor Rep. Camille Y. Lilly
3/27/2014	House	Removed Co-Sponsor Rep. Camille Y. Lilly
3/27/2014	House	Added Chief Co-Sponsor Rep. Camille Y. Lilly
3/27/2014	House	Added Chief Co-Sponsor Rep. Monique D. Davis
4/1/2014	House	Remove Chief Co-Sponsor Rep. Camille Y. Lilly
4/1/2014	House	Added Chief Co-Sponsor Rep. Arthur Turner
4/1/2014	House	Added Chief Co-Sponsor Rep. Dennis M. Reboletti
4/1/2014	House	Added Chief Co-Sponsor Rep. Ann Williams
4/1/2014	House	Added Co-Sponsor Rep. Edward J. Acevedo
4/1/2014	House	Added Co-Sponsor Rep. Camille Y. Lilly
4/1/2014	House	Remove Chief Co-Sponsor Rep. Dennis M. Reboletti
4/2/2014	House	Remove Chief Co-Sponsor Rep. Ann Williams
4/2/2014	House	Added Chief Co-Sponsor Rep. Marcus C. Evans, Jr.
4/2/2014	House	Added Co-Sponsor Rep. Ann Williams
4/2/2014	House	Added Co-Sponsor Rep. Elizabeth Hernandez
4/3/2014	House	House Committee Amendment No. 1 Fiscal Note Requested as Amended

		by Rep. Michael J. Zalewski
4/3/2014	House	House Committee Amendment No. 1 State Mandates Fiscal Note Requested as Amended by Rep. Michael J. Zalewski
4/3/2014	House	House Committee Amendment No. 1 Balanced Budget Note Requested as Amended by Rep. Michael J. Zalewski
4/3/2014	House	House Committee Amendment No. 1 Correctional Note Requested as Amended by Rep. Michael J. Zalewski
4/3/2014	House	House Committee Amendment No. 1 Home Rule Note Requested as Amended by Rep. Michael J. Zalewski
4/3/2014	House	House Committee Amendment No. 1 Housing Affordability Impact Note Requested as Amended by Rep. Michael J. Zalewski
4/3/2014	House	House Committee Amendment No. 1 Judicial Note Requested as Amended by Rep. Michael J. Zalewski
4/3/2014	House	House Committee Amendment No. 1 Land Conveyance Appraisal Note Requested as Amended by Rep. Michael J. Zalewski
4/3/2014	House	House Committee Amendment No. 1 Pension Note Requested as Amended by Rep. Michael J. Zalewski
4/3/2014	House	House Committee Amendment No. 1 State Debt Impact Note Requested as Amended by Rep. Michael J. Zalewski
4/3/2014	House	House Committee Amendment No. 1 Correctional Note Filed as Amended
4/3/2014	House	House Committee Amendment No. 1 Land Conveyance Appraisal Note Filed as Amended
4/3/2014	House	House Committee Amendment No. 1 Judicial Note Filed as Amended
4/3/2014	House	House Committee Amendment No. 1 Balanced Budget Note Filed as Amended
4/3/2014	House	House Committee Amendment No. 1 Pension Note Filed as Amended
4/3/2014	House	House Committee Amendment No. 1 State Debt Impact Note Filed as Amended
4/4/2014	House	House Committee Amendment No. 1 Home Rule Note Filed as Amended
4/4/2014	House	House Committee Amendment No. 1 State Mandates Fiscal Note Filed as Amended
4/4/2014	House	House Committee Amendment No. 1 Housing Affordability Impact Note Filed as Amended
4/8/2014	House	House Floor Amendment No. 2 Filed with Clerk by Rep. Michael J. Zalewski
4/8/2014	House	House Floor Amendment No. 2 Referred to Rules Committee
4/8/2014	House	Added Co-Sponsor Rep. Derrick Smith
4/9/2014	House	House Floor Amendment No. 2 Rules Refers to Business & Occupational Licenses Committee
4/9/2014	House	House Committee Amendment No. 1 Fiscal Note Filed as Amended
4/9/2014	House	House Floor Amendment No. 3 Filed with Clerk by Rep. Michael J. Zalewski
4/9/2014	House	House Floor Amendment No. 3 Referred to Rules Committee
4/9/2014	House	House Floor Amendment No. 4 Filed with Clerk by Rep. Michael J. Zalewski
4/9/2014	House	House Floor Amendment No. 4 Referred to Rules Committee
4/9/2014	**House**	**Second Reading - Short Debate**
4/9/2014	House	Held on Calendar Order of Second Reading - Short Debate
4/9/2014	House	House Floor Amendment No. 2 Recommends Be Adopted Business & Occupational Licenses Committee; 009-002-000
4/10/2014	House	House Floor Amendment No. 3 Recommends Be Adopted Rules Committee; 003-000-000

4/10/2014	House	House Floor Amendment No. 4 Recommends Be Adopted Rules Committee; 003-000-000
4/10/2014	House	Added Chief Co-Sponsor Rep. Jim Durkin
4/10/2014	House	Added Co-Sponsor Rep. Dennis M. Reboletti
4/10/2014	House	House Floor Amendment No. 2 Tabled
4/10/2014	House	House Floor Amendment No. 3 Adopted
4/10/2014	House	House Floor Amendment No. 4 Tabled
4/10/2014	House	Placed on Calendar Order of 3rd Reading - Short Debate
4/10/2014	**House**	**Third Reading - Short Debate - Passed 080-026-000**
4/10/2014	House	Remove Chief Co-Sponsor Rep. Monique D. Davis
4/11/2014	Senate	Arrive in Senate
4/11/2014	Senate	Placed on Calendar Order of First Reading
4/11/2014	Senate	Chief Senate Sponsor Sen. Antonio Muñoz
4/11/2014	Senate	Added as Alternate Chief Co-Sponsor Sen. Jim Oberweis
4/11/2014	Senate	Added as Alternate Chief Co-Sponsor Sen. Karen McConnaughay
4/11/2014	Senate	Added as Alternate Co-Sponsor Sen. Emil Jones, III
4/11/2014	**Senate**	**First Reading**
4/11/2014	Senate	Referred to Assignments
4/14/2014	Senate	Added as Alternate Co-Sponsor Sen. Steven M. Landek
4/23/2014	Senate	Added as Alternate Co-Sponsor Sen. Melinda Bush
4/23/2014	Senate	Added as Alternate Co-Sponsor Sen. Pamela J. Althoff
4/29/2014	Senate	Sponsor Removed Sen. Jim Oberweis
4/30/2014	Senate	Added as Alternate Chief Co-Sponsor Sen. John M. Sullivan
5/1/2014	Senate	Sponsor Removed Sen. Pamela J. Althoff
5/5/2014	Senate	Added as Alternate Chief Co-Sponsor Sen. Martin A. Sandoval
5/6/2014	Senate	Added as Alternate Co-Sponsor Sen. Linda Holmes
5/7/2014	Senate	Added as Alternate Chief Co-Sponsor Sen. Jacqueline Y. Collins
5/7/2014	Senate	Assigned to Executive
5/9/2014	Senate	Sponsor Removed Sen. Emil Jones, III
5/12/2014	Senate	Added as Alternate Co-Sponsor Sen. Emil Jones, III
5/14/2014	Senate	Do Pass Executive; 012-002-001
5/14/2014	Senate	Placed on Calendar Order of 2nd Reading
5/14/2014	**Senate**	**Second Reading**
5/14/2014	Senate	Placed on Calendar Order of 3rd Reading May 15, 2014
5/15/2014	**Senate**	**Third Reading - Passed; 046-008-002**
5/15/2014	Senate	Motion Filed to Reconsider Vote Sen. Antonio Muñoz
5/15/2014	**Senate**	**Third Reading - Passed; 046-008-002**
6/18/2014	Senate	Motion Withdrawn Sen. Antonio Muñoz
6/18/2014	House	Passed Both Houses
7/14/2014	House	Sent to the Governor
8/25/2014	House	Governor Vetoed
8/28/2014	House	Removed Co-Sponsor Rep. Edward J. Acevedo
9/16/2014	House	Added Co-Sponsor Rep. Edward J. Acevedo
11/6/2014	House	Placed on Calendar Total Veto November 6, 2014
11/17/2014	House	Motion Filed Override Governor Veto Rep. Michael J. Zalewski
11/21/2014	**House**	**Total Veto Stands - No Positive Action Taken**

