

REPORT OF THE COMMITTEE ON FINANCE

PUBLIC HEARING

November 18, 2011

The Honorable,
The Board of Commissioners of Cook County

ATTENDANCE

Present: President Preckwinkle, Chairman Daley, Vice Chairman Sims, Commissioners Beavers, Butler, Collins, Fritchey, Gainer, Garcia, Gorman, Goslin, Murphy, Reyes, Schneider, Silvestri, Steele, Suffredin and Tobolski (17)

Absent: None (0)

Court Anthony W. Lisanti, C.S.R.
Reporter:

Ladies and Gentlemen:

Your Committee on Finance of the Board of Commissioners of Cook County met pursuant to published notice on Friday, November 18, 2011 at the hour of 9:00 A.M. for a public hearing in the Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois.

Chairman Daley informed the Committee that the purpose of the meeting would be to consider the following matters related to revenue for the proposed 2012 Executive Budget Recommendation.

Chairman Daley asked the Secretary to the Board to call upon the registered public speakers, in accordance with Cook County Code, Sec. 2-107(dd).

- | | |
|---------------------|-----------------------------|
| 1. Trouman Sanders | Attorney |
| 2. LaShonda Collier | Concerned Citizen |
| 3. Susan Lee | Concerned Citizen |
| 4. Doris Anderson | Concerned Citizen |
| 5. Teayonia Cannon | Concerned Citizen |
| 6. Robert Peter Jr. | Chicago Federation of Labor |
| 7. Henry Bayer | AFSCME Council 31 |
| 8. Tomas Trauscht | Concerned Citizen |
| 9. George Blakemore | Concerned Citizen |

315206

WHEEL TAX ORDINANCE AMENDMENT (PROPOSED ORDINANCE AMENDMENT). Submitting a Proposed Ordinance Amendment sponsored by Toni Preckwinkle, President and John P. Daley and Jesus G. Garcia, County Commissioners.

PROPOSED ORDINANCE AMENDMENT

WHEEL TAX AMENDMENT

WHEREAS, the County of Cook is a home rule unit of local government pursuant to Article VII, section 6(a) of the 1970 Illinois Constitution; and

WHEREAS, pursuant to the County's home rule powers, the Cook County Board of Commissioners on December 30, 1971 adopted an Ordinance to provide for taxes, fees, and licenses associated with the sale and use of various motor vehicles in certain parts of Cook County; and

WHEREAS, the fees associated with the Wheel Tax were last revised by the County Board of Commissioners on December 21, 2005; and

WHEREAS, the fees associated with obtaining, transferring, or replacing vehicle licenses do not sufficiently address the cost of providing services associated with public health and safety in various parts of Cook County; and

WHEREAS, the fees associated with various motor vehicles are insufficient to address the cost of maintaining and improving relevant highways, roads, and infrastructure and to further provide public health and safety services to various parts of Cook County.

NOW THEREFORE, BE IT ORDAINED, by the Cook County Board of Commissioners that Chapter 74 Taxation, Article XIV, Sections 74-563 and 74-564 of the Cook County Code of Ordinances are hereby amended as follows:

ARTICLE XIV. WHEEL TAX

Sec. 74-563. - Transfer.

(a) Whenever the owner of any vehicle licensed under this article, before the expiration of such license, sells or otherwise disposes of such vehicle, and thereafter acquires another vehicle and desires to transfer the vehicle license originally issued for the vehicle disposed of to such newly-acquired vehicle, such owner shall immediately make application to the Department for a transfer of said vehicle license to the newly-purchased vehicle. Said application shall state the name and address of the licensee and the name and address of the purchaser of said vehicle, together with a description of the newly-purchased vehicle. Upon surrender of the original license and transparent sticker or vehicle tag in case a metal tag has been issued, or upon proof that the transparent sticker or plate has been destroyed, the Department shall transfer said license to apply to the new-acquired vehicle upon payment of the proper license fee of ~~\$10.00~~ \$20.00, provided, that the Department shall not transfer any license where the transparent sticker emblem issued under said license is defaced or mutilated so as to prevent identification of the emblem. It shall be unlawful for any person to displace a transparent sticker emblem on any vehicle other than

the vehicle for which the emblem was originally issued, without first transferring the license to such other vehicle, as provided herein.