AUDIO TRANSCRIPTION

FILE NAME: BUSINESS OCUP 362014

March 6, 2014

right?
REPRESENTATIVE ZALEWSKI: They both are passenger vehic es for hire
REPRESENTATIVE SIMS: Correct So under I'm having some troub es Under the ridesharing companies, are there imits p aced on the drivers, in the number of hours they can drive, or the number of routes they can take?
REPRESENTATIVE ZALEWSKI: It's se f imposed imits, they
REPRESENTATIVE SIMS: Se f imposed imits but if
REPRESENTATIVE ZALEWSKI: (indiscernib e) no regu ation
REPRESENTATIVE SIMS: a driver wants to drive 20 hours a day, the driver cou d drive those 20 hours a day
REPRESENTATIVE ZALEWSKI: Now what in fairness to what they' say, is we , we govern that ourse ves, and that's fine, and Lyft and Uber if you ask me, conduct best practices
REPRESENTATIVE SIMS: Sure

REPRESENTATIVE ZALEWSKI: But again, this is an emerging market that does that we can by their ve y acknow edgement, is going to see growth, so I don't necessari y think that we shou d be setting cei ings here We need to be setting f oors that everybody can abide by
REPRESENTATIVE SIMS: Sure Sure And so again, I'm a so trying to I'm having a itt e troub e, I'm ooking at the statute, and this the definition of a ridesharing arrangement under the statute as it current y exists, means the transpo tation by motor vehic e of not more than 6 persons, inc uding a driver I'm having troub e understanding why these this new techno ogy, these new companies, don't they shou d not abide by that ru e, why they're not why that doesn't app y to them So if one of the opponents cou d answer that
MR NICOLAY: Sure, Representative Sims So on the Ridesharing Arrangements Act, it is correct that the Ridesharing Arrangements Act that was enacted over 30 years ago does preempt Home Ru e, but that definition of ridesharing arrangements, and I don't

have it in front of me, but if you read I think it's pa t
REPRESENTATIVE SIMS: Do you want to borrow mine?
MR NICOLAY: Pa t A and Part B, it goes on to describe that a for profit ride sharing arrangement, it's a very narrow y defined to inc ude, I think it's two rides a day So it's not what was preempted was the provision of two rides a day, 30 years ago There's nothing in the Act that addresses we didn't have ce phones back then, we didn't have sma tphones back then, we didn't have apps back then So this it is t ue that there is a preemption, but the preemption is very imited, and u timate y, we can sit and argue about this a day, at some point the House Par iamentary is going to u e on this, whether ridesharing's preempted or not, and we be ieve that it's not
Back to your previous question on the common carriers, just to be c ear, the ridesharing companies are not common carriers Common carrier means I can wa k out, and not so much here, but in Chicago, I wa k

out and put my hand up, and somebody pulls over and picks me up The ridesharing companies don't do that They would be prohibited from doing that under the Chicago ordinance And as the Chicago ordinance, and this was raised by Representative DeLuca, and Representative Harms, you know, we could talk forever about what the ordinance is going to contain and not contain
But in essence, and they're here, I'm not speaking for them, Chicago has decided, we will enable ridesharing and regulate it So those ridesharing regulations are being negotiated, almost done now, and there's a number of things in there, background checks and safety checks and so on that I won't go through, but Chicago's decided, we will enable ridesharing and regulate it The taxicabs have sued the City of Chicago, and they're not here to regulate ridesharing, they're here with a bill to eliminate ridesharing So that's really the choice
Lyft and Uber want to be regulated I'm a lobbyist for Lyft, and I'll explain why Lyft wants to be regulated Because Lyft's getting ticketed, and I

know, because I'm the one that goes to administrative hearings, and dea s with the tickets and the impounds, it's a $2,000 impound, so you have to go down to administrative hearings You find some Lyft driver, you have to get their car out of the impound So the current ru es are being enforced, contra y to what others are saying The city's decided, ike I said, that we wi enab e ridesharing, but regu ate it, a series of regu ations Taxicabs don't ike that, so they're here to put Lyft and Uber out of business That's the p an

REPRESENTATIVE ZALEWSKI: I have to respond to that That's fundamenta y wrong And if what John just described is a recipe for success in the state of I inois, continuing to et citations bui d up on these individua s, and sending them to cou t, whi e we maybe down the ine get to some so t of reso ution on this, if that's a recipe for success, then I don't want any part of it, and I'd rather dea immediate y with the prob em, and get some substantive regu ations on the books I just it's fundamenta y unfair to question the motives of the taxicab companies when, in

this body, we have the duty under the state statute, not to mention the fact we have constituents living outside Chicago, to make sure that their safety is protected, so

REPRESENTATIVE SIMS: And my final question, and I'm not asking for either side to provide us proprietary information based on the discussions and the negotiations that are happening, but how close is what's proposed to what the city ordinance looks like in Chicago?

MS TAYLOR: I'll t y to be brief It's ve y different for a couple of reasons One is that we have shown the city our insurance policy That provision actually is very similar, the insurance pa t However, with prospective background checks, the city felt comfortable with us using a private provider, such as Sterling Info Systems, to provide those background checks, because we showed that the background checks are more stringent, and that we actually were strict you know, that I gave a laundry list of violent crimes and felony convictions that you can't have previously So those things would be prevented, and

that would be by a private provider, rather than a state provider, that's one difference.

Similarly, we would have the driving record checks pro done by a private provider. We do all of this so that we can have an efficient system, but we still achieve the same safety levels. With respect to airports, only drop offs would be allowed. In this particular bill, there can't be any access to airports, so if you wanted to call Lyft to go to the airport, you wouldn't be allowed to, under this bill. I'm trying to recall what the other provisions and terms there are inspections, a 19 point inspection, which is allowed in the mayor's ordinance as well, to make sure the vehicles are safe. This particular bill only allows you to have a car which is four years or younger, and that bill does not restrict in such a way, because if we did that, very few people would be able to participate. Most people in this room probably don't have a vehicle that is four years or younger, and so that would be a major restriction on having people actually rideshare.

REPRESENTATIVE SIMS: But that begs the

question that if there are differences in the ordinances being proposed or being worked on, there's no difference then setting a floor that would be well, let me finish That would be a statewide standard, and then having the city ordinance be more restrictive So there's no difference in that Is that right?

MS TAYLOR: No, because this bill is more restrictive than the city ordinance in the sense that the requirements are different and they would prevent, for example, private providers from doing those things So if you say that the state, for example, has to do certain things, then private providers can't It basically eliminates the city ordinance altogether It says, we are taking over this field, we are preempting it, and we are going to have this set of regulations, and therefore if you don't believe that these things are necessary, too bad, city, it's too late We've already it's not a floor, it's a very restrictive set of regulations

REPRESENTATIVE SIMS: Okay I'm done, Mr Chairman, thank you so much

you Mike but right now I cannot. We don't want you to tie the hands of these people, charge them $25 thousand a year that they're not going to make. You know, we just want to keep this industry growing. It used to be like that in Chicago. There was a time…"

Speaker Turner: "Representative…"

Davis, M.: "…they called them jitneys."

Speaker Turner: "…Representative…"

Davis, M.: "Yes."

Speaker Turner: "…Representative, time. We're done."

Davis, M.: "Thank you, Mr. Speaker."

Speaker Turner: "Thank you."

Davis, M.: "And thank you, Representative Zalewski. Vote 'no'."

Speaker Turner: "Representative Durkin for two minutes."

Durkin: "Thank you. I'll be very brief. I've been listening to this debate, and this is good. But there's absolutely nothing in this Bill that is going to stop the innovation and technology from advancing forward with this type of service. But what my concern is, always, is that we… we look at common carriers such as… as cabbies and basically, these groups or these commercial transportation providers, they are always and have been traditionally held to a higher standard of care, and that's a good reason for it. And to me, it came down very simple. I think the person who's going to be behind that wheel needs to be insured. I think they need to be subject to the same type of background checks that cabs do right now. It's important for me as a… as a father knowing that my nieces, my daughters that they're going to be somewhere in the City of Chicago, that they're going to be safe with the individual

driving that car, whether it's a cab or if it's somebody with Uber. I believe you've made some reasonable accommodations and I will support this measure."

Speaker Turner: "Representative Demmer for two minutes."

Demmer: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Turner: "Sponsor will yield."

Demmer: "Representative, this 18-hour ceiling is pretty important in this because it makes… tries to make a distinction between a part-time, casual driver and somebody who makes more of a career out of this. But as a previous speaker brought up, I think there's an interesting question about how that 18-hour ceiling is calculated. Is it triggered by one week of driving more than 18 hours? Is it triggered by an average? What's the determination?"

Zalewski: "So, what… what we wanted, Tom, is for there to be local control. So, we remain silent on the mechanism to measure the 18 hours per week 'cause we want locals to determine what's best for them."

Demmer: "And I think that's an important distinction because this could easily be triggered by one week of… there's a convention in town, you'd want to drive during a… during a athletic season more, you live in an area where there's going to be a sudden influx of people, and somebody who is a part-time driver, who's a seasonal driver, may trigger this 18-hour provision in one week or in a couple of weeks, but through the rest of the year, may be well below that… that threshold. So, I'd say that to assume that a part-time driver will be part time throughout the whole course of the year is kind of a worry… worrisome provision to put into… put into place. And

Bill Status of HB4381 *98th General Assembly*

Short Description: TAX RETURN PREPARER-REGULATION

House Sponsors
Rep. Michael J. Zalewski and Al Riley

Senate Sponsors
(Sen. Terry Link)

Last Action

Date	Chamber	Action
8/25/2014	House	Public Act 98-1040

Statutes Amended In Order of Appearance

225 ILCS 450/30.9 new

Synopsis As Introduced
Amends the Illinois Public Accounting Act. Provides that the Department of Financial and Professional Regulation shall convene a task force in order to prepare a report that determines the appropriate scope of a program for regulating tax return preparers, addresses the appropriate qualifications for tax return preparers, and considers any other matters that the task force determines to be necessary or appropriate. Requires that the report be submitted no later than September 1, 2015 to the Secretary of Financial and Professional Regulation, the Governor, the Speaker of the House of Representatives, and the President of the Senate. Effective immediately.

House Floor Amendment No. 1
Replaces everything after the enacting clause. Amends the Illinois Public Accounting Act. Provides that the Department of Financial and Professional Regulation shall convene a task force in order to prepare a report that determines the appropriate scope of a program for regulating commercial tax return preparers, addresses the appropriate qualifications for commercial tax return preparers, and considers any other matters the task force determines to be necessary or appropriate. Further provides that the task force shall consist of 7 members, one of whom shall be appointed by the Department and be a representative of the Department; one of whom shall be appointed by the Department and be a representative of a statewide association representing CPAs; one of whom shall be appointed by the Department and be an enrolled agent or representative of the tax return preparation industry; one of whom shall be appointed by the majority caucus leader of the House of Representatives; one of whom shall be appointed by the majority caucus leader of the Senate; one of whom shall be appointed by the minority caucus leader of the House of Representatives; and one of whom shall be appointed by the minority caucus leader of the Senate. Requires that the report be submitted by no later than December 1, 2014 to the Secretary of Financial and Professional Regulation, the Governor, the Speaker of the House of Representatives, and the President of the Senate. Further provides that members of the task force shall receive no compensation, but shall be reimbursed for expenses necessarily incurred in the performance of their duties. Effective immediately.

House Floor Amendment No. 2
Replaces everything after the enacting clause. Amends the Illinois Public Accounting Act. Provides that the Department of Financial and Professional Regulation shall convene a task force in order to prepare a report that determines the appropriate scope of a program for regulating commercial tax return preparers, addresses the appropriate qualifications for commercial tax return preparers, and considers any other matters the task force determines to be necessary or appropriate. Further provides that the task force shall consist of 7 members, one of whom shall be appointed by the Secretary of Financial and Professional Regulation and be a representative of the Department; one of whom shall be appointed by the Secretary and be a representative of a statewide association representing CPAs; one of whom shall be appointed by the Secretary and be an enrolled agent or representative of the tax return preparation industry; one of whom shall be appointed by the Speaker of the House of Representatives; one of whom shall be appointed by the President of the Senate; one of whom shall be appointed by the Minority Leader of the House of Representatives; and one of whom shall be appointed by the Minority Leader of the Senate. Requires that the report be submitted by no later than December 1, 2014 to the Secretary, the Governor, and the General Assembly. Further provides that members of the task force shall receive no compensation, but shall be reimbursed for expenses necessarily incurred in the performance of their duties. Provides that these provisions shall be repealed on December 1, 2015. Effective immediately.

Senate Committee Amendment No. 1
Replaces everything after the enacting clause with the engrossed bill with the following changes: provides that the task force shall consist of 8 (rather than 7) members, one of whom shall be appointed by the Department of Financial and

Professional Regulation (rather than the Secretary of Financial and Professional Regulation) and be a representative of the Department; one of whom shall be appointed by the Department (rather than the Secretary) and be a representative of a statewide association representing CPAs; one of whom shall be appointed by the Department (rather than the Secretary) and be an enrolled agent or representative of the tax return preparation industry; one of whom shall be the Director of Revenue or his or her designee; one of whom shall be appointed by the Speaker of the House of Representatives; one of whom shall be appointed by the President of the Senate; one of whom shall be appointed by the Minority Leader of the House of Representatives; and one of whom shall be appointed by the Minority Leader of the Senate. Further provides that the task force shall meet no less than 3 times before the end of the year in which the amendatory Act becomes effective and requires the task force to submit its report by no later than December 1, 2015 (rather than December 1, 2014). Provides a repeal date of July 1, 2016 (rather than December 1, 2015). Effective immediately.

Actions

Date	Chamber	Action
1/29/2014	House	Filed with the Clerk by Rep. Michael J. Zalewski
1/29/2014	**House**	**First Reading**
1/29/2014	House	Referred to Rules Committee
2/11/2014	House	Assigned to Business & Occupational Licenses Committee
2/19/2014	House	Do Pass / Short Debate Business & Occupational Licenses Committee; 010-000-000
2/20/2014	House	Placed on Calendar 2nd Reading - Short Debate
2/28/2014	House	House Floor Amendment No. 1 Filed with Clerk by Rep. Michael J. Zalewski
2/28/2014	House	House Floor Amendment No. 1 Referred to Rules Committee
3/6/2014	House	House Floor Amendment No. 1 Recommends Be Adopted Rules Committee; 004-000-000
3/12/2014	House	House Floor Amendment No. 2 Filed with Clerk by Rep. Michael J. Zalewski
3/12/2014	House	House Floor Amendment No. 2 Referred to Rules Committee
3/13/2014	House	House Floor Amendment No. 2 Rules Refers to Business & Occupational Licenses Committee
3/21/2014	House	House Floor Amendment No. 2 Recommends Be Adopted Business & Occupational Licenses Committee; 009-000-000
3/21/2014	**House**	**Second Reading - Short Debate**
3/21/2014	House	House Floor Amendment No. 1 Adopted
3/21/2014	House	Held on Calendar Order of Second Reading - Short Debate
3/25/2014	House	Added Co-Sponsor Rep. Al Riley
3/27/2014	**House**	**Second Reading - Short Debate**
3/27/2014	House	House Floor Amendment No. 2 Adopted
3/27/2014	House	Placed on Calendar Order of 3rd Reading - Short Debate
4/1/2014	**House**	**Third Reading - Short Debate - Passed 070-042-001**
4/2/2014	Senate	Arrive in Senate
4/2/2014	Senate	Placed on Calendar Order of First Reading April 3, 2014
4/2/2014	Senate	Chief Senate Sponsor Sen. Terry Link
4/3/2014	**Senate**	**First Reading**
4/3/2014	Senate	Referred to Assignments
4/23/2014	Senate	Assigned to Licensed Activities and Pensions
4/25/2014	Senate	Senate Committee Amendment No. 1 Filed with Secretary by Sen. Terry Link
4/25/2014	Senate	Senate Committee Amendment No. 1 Referred to Assignments
4/29/2014	Senate	Senate Committee Amendment No. 1 Assignments Refers to Licensed Activities and Pensions
5/1/2014	Senate	Postponed - Licensed Activities and Pensions

5/1/2014	Senate	Senate Committee Amendment No. 1 Postponed - Licensed Activities and Pensions
5/7/2014	Senate	Senate Committee Amendment No. 1 Adopted
5/8/2014	Senate	Do Pass as Amended Licensed Activities and Pensions; 010-000-000
5/8/2014	Senate	Placed on Calendar Order of 2nd Reading May 12, 2014
5/14/2014	**Senate**	**Second Reading**
5/14/2014	Senate	Placed on Calendar Order of 3rd Reading May 15, 2014
5/21/2014	**Senate**	**Third Reading - Passed; 052-004-000**
5/21/2014	House	Arrived in House
5/21/2014	House	Placed on Calendar Order of Concurrence Senate Amendment(s) 1
5/22/2014	House	Senate Committee Amendment No. 1 Motion Filed Concur Rep. Michael J. Zalewski
5/22/2014	House	Senate Committee Amendment No. 1 Motion to Concur Referred to Rules Committee
5/26/2014	House	Senate Committee Amendment No. 1 Motion to Concur Recommends Be Adopted Rules Committee; 003-001-000
5/28/2014	House	Senate Committee Amendment No. 1 House Concurs 083-030-000
5/28/2014	House	House Concurs
5/28/2014	House	Passed Both Houses
6/26/2014	House	Sent to the Governor
8/25/2014	House	Governor Approved
8/25/2014	House	Effective Date August 25, 2014
8/25/2014	**House**	**Public Act 98-1040**

Amici present the following timeline of the legislative progression of HB 4381 and SB 2774. Amici italicize its references to HB 4381; references to SB 2774 are in standard typeset. In addition, Amici attach as the Bill Status Summaries from both bills which can be found on the website of the Illinois General Assembly. This Court can take judicial notice of these official summaries.