(b) The owner of any vehicle licensed under this article shall promptly notify the Department whenever the transparent sticker emblem issued under such license is lost, stolen or destroyed. A duplicate transparent sticker may be purchased from the Department for ~~\$20.00~~ \$40.00.

Sec. 74-564. - Dealer license.

(a) If any manufacturer or dealer of any of the motor vehicles mentioned in this article shall make application to the Department and shall state that the manufacturer or dealer is a manufacturer operating a plant for the construction of motor vehicles within the unincorporated area of Cook County, or a dealer in such motor vehicles with a salesroom located within the unincorporated area of Cook County, and desires a license emblem to be used by the dealer or manufacturer, the Department shall upon payment by such applicant of the fee hereinafter set for to such manufacturer or dealer a distinctive license plate or transparent sticker license emblem with a number thereon. Said emblem must be attached to or borne by any such motor vehicles while being operated on the streets of the unincorporated area of Cook County. When any such vehicle is in use and carries such license plate or transparent sticker license emblem, no other license fee shall be collected under the provision of this article.

(b) The annual license fee to be paid for each such license plate or transparent sticker license emblem shall be ~~\$20.00~~ \$40.00, and said fee shall not be prorated.

(c) Every manufacturer or dealer applying for said plates or transparent sticker license emblem must submit to the Department satisfactory proof of the person's status as such manufacturer or dealer and satisfactory proof of the number of sets of dealer's plates issued to the application by the State of Illinois; provided that no license plates or transparent sticker license emblems shall be issued under this article unless the applicant is in possession of an Illinois dealer's license for the current year. The total number of license plates and transparent sticker license emblems that may be obtained under this article shall not exceed the number of sets of dealer's license plates issued to the applicant by the State.

(d) No such license, plate or emblem shall be used on any motor vehicle rented by such manufacturer or dealer, or on any vehicle used to transport persons or property for hire, or on any vehicle unless such vehicle is operated under a dealer's license issued by the State of Illinois and to which both State license plates are attached.

BE IT FURTHER ORDAINED by the Cook County Board of Commissioners, that Chapter 32 Fees, Section 32-1 of the Cook County Code is hereby amended as follows:

Sec. 32-1. Fee schedule.

The annual license fees provided for or required by the below listed sections shall be as shown below:

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Class		Annual License Fee (in dollars)
	MOTOR VEHICLES	
MB	Motor bicycles or motor tricycles	25.00 <u>50.00</u>
XSV	Smaller passenger vehicles with a curb weight under 4,500 pounds	40.00 <u>80.00</u>
XLV	Larger passenger vehicles with a curb weight of at least 4,500 pounds and hearses, ambulances, and privately owned, noncommercial motorized vacation camper or other motorized recreation vehicle	50.00 <u>100.00</u>
NF	Vehicles owned by the United States Government, State of Illinois or units of local government or vehicles owned by nonprofit organizations or buses owned and operated by churches or vehicles owned by persons with a disability, disabled veterans and persons over the age of 65. (See Sec. 74-554 Exemptions including limitations).	No Fee
SB	Privately owned school buses	15.00 <u>30.00</u>
	RECREATIONAL TRAILERS	
RT	All noncommercial recreational trailers, including boat trailers, snowmobile trailers, horse trailers, camping trailers and other noncommercial, nonmotorized recreational trailers	30.00 <u>60.00</u>
	COMMERCIAL TRAILERS	
CT	All commercial trailers regardless of gross weight in pounds of vehicle plus its maximum load	75.00 <u>150.00</u>
	MOTOR TRUCKS, TRACTOR-SEMITRAILER UNITS AND MOTOR BUSES	
	(Gross weight in pounds of vehicle plus its maximum load)	
A	Up to 10,000 lbs.	50.00 <u>100.00</u>
B	10,001 to 20,000 lbs.	75.00 <u>150.00</u>
C	20,001 to 36,000 lbs. (2 or more axles)	90.00 <u>180.00</u>
D	36,001 to 50,000 lbs. (3 or more axles)	100.00 <u>200.00</u>
E	50,001 to 75,000 lbs. (4 or more axles)	115.00 <u>230.00</u>

BE IT FURTHER ORDAINED by the Cook County Board of Commissioners, that Chapter 32 Fees, Section 32-1 of the Cook County Code is hereby amended as follows:

Sec. 32-1. Fee schedule.