A Brief Timeline of HB 4381 and SB 2774

Date	**Event**	**Additional Comments**
January 29, 2014	*Representatives Riley and Zalewski introduce HB 4381. The proposed bill gets its First Reading in the House.*	*HB 4381 sought to amend the Illinois Public Accounting Act by requesting that the Departments of Finance and Professional Regulation convene a task force and prepare a report about whether certified tax preparers should be regulated.*
January 30, 2014	Former Senator Terry Link introduces SB 2774.	SB 2774 sought to amend the Illinois Public Accounting Act by requesting that the Departments of Finance and Professional Regulation convene a task force and prepare a report about whether certified tax preparers should be regulated.
January 30, 2014	SB 2774 has its First Reading.	
February 11, 2014	SB 2774 is assigned to the committee on Licensed Activities and Pensions	

February 11, 2014	*HB 4381 is assigned to the Business and Occupational License Committee.*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a tax force about certified tax preparers.*
February 28-March 21, 2014	*Several technical amendments are added to HB 4381. The House Business and Occupational License Committee approves these amendments.*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a tax force about certified tax preparers.*
March 4, 2014	On motion of former Senator Link, SB 2774 has its Second Reading	
March 6, 2014	A minor amendment is made to SB 2774 which further defines the scope of the tax return preparation task force. The task force is to meet three times and prepare its report by December 1, 2014.	Former Senator Link tells his colleagues that SB 2774 was amended "just to address the concerns of AARP." Nothing in the legislative record reveals that AARP had any concerns or objections to the tax preparer tax force bill, Senator Link states, "I'll talk [about the amendment] when we get to 3rd Reading on the bill."
March 21-27, 2014	*Short Debate and Second Readings of the two amendments to HB 4381 takes place in the House.*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a tax force about certified tax preparers.*
April 1, 2014	*HB 4381 has its Third Reading in the House and passes.*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a tax force about certified tax preparers.*
April 2-3, 2014	*HB 4381 arrives in the Senate; Senator Terry Link is its*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a*

	sponsor. The bill has its First Reading.	*tax force about certified tax preparers.*
April 9, 2014	A second amendment is made to the tax return preparation task force, changing the deadline for the report to December 1, 2015.	
April 9, 2014	SB 2774 has its Third Reading in the Senate.	
April 9, 2014	On the motion of former Senator Link, the Senate votes in favor of SB 2774 by a margin of 57-0.	
April 9, 2014-December 2, 2014		SB 2774, as twice amended, remains at all times an amendment to the Illinois Public Accounting Act and deals solely with the creation of a task force and report about certified tax preparers.
April 10, 2014	The House is advised that the Senate passed SB 2774.	SB 2774 still only concerns the creation of a tax preparation task force.
April 10, 2014	SB 2774 has its first reading in the House.	SB 2774 still only concerns the creation of a tax preparation task force.
April 23, 2014	*HB 4381 is assigned to the Senate committee for Licensed Activities and Pensions.*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a tax force about certified tax preparers.*
May 1, 2014	*A technical but germane amendment is proposed for HB 4381*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a tax force about certified tax preparers.*

May 8, 2014	SB 2774 is referred to the House Committee on Personnel and Pensions	SB 2774 still only concerns the creation of a tax preparation task force.
May 8, 2014	*The Senate Licensed Activities and Pensions Committee adopts Senate Committee Amendment No. 1 to HB 4381 is adopted.*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a tax force about certified tax preparers.*
May 14, 2014	*HB 4381 has its Second Reading in the Senate.*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a tax force about certified tax preparers.*
May 21, 2014	*HB 4381 has its Third Reading in the Senate. HB 4381 passes in the Senate.*	*Former Senator Link advises his colleagues that HB 4381 is a "companion bill" to SB 3774*
May 21-26, 2014	*The passed version of HB 4381 arrives back at the House. The Senate's Amendment No. 1 is adopted in the House.*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a tax force about certified tax preparers.*
May 26, 2014	The House Committee recommends that SB 2774 be passed.	SB 2774 still only concerns the creation of a tax preparation task force.
May 26, 2014	SB 2774 has its Second Reading by title in the House, "Short Debate." The bill was not discussed.	SB 2774 still only concerns the creation of a tax preparation task force.
May 28, 2014	*HB 4381 passes both houses.*	*HB 4381 is, and remains until passage, at all times a bill relating to the creation of a tax force about certified tax preparers.*
June 18, 2014	The Senate and House passes HB 4075, the Ridesharing Arrangements and Consumer	*Amici* address below how HB 4075 treated ride share companies, taxis, and limousines similarly.

	Protection Act, 625 ILCS 5/1-100.	
June 26, 2014	*HB 4381 is sent to the Governor.*	
July 14, 2014	HB 4075 sent to Governor Quinn for signature.	
August 25, 2014	Governor Quinn vetoes HB 4075.	
August 25, 2014	*The Governor signs HB 4381.*	*As of August 25, 2014, SB 2774, the companion bill of HB 4381, is moot and is no longer an active bill.*
November 21, 2014	The House's and Senate's effort to override the governor's veto of HB 4075 fails.	SB 2774 still only concerns the creation of a tax preparation task force.
November 25, 2014	Even though HB 4381 had been signed by the Governor on August 25, 2014, the House places SB 2774 on the calendar for Second Reading.[1]	SB 2774, a dead bill, still only concerns the creation of a tax preparation task force. No one states that SB 2774 is a dead bill and has been for three months. SB 2774 was teed up on for Second Reading in the House on the Tuesday right before Thanksgiving in 2014.

[1] SB 2774 was never a shell bill. According to Section 20-7 of the Bill Drafting Manual published by the Illinois Legislative Reference Bureau, a "shell bill" contains only the short title of a new act which can later be amended to add the substantive provisions necessary to accomplish the purpose once those provisions are determined. Richard C. Edwards, *Illinois Bill Drafting Manual*, at 69 (James W. Dodge et al. eds., The Legislative Reference Bureau, 10th ed. 2012). https://www.ilga.gov/commission/lrb/Manual.pdf. Nor did House Amendment No. 1 to SB 2774 constitute the "total replacement" of a bill. The "total replacement" is permitted when the amendment, although limited to the same general subject as the bill in order to maintain germaneness, does something entirely different from what the bill does. *Id*., at 137, Section 50-85. Certainly, the conferring of common carrier immunity to a rideshare company has nothing to do with the regulation of certified tax preparers.

December 2, 2014	House Amendment No. 1, the TNPA at issue in this case, is filed with the Clerk of the House. The bill is referred to the House Business and Occupational License Committee	No one in the House or Senate points out that House Amendment No. 1 (which creates the TNPA) is utterly not germane to SB 2774, a bill to create a task force about certified tax preparers. No one in the House or Senate points out that SB 2774 is not a shell bill which can be supplemented by House Amendment No. 1. No one states that SB 2774 is a dead bill and has been dead for three months. December 2 was the first Tuesday after the four day Thanksgiving holiday.
December 3, 2014	The House Business and Occupational License Committee recommends that SB 2774, as changed by House Amendment No. 1, be adopted.	No one in the House or Senate objects that House Amendment No. 1 (which creates the TNPA) is utterly not germane to SB 2774, a bill to create a task force about certified tax preparers. No one states that SB 2774 is a dead bill and has been dead for three months.
December 3, 2014	Speaker Madigan removes himself as principal sponsor of SB 2774, and is replaced by Representative Zalewski.	
December 3, 2014	SB 2774, as amended, has its Third Reading by title in the House, Short Debate.	The journal of proceedings for December 3 references that SB 2774 had its Second Reading by title on May 26, 2014. However, on May 26, 2014, SB 2774 solely addressed the formation of a tax preparer task force. No one complains that House

		Amendment No. 1 is not germane to SB 2774. No one states that SB 2774 is a dead bill and has been dead for three months.
December 3, 2014	Representative Zalewski brings SB 2774, as amended, to the floor for a vote. It passes the House by a 105-7-2 vote. Representative Zalewski repeatedly states that he expects trailer bills to follow to address open issues.	The debate on the House floor is addressed in more detail herein. Among other things, Representative Zalewski comments that the bill needs to be passed now "to protect our constituents' safety." While making his pitch for the bill, Zalewski states on the floor of the House that he had just received a text from Lyft that Lyft agrees with the bill. Several representatives question why SB 2774 is being rushed to a vote. Representative Harris signals his intent to vote "No" because the "security of passengers" needs to be addressed. "You want to make sure that when you're picked up and taken to your home that the driver's not "Joe the sexual assaulter." No representative mentions Section 25(e) or immunity from common carrier liability. Ill. House Debate, H.B. 2774, 98th Gen. Assembly, A036 (Dec. 3, 2014). (Statement of Rep. Harris)
December 3, 2014	SB 2774, as amended, is placed on the Calendar order of concurrence. The full Senate votes to concur with House Amendment No. 1.	The Senate had last seen SB 2774 on May 26, 2014, when it was solely a bill to form a tax preparer's task force. There is no debate about the

		TNPA in any Senate committee or on the Senate floor. No one states that SB 2774 is a dead bill and has been dead for three months.
December 15, 2014	SB 2774, as amended, is sent to the governor for signature.	
January 12, 2015	Governor signs SB 2774, as amended.	
January 30, 2014-January 12, 2015		From the instant that SB 2774 was initially proposed (as a tax preparer task force) through the time it was amended by House Amendment No. 1 on December 2, 2014, and while being discussed on the floors of the House and Senate on December 3, the words "common carrier" were not uttered by anyone. Moreover, the existence and impact of Section 25(e) was not discussed. This single line exempted Uber and Lyft from vicarious common carrier liability for the criminal acts of its drivers.

Bill Status of HB0536 *93rd General Assembly*

Short Description: GENDER VIOLENCE-NEW

House Sponsors
Rep. Tom Cross - Patricia Reid Lindner - Elizabeth Coulson - Eileen Lyons - Donald L. Moffitt, Ron Stephens, Chapin Rose, Sara Feigenholtz, John A. Fritchey, Rosemary Mulligan and Mary E. Flowers

Senate Sponsors
(Sen. Carol Ronen - Adeline Jay Geo-Karis - Terry Link and Jacqueline Y. Collins)

Last Action

Date	Chamber	Action
8/5/2003	House	Public Act 93-0416

Statutes Amended In Order of Appearance
New Act

Synopsis As Introduced
Creates the Gender Violence Act. Provides that any person who has been subjected to gender-related violence may bring a civil action for damages, injunctive relief, or other appropriate relief against the person who committed that act. Requires commencement of an action within 10 years after the cause of action accrued or, if the person is a minor, within 7 years after the person turns 18. Applies only to causes of action accruing on or after the bill's effective date.

Senate Floor Amendment No. 2
Changes the limitation period within which an action based on gender-related violence must be brought. Provides that an action based on gender-related violence involving an act of violence or physical aggression or invasion must be commenced within 7 (instead of 10) years after the cause of action accrued, except that if the person entitled to bring the action was a minor at the time the cause of action accrued, the action must be commenced within 7 years after the person reaches the age of 18. Provides that an action based on gender-related violence involving a threat of violence or physical aggression or invasion must be commenced within 2 (instead of 10) years after the cause of action accrued, except that if the person entitled to bring the action was a minor at the time the cause of action accrued, the action must be commenced within 2 (instead of 7) years after the person reaches the age of 18.

Actions

Date	Chamber	Action
1/30/2003	House	Filed with the Clerk by Rep. Tom Cross
1/30/2003	**House**	**First Reading**
1/30/2003	House	Referred to Rules Committee
2/4/2003	House	Assigned to Judiciary II - Criminal Law Committee
2/21/2003	House	Do Pass / Short Debate Judiciary II - Criminal Law Committee; 013-000-000
2/21/2003	House	Placed on Calendar 2nd Reading - Short Debate
2/21/2003	House	Added Chief Co-Sponsor Rep. Patricia Reid Lindner
3/5/2003	**House**	**Second Reading - Short Debate**
3/5/2003	House	Placed on Calendar Order of 3rd Reading - Short Debate
3/5/2003	House	Added Chief Co-Sponsor Rep. Elizabeth Coulson
3/6/2003	**House**	**Third Reading - Short Debate - Passed 112-000-000**
3/6/2003	House	Added Chief Co-Sponsor Rep. Eileen Lyons
3/6/2003	House	Added Chief Co-Sponsor Rep. Donald L. Moffitt
3/6/2003	House	Added Co-Sponsor Rep. Ron Stephens
3/6/2003	House	Added Co-Sponsor Rep. Chapin Rose
3/11/2003	Senate	Arrive in Senate
3/11/2003	Senate	Placed on Calendar Order of First Reading March 12, 2003

3/12/2003	Senate	Chief Senate Sponsor Sen. Dave Sullivan
3/12/2003	**Senate**	**First Reading**
3/12/2003	Senate	Referred to Rules
3/13/2003	Senate	Alternate Chief Sponsor Changed to Sen. Carol Ronen
4/10/2003	Senate	Assigned to Judiciary
5/1/2003	Senate	Do Pass Judiciary; 007-003-000
5/1/2003	Senate	Placed on Calendar Order of 2nd Reading May 6, 2003
5/2/2003	Senate	Senate Floor Amendment No. 1 Filed with Secretary by Sen. Richard J. Winkel, Jr.
5/2/2003	Senate	Senate Floor Amendment No. 1 Referred to Rules
5/7/2003	Senate	Senate Floor Amendment No. 2 Filed with Secretary by Sen. Carol Ronen
5/7/2003	Senate	Senate Floor Amendment No. 2 Referred to Rules
5/7/2003	Senate	Senate Floor Amendment No. 2 Rules Refers to Judiciary
5/8/2003	Senate	Senate Floor Amendment No. 2 Be Approved for Consideration Judiciary; 010-000-000
5/8/2003	**Senate**	**Second Reading**
5/8/2003	Senate	Senate Floor Amendment No. 2 Adopted; Ronen
5/8/2003	Senate	Placed on Calendar Order of 3rd Reading May 9, 2003
5/8/2003	Senate	Added as Alternate Chief Co-Sponsor Sen. Adeline Jay Geo-Karis
5/9/2003	Senate	Added as Alternate Co-Sponsor Sen. Jacqueline Y. Collins
5/9/2003	Senate	Added as Alternate Chief Co-Sponsor Sen. Terry Link
5/9/2003	**Senate**	**Third Reading - Passed; 056-000-000**
5/9/2003	Senate	Senate Floor Amendment No. 1 Tabled Pursuant to Rule 5-4(a)
5/9/2003	House	Arrived in House
5/9/2003	House	Placed on Calendar Order of Concurrence Senate Amendment(s) 2
5/12/2003	House	Senate Floor Amendment No. 2 Motion Filed Concur Rep. Tom Cross; Motion #1
5/12/2003	House	Senate Floor Amendment No. 2 Motion to Concur Referred to Rules Committee
5/16/2003	House	Senate Floor Amendment No. 2 Motion to Concur Rules Referred to Judiciary I - Civil Law Committee
5/22/2003	House	Added Co-Sponsor Rep. Sara Feigenholtz
5/23/2003	House	Final Action Deadline Extended-9(b) May 31, 2003
5/28/2003	House	Senate Floor Amendment No. 2 Motion to Concur Recommends be Adopted Judiciary I - Civil Law Committee; 013-000-000
5/28/2003	House	Added Co-Sponsor Rep. John A. Fritchey
5/29/2003	House	Added Co-Sponsor Rep. Rosemary Mulligan
5/29/2003	House	Added Co-Sponsor Rep. Mary E. Flowers
5/29/2003	House	Senate Floor Amendment No. 2 House Concurs 117-000-000
5/29/2003	House	House Concurs in SA 2
5/29/2003	House	Passed Both Houses
6/27/2003	House	Sent to the Governor
8/5/2003	House	Governor Approved
8/5/2003	House	Effective Date January 1, 2004
8/5/2003	**House**	**Public Act 93-0416**

Previous General Assemblies

Witness Slips For SB2774 *98th General Assembly*

SB2774
Senate Amendment 001 Senate Amendment 002 House Amendment 001
Bill Status

Legislation: House Amendment 001

Proponents: 7 Opponents: 3 No Position: 2

Save as Text File

Name	Firm, Business Or Agency	Representing
Hearing Date and Time: Executive (S) 12/3/2014 12:00 PM		
Adam Blinick	Uber	Uber
JIm McPike	Dorgan-McPike & Associates	Uber
John Dorgan	Dorgan-McPike & Associates	Uber
Mike Noonan	The Roosevelt Group	Il transportation Trade Association
Hearing Date and Time: Business Occupational Licenses (H) 12/3/2014 8:30 AM		
Al Ronan	Alfred G. Ronan Ltd	UBER
Andrew M Raucci	Raucci & Sullivan Strategies, LLC	Uber
Jack Dorgan - Jim McPike	UBER	UBER

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STATE OF ILLINOIS
98th GENERAL ASSEMBLY
HOUSE OF REPRESENTATIVES
TRANSCRIPTION DEBATE

151st Legislative Day 12/3/2014

Senate Bills on Second Reading, we have Senate Bill 2774. Mr. Clerk."