Code Section	Description	Fees, Rates, Charges (in dollars)
CHAPTER 2, ADMINISTRATION		
74-565(b)	Annual license fee for dealer license plate or transparent sticker license emblem, each plate or emblem	20.00 40.00

EFFECTIVE DATE: This Amendment shall take effect July 1, 2012.

- *Referred to the Committee on Finance on 11/01/11.
- *Deferred in Committee on 11/14/11.

Commissioner Garcia, seconded by Commissioner Steele, moved approval of the Proposed Ordinance Amendment (Communication No. 315206). Chairman Daley called for a roll call, the vote of yeas and nays being as follows:

**ROLL CALL ON MOTION TO APPROVE
COMMUNICATION NO. 315206**

- Yeas: Chairman Daley, Vice Chairman Sims, Commissioners Butler, Fritchey, Gainer, Garcia, Reyes, Steele, and Tobolski (9)
- Nays: Commissioners Beavers, Collins, Gorman, Goslin, Schneider, Silvestri, and Suffredin (7)
- Absent: Commissioner Murphy (1)

The motion carried and the Wheel Tax Ordinance Amendment (Communication No. 315206) was approved and adopted.

315447 **TOBACCO TAX ORDINANCE AMENDMENT (PROPOSED ORDINANCE AMENDMENT).** Submitting a Proposed Ordinance Amendment sponsored by Larry Suffredin, County Commissioner.

PROPOSED ORDINANCE AMENDMENT

TOBACCO TAX AMENDMENT

Synopsis: Increases the cigarette tax rate from 10 cents per cigarette to 15 cents per cigarette. Effective 30 days post-passage.

***Referred to the Committee on Finance on 11/15/11.**

The Tobacco Tax Ordinance Amendment (Communication No. 315447) was withdrawn by the Sponsor.

315448 **TOBACCO TAX ORDINANCE AMENDMENT (PROPOSED ORDINANCE AMENDMENT).** Submitting a Proposed Ordinance Amendment sponsored by Larry Suffredin, County Commissioner.

PROPOSED ORDINANCE AMENDMENT

TOBACCO TAX AMENDMENT

Synopsis: Increases the cigarette tax rate from 10 cents per cigarette to 11 cents per cigarette. Effective 30 days post-passage.

***Referred to the Committee on Finance on 11/15/11.**

Commissioner Suffredin, seconded by Commissioner Collins, moved approval of the Proposed Ordinance Amendment (Communication No. 315448). Chairman Daley called for a roll call, the vote of yeas and nays being as follows:

**ROLL CALL ON MOTION TO APPROVE
COMMUNICATION NO. 315448**

Yeas: Vice Chairman Sims, Commissioners Butler, Collins, Gainer, Murphy and Suffredin (6)

Nays: Chairman Daley, Commissioners Beavers, Fritchey, Garcia, Gorman, Goslin, Reyes, Schneider, Silvestri, Steele, and Tobolski (11)

Absent: None (0)

The motion to approve the Tobacco Tax Ordinance Amendment (Communication No. 315448) failed.

315449 **COMMERCIAL CIGARETTE MANUFACTURING MACHINE TAX (PROPOSED ORDINANCE)**. Submitting a Proposed Ordinance sponsored by Larry Suffredin, County Commissioner.

PROPOSED ORDINANCE

COMMERCIAL CIGARETTE MANUFACTURING MACHINE TAX

Synopsis: Creates the Commercial Cigarette Manufacturing Machine Tax (new ordinance). Establishes an annual fee of \$5,000 for the operation of a mechanical device to roll or wrap bulk loose tobacco into a cigarette tube. Defines penalties for violations and authorizes the Cook County Sheriff to enforce provisions. Effective 90 days post-passage.

***Referred to the Committee on Finance on 11/15/11.**

Commissioner Suffredin, seconded by Commissioner Collins, moved approval of the Proposed Ordinance (Communication No. 315449). Chairman Daley called for a roll call, the vote of yeas and nays being as follows:

**ROLL CALL ON MOTION TO APPROVE
COMMUNICATION NO. 315449**

Yeas: Vice Chairman Sims, Commissioners Beavers, Butler, Collins, Murphy, Suffredin and Tobolski (7)

Nays: Chairman Daley, Commissioners Fritchey, Garcia, Gorman, Goslin, Reyes, Schneider, Silvestri, and Steele, (9)

Absent: Commissioners Gainer (1)

The motion