Clerk Bolin: "Senate Bill 2774, a Bill for an Act concerning regulation. The Bill was read for a second time on a previous day. No Committee Amendments. Floor Amendment #1 is offered by Representative Zalewski."

Speaker Turner: "Representative Zalewski."

Zalewski: "Mr. Speaker, I move for the adoption of Floor Amendment #1. It becomes the Bill. I'm happy to discuss the Bill on Third."

Speaker Turner: "Seeing no debate the Gentleman moves that the House adopt Floor Amendment #1 to Senate Bill 2774. All in favor say 'aye'; all opposed say 'nay'. In the opinion of the Chair, the 'ayes' have it. And the Amendment is adopted. Mr. Clerk."

Clerk Bolin: "No further Amendments. No Motions are filed."

Speaker Turner: "Third Reading. Mr. Clerk, please read the Bill."

Clerk Bolin: "Senate Bill 2774, a Bill for an Act concerning regulation. Third Reading of this Senate Bill."

Speaker Turner: "Representative Zalewski."

Zalewski: "Thank you, Mr. Speaker. Senate Bill 2774 represents our attempts to impose a commercial ridesharing Act on Illinois. We were all very familiar with this issue. Over the course of the holiday break, we came... we engaged in negotiations with Uber and tried to reach an agreement. And this encapsulates that agreement. It's a lighter version of what we passed in the spring dealing with driver regulations, dealing with local ability to regulate these services, and dealing with insurance. We're doing this now because we... we

agreed to do it in the 98th General Assembly. And it's important to protect our constituent's safety and get something on the books as soon as possible. I'd ask for an 'aye' vote."

Speaker Turner: "On that, we have Representative Sandack."

Sandack: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Turner: "The Sponsor will yield."

Sandack: "Mike, can you just walk through, a little bit, for folks that haven't been playing close attention, the agreement… the components in the agreement."

Zalewski: "I… I think, everyone's been playing close attention, Ron. I take offen… umbrage with that remark. I'm just teasing you. Starting with insurance, when the app is on and there's a ride in progress, there… there has to be a thousand… a million dollars in coverage for death, personal injury, and property damage, 50 thousand dollars in coverage for uninsured, underinsured motorists. When there's no ride, when there's not passenger in the vehicle, but the app is on, the coverages are 50thousand per person for death and personal injury, hundred thousand for death and personal injury per incident, and 25 thousand for property damage. And the ridesharing company must maintain contingent automobile insurance in the amounts above in the event the… the company's own policy excludes that coverage based on its policy and terms. There has to be disclosure of insurance requirements. And then we deal with driver eligibility. There has to be a requirement that the individual submit an application giving their age, their driving history, their driver's license status, criminal… national and local criminal background

checks, and in review a driving history search. There's a requirements of who and who can't be a driver. There's nondiscrimination policy. And there's safety and operational requirements in the Bill."

Sandack: "Thank you. And you're not wrong. There's been quite a bit of attention. But for the record, and for some people that maybe haven't…"

Zalewski: "I…"

Sandack: "…put this at the forefront, it's kind of important to get those details out."

Zalewski: "Understood."

Sandack: "Mike, I need you to exam… help me out with one concept on the insurance side. I've heard anecdotally that there… the… that many of the insurers do not support the agreement."

Zalewski: "Right."

Sandack: "And I'm… I suspect it has to with on-duty versus off-duty ridesharing components."

Zalewski: "It has to do with when the app is on, but… It has to do with when the app in on, but the person's not in the car. This is what's called app on picked coverage period."

Sandack: "Okay. Can you just tell me… elaborate a little bit on what the difficulty is with the insurers?"

Zalewski: "I… I think they would argue… they would like to see a mandate that we passed in the spring requiring this full coverage policy in place. They would like to see us do that. I think, in conversations with Uber and conversations with the… with the companies, they feel that this is a market issue. And either the market will adjust to these new and innovative technologies or eventually… or there's enough

safety in pla… there's enough safety for the passenger in place with this contingent policy that they believe works in Chicago and has worked in other places. So, I know they… they expressed their disagreement with the… with the removing that in committee today. My sense is we'll be revisiting this issue or the market will adjust. But…"

Sandack: "Well, could I… let me… Could I stop you there?"

Zalewski: "Yeah."

Sandack: "So, are they asking you for a trailer? Are they opposed right now?"

Zalewski: "My understanding is stet property casual (sic-casualty) insurers in the insurance industry are opposed, as we speak."

Sandack: "Right. 'Cause you were answering previously as if there was a trailer Bill. So, I wanted to make sure. They're still opposed, but you're open to a trailer Bill?"

Zalewski: "I think we'll be revisiting the issue soon."

Sandack: "All right. And other than the insurers that you've spoken of, with respect to this app, any other opponents of the agreement, as we stand here, today?"

Zalewski: "I don't know about one of the ridesharing companies knows as Lyft. I don't recall. Sidecar, which is a third company, has an issue with our language in terms of the receipt. I've committed to their representative; we should revisit that. The bankers would like to see some language on the liens. We'll have to take a look at that. So, again, we felt it was important to honor the agreement we made with Uber, but my sense is we're not quite finished with this issue yet."

Sandack: "Okay. Moving on to another issue, Mike, that came up in the original Bill. The concept of Home Rule."

Zalewski: "Yeah."

Sandack: "How does Home Rule fit in? Are we preempting or are we leaving things as is?"

Zalewski: "We… we went to a standard by which local authorities are given exclusive ability to regulate these issues, with the exception of what we articulate in our Bill. So, we're silent in our Bill. The local gets to decide it."

Sandack: "All right. For Chicago, they have…"

Zalewski: "They have."

Sandack: "I think, some ordinances in place. One or more, with respect to ridesharing, whether it's Uber or another provider. This doesn't do anything to what Chicago has already done."

Zalewski: "No. No."

Sandack: "Or what any locality wants to do going forward."

Zalewski: "Correct. Correct, Ron."

Sandack: "Thank you. To the Bill. The Sponsor has been working tirelessly. And I appreciate his being open to talk about this issue one more time. It's complex. It obviously has divergent interest. And of course, new novel things always take time here in Illinois. We don't necessarily embrace them. But I know the efforts have been employed by Representative Zalewski. I appreciate them. And thanks for answering the questions."

Speaker Turner: "Representative David Harris."

Harris, D.: "Thank you… thank you, Mr. Speaker. And questions of the Sponsor?"

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Speaker Turner: "The Sponsor will yield."

Harris, D.: "So, Representative, it's an agreed Bill that not everyone agrees with."

Zalewski: "Yeah. Welcome to this issue, Representative. Yes. Yes, that… Uber agrees with this Bill."

Harris, D.: "Well, Uber agrees with the Bill. The rights…"

Zalewski: "The insurance… the industry… the industry… the insurance industry has challenges with it and there's a couple of… a couple of other challenges, as well. But we're going to try to work those out as soon as we possibly can."

Harris, D.: "So, we expect to see another Bill, probably then. Stet."

Zalewski: "I would be stunned if we didn't."

Harris, D.: "Is there any limitation on the number of driving hours that someone can operate in a ridesharing app?"

Zalewski: "We give that regulatory power to… well, we're silent on it… we give it to the local governments' ability to regulate that."

Harris, D.: "Okay. What about surge pricing? Which is an issue that developed with the ridesharing apps. Is there any limitation on surge pricing?"

Zalewski: "What we say is if a ride is hailed on a transportation digital network or… what these are in the statute, that rul… the same rules apply for everybody. So, if you could surge price if your Uber, you can surge price as long as you have an app that's functional and it's on the network. Because again, Uber felt that this was a restriction on the market to touch that. So, our feeling was, well, let's give the locals the ability to regulate that any way they want."

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Harris, D.: "Is there any regulation on surge pricing in the city of Chicago's regulations?"

Zalewski: "I think there's a requirement that they tell the riders when they hit… for the ride that their surge is in effect. Stet, when you get an Uber ride…"

Harris, D.: "So… so, taxi cab fare that might normally be $10, if there… if there… it's snowing or raining and there's not a taxi cab available, that ridesharing app might charge you $20 or $30 or more dollars for what…"

Zalewski: "If… if a taxi… No. If a taxi chooses to get dispatched by an app… if a local government has a disclosure requirement about surge pricing going into effect, that regulation is imposed upon both now, taxis and ridesharing companies."

Harris, D.: "Okay. Well, Ladies and Gentlemen, this is an agreed Bill. This agreed Bill that will probably pass with, who knows, 90 or 100 votes, but let me tell you why I'm going to be one of the 'no' votes. And first of all, I want to compliment the Gentleman on the work that he has done on the Bill. He clearly has recognized that there are important issues dealing with the regulation of ridesharing applications like Uber and Lyft and others. And there really are serious issues to be addressed. As an example, the security of passengers, background checks for drivers. You know, you want to make sure that when you're picked up and taken to your home that the driver's not 'Joe the sexual assaulter'. I had a conversation, as an example, with my young son, who is a young professional in the Chicago area and all of his friends use Uber. And he talked to me over the Thanksgiving holiday, and he said, you know, my female friends

get hit on by their Uber drivers. Because what's the one thing that… that ridesharing driver has that a taxicab driver probably doesn't have, they have your cell phone number. And they are calling, not all, but they are calling up passengers that they might like to date later on. Are we addressing that? I don't know that we are. The insurance coverage is an issue. And I think the insurance industry is concerned that the coverage when the app is on, not when there's a passenger in the vehicle, but when the app is on is insufficient. So, the Gentleman recognized that there was a… was a wide range of issues that had to be addressed. And you know what, he did that in House Bill 4075. It was a good Bill. It was, in my opinion, the right way to go. And that's one of the reasons I'm voting 'no' because House Bill 4075 was a better Bill. Now, I'm not against innovation. I'm not against competition. As a matter of fact, the taxicab industry has had virtually a monopoly. And the best way to defeat a monopoly is to introduce competition into the marketplace. And the ridesharing apps do that. They bring in competition. And that's a good thing, but the regulation of apps, ridesharing apps, is warranted. And let me read, just very briefly, a sentence from the Chicago Tribune editorial of August the 26. And it says, Governor Pat Quinn was presented with a tough choice… and get this… with a tough choice between the desire to protect consumers and the desire to promote innovation. On Monday, he decided to err on the side of innovation by vetoing House Bill 4075. Now, the Tribune went on to say that that's what they wanted. They wanted a veto of the Bill. But think about that, …a tough choice between the desire to protect

consumers and the desire to promote innovation. You know what, I'm for innovation, but I'm more for protecting consumers. And I think that House Bill 4075 did a better job of protecting consumers than this Bill does. It introduced sensible and reasonable regulations that, I think, this Bill is weak on. And I'll close by simply saying the regulations in 4075 didn't prevent the ridesharing apps from operating. It didn't put them out of business. The Tribune in its final sentence said, regulation should make it better not make it shrink. And you know what, the Bill that we had was… 4075 was good regulation. This is okay. But the Gentleman, himself… the Gentleman, himself, for all of his hard work, has said there is more to come. If there's more to come, let's not pass this. Let's go back and get it right from the beginning. That's why I'm voting 'no'. Thank you."

Speaker Turner: "Representative Ives."

Representative Ives: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Turner: "The Sponsor will yield."

Representative Ives: "Just a couple questions along the same vein as Representative David Harris spoke about. And Representative Zalewski, is this strictly an agreed Bill between you and Uber? And where is Sidecar and Lyft on it?"

Zalewski: "So, Sidecar has a challenge, Jeanne, with a piece of the Bill dealing with a type of receipt you give… ridesharing company gives. And what, basically, their challenge is, is we require certain disclosures in a receipt. It's a small issue. My understanding, from their representation, is they're comfortable; we can get it worked out soon enough. I have not

been told what Lyft… how they feel about this Bill. I don't recall if they filed a slip. I simply don't know the answer to that."

Ives: "Okay. And why… is there a rush to get this done now, for some reason r because… I know you can do rideshare in Naperville and in Wheaton, and I'm imagining they're regulated to some degree. Or are you saying there's absolutely no regulation other than what that industry is putting on itself?"

Zalewski: "So, there's two reasons why I want to do it now. The first is because we said we would. When we agreed not to call the Motion, we said we would work this out before the expiration of this General Assembly. And I just think, it's good to keep our word. The second reasoning behind it is this is an incredibly… and I'm not trying to… it's a very hard issue to deal with in terms of legislation and statute making. And I don't feel as though this can linger on, because it's just hard to get agreement on these issues. So, my feeling is if I have an agreement… and I just got a text that Lyft is okay with the Bill… My feeling is that if we have agreement we should pass a Bill and not risk having this regulatory vacuum in the State of Illinois."

Ives: "And do you intend to work with the insurance companies then, also, on an agreed process? What is actually going to… what are you going to work on in the next GA?"

Zalewski: "I think that the insurance industry is convinced that the market won't adjust to what these companies are doing. That there won't be… that eventu… that there won't be policies

put in place that cover this period of app off… or app on, but driver not in the car."

Ives: "Mmm mmm."

Zalewski: "Conversely, I think, Uber and Lyft are of the opinion the market's already adjusting. And that eventually there's not going to be a need for legislation mandating these coverages. It's… You should know, Jeanne, it's a mandate. What the insurance company's asking for is a mandate. So, to answer your question, do I think the insurance company will want to adjust this in the spring? Yes, I do. Do I ultimately think this Body will allow that to happen? I'm not entirely sure yet."

Ives: "Okay. Thank you."

Speaker Turner: "Representative Mautino."

Mautino: "Will the Gentleman yield?"

Speaker Turner: "The Gentleman will yield."

Mautino: "Mike, I do intend to support your Bill. I know that you've gotten to a agreement, but I'd… would like to get a commitment to work on the insurance portion. Because as I've seen this… the original Bill that passed had recoverage through all three periods. When someone was trolling for a match, the app was on. Then when they hooked up and the apps made the contract and then when they were in the car, you had a million dollars' worth of coverage during that point. Now, that was agreed to by this Body and is probably a protection that the consumers deserve. Where you may end up is in the time when that app is on prior to them making the agreement, you have a red zone where…"

Zalewski: "A gap."

Mautino: "That's your gap coverage. And so, the personalized insurance may say, you know what, we're not covered at that point and the company may not wish to cover it. So, you have a potential source of a lot of litigation. And I think that's a piece that was worked through in the original Bill that should've stayed. So, I'll support this, but I do believe that you have a glaring gap within that coverage. And I know, I've worked with you on other issues. This is one where we don't want to see litigation when there are already two separate forms of making this correct."

Zalewski: "I agree, Leader. And I appreciate… You obviously have a lot more expertise on insurance than I do. I think, I'm fully aware and committing to you that we will evaluate these insurance concerns going forward and work with you and the others in the spring. I do, though, believe that the market may adjust too. So, I want to leave the possibility for that. But you have my word, we'll continue to evaluate the Act as we go forward."

Mautino: "It may and it may not adjust. But there really shouldn't be a time when an individual consumer does not have the full million dollar coverage that an app on, which is still not the best way to do this, would provide. So, in order to ensure that we don't have those, I look forward to a trailer Bill."

Zalewski: "Thank you. Thank you, Leader."

Speaker Turner: "Representative Tracy."

Tracy: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Turner: "The Sponsor will yield."

Tracy: "Representative Zalewski, what kind of background checks do they do for taxicab drivers in the State of Illinois?"

Zalewski: "So, a taxi driver has to obtain an initial chauffer's license. So, that necessarily requires them to obtain a background check from, I believe, the licensing agency, their Secretary of State, or department of regulation. I don't know which one."

Tracy: "Does that background check include… I'm presuming it includes an investigation as to whether, of course, they have a valid… ability to have an Illinois driver's license. Does it include criminal background?"

Zalewski: "I would assume it has a driving history background, correct."

Tracy: "What about criminal background?"

Zalewski: "What about criminal? Yes."

Tracy: "And if you have a criminal background, are you prohibited from having a chauffeur's license?"

Tracy: "Jill I'm having a hard time hearing you. Can you repeat that?"

Tracy: "If you have a criminal background, are you prohibited from having a chauffer's license?"

Zalewski: "I don't know the answer to that. My guess is depending on the nature of the criminal background. And some things are probably disqualifying and some things probably aren't."

Tracy: "In comparison then, for a person that would want to be an Uber driver, what type of background check would be provided on those persons?"

Zalewski: "So, under this Bill?"

Tracy: "Yes."

Zalewski: "Under this Bill, we give the local govern… local unit of government complete discretion to determine how they're

going to proceed with background checks. So, the city… But we will require… we will require local and national criminal background checks."

Tracy: "Okay. And if it comes back with… say a person was a convicted sex offender, what… would that driver be able to be a Uber driver?"

Zalewski: "I don't think so. I don't know. If they're in the sex offender database, the answer is no."

Tracy: "So, your answer is no?"

Zalewski: "Right."

Tracy: "What other kind of criminal background conviction would prohibit somebody from being a Uber driver?"

Zalewski: "Three or more… Is a match in the database for sex offender, has been convicted within the last seven years for DUI, fraud, sexual offenses, use of a vehicle to commit a felony, thefts, or act of violence. They're prohibited from being a TNC driver."

Tracy: "From being a… excuse me… from being a what?"

Zalewski: "For being an Uber driver or a rideshare driver, but one moment, Jil. And at that point, if you see that on their… on the person's background check, my sense is and it's safe to assume, not only is there a legal prohibition from them working there, but Uber and Lyft are hopefully going to have challenges placing that person into employment."

Tracy: "Is that in your Bill?"

Zalewski: "That they… that they have the ability to not hire the person?"

Tracy: "That the background check must be conducted and that those people that have… I think you said seven years felony conviction…"

Zalewski: "Yeah. That piece is in the Bill, correct."

Tracy: "Okay. Do you recall what part it's in?"

Zalewski: "I'm… Say that… What Section?"

Tracy: "Yes."

Zalewski: "It's on page 6, Jil, Section 15. The driver requirements."

Tracy: "Okay. Thank you."

Speaker Turner: "Representative Bost."

Bost: "Thank you, Mr. Speaker. If Representative Reboletti could be excused for the rest of the day, please."

Speaker Turner: "Thank you, Representative. Representative Andrade."

Andrade: "Thank you, Mr. Speaker. Will the Gentleman yield?"

Speaker Turner: "The Gentleman will yield."

Andrade: "Mike, I just want… I have a question. I called my insurance agent. And my insurance agent said that when they receive a phone call, they're telling the drivers that by their policy and their legal counselors that if the app is on, they are saying that their personal insurance is not covering them. Their insurance… that insurance company said, listen, we are not going to cover you. So, at that moment… what Representative Mautino was talking about, there is no coverage."

Zalewski: "That's not… that's not true. That's not true."

Andrade: "No. Well, the question I have is, does the insurance company have the right to say no, we're not… we're not

covering you? Can they say, listen, at that moment you had the app on. We are not going to cover you? Are we silent on that or are we mandating them that they have to cover them?"

Zalewski: "So, what we're saying is a ridesharing company's going to be allowed to do what's called a contingency in the policy. So, the driver's going to have to have their personal policy in place. If their personal policy doesn't cover the accident because of their activities as a commercial driver, Uber, or Lyft, or whomever, has this contingency in place whereby they will cover the accident, the victim of the accident. That's the way Chicago… the Chicago version did and we are stre… enhancing the Chicago version of insurance. We're a little less than California; we're a little more than Chicago."

Andrade: "The contingency. Does it have a dollar amount?"

Zalewski: "It's the same as what the driver would be required to have, which is 50 thousand per person for death and personal injury, a hundred thousand for death and personal injury per incident, and 25 thousand for property damage."

Andrade: "So, by market, are you… that saying that by market it might adjust itself?, Are we saying that basically we're going to end up… there's going to be a case and precedent's going to be set by law. When's there's a lawsuit and they say no, that person… we want a million dollars."

Zalewski: "No. I think what we're saying is eventually there's going to become a product on the market, insurance market, that Uber's going to decide is what cost prohibitive in this contingency that they have right now. And they're going to buy that and that way the driver's covered. That being said, when I told the Leader Mautino is the insurance companies

don't believe that's accurate. They think that we need this… we need to set the market ourselves and that's going to be an ongoing discussion."

Andrade: "Thank you."

Speaker Turner: "Representative Davidsmeyer."

Davidsmeyer: "Thank you, Mr. Speaker. Will the Sponsor yield?"

Speaker Turner: "The Sponsor will yield."

Davidsmeyer: "We had… we had good discussion this morning in committee and I appreciate your work on this. I know it's been a long time… a lot of issues and things of that sort. So, my… my question is on that 25, 50, hundred thousand. Who is required to have that coverage? Is it the individual driver or is it the company or does it state who is required to have that? And if that coverage isn't there, who would be breaking the law?"

Zalewski: "So… so, by law the driver has to have in their individual insurance policy a little less than what is in our Bill. And I believe that Uber or Lyft will then have to cover it… what's articulated in the statute."

Davidsmeyer: "So, if my insurance… like the previous speaker said, if my insurance… my personal insurance said that I am not allowed to operate for-profit under my personal insurance, when I turn on the app, I'm operating for-profit, correct?"

Zalewski: "Correct."

Davidsmeyer: "So, that could possibly go away. And so, this Bill will require Uber, Lyft, whoever the rideshare person is, it would require them to cover the driver, correct?"

Zalewski: "Yes. They have the contingency in place to cover them when the app goes on."

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Davidsmeyer: "Okay. So, it will be the company that is required to ensure that the driver is insured."

Zalewski: "Assuming the personal policy doesn't have this commercial rider on it, correct."

Davidsmeyer: "Okay. I still have a number of concerns about this. I think there's a major gap. I think we are somewhat picking winners and losers in an industry that provides the same service, so I think we need to continue to work on this. But I appreciate all that you've done. Thank you."

Zalewski: "Thank you, C.D."

Speaker Turner: "Leader Lang."

Lang: "Thank you, Mr. Speaker. I simply rise to support the Bill and congratulate the Sponsor on a substantial effort. Many of us preferred the original Bill. I heard Mr. Harris, particularly, talk about that. And I certainly preferred the original Bill, but this is a place of compromise. And I think this… this Bill does move the process forward and I appreciate the hard work of Mr. Zalewski. I would suggest an 'aye' vote."

Speaker Turner: "Representative Zalewski to close."

Zalewski: "Thank you, Mr. Speaker. Briefly, I'm told Sidecar and Lyft are neutral on the Bill. Again, we want to address some concerns going forward. The bankers have raised concerns about liens and notice to lienholders. We had an at length discussion about… about insurance. This is a good piece of legislation that gets a commercial ridesharing act on the books. It's important to enact it. And I ask for an 'aye' vote."

Speaker Turner: "The question is, 'Shall Senate Bill 2774 pass?' All in favor vote 'aye'; all opposed vote 'nay'. The voting

is open. Have all voted who wish? Have all voted who wish? Have all voted who wish? Mr. Clerk, please take the record. On a count of 105 voting 'yes', 7 voting 'no', 2 voting 'present', Senate Bill 2774, having received the Constitutional Majority, is hereby declared passed. Mr. Clerk."

Clerk Hollman: "Committee Reports. Representative Barbara Flynn Currie, Chairperson from the Committee on Rules reports the following committee action taken on December 03, 2014: recommends be adopted for the floor is Floor Amendment #7 to Senate Bill 636. Representative Barbara Flynn Currie, Chairperson from the Committee on Rules reports the following committee action taken on December 03, 2014: recommends be adopted is a Motion to Concur with Senate Amendments 1 and 2 to House Bill 3834."

Speaker Turner: "Representative Williams, for what reason do you seek recognition?"

Williams: "Thank you, Mr. Speaker. I just wanted to note that on Senate Bill 172, my intention was to vote 'yes'."

Speaker Turner: "The Journal will reflect your request. On page 5 of the Calendar, we have Senate Joint Resolution 42. Representative Chapa LaVia."

Chapa LaVia: "Thank you, Speaker and Members of the House. Senate Joint Resolution 42 is a Constitutional Convention Resolution. It was passed over from the Senate over here. And I'd be more than happy to take any questions on it. Thank you."

Speaker Turner: "On that, we have Representative Sandack."

Sandack: "Question the Sponsor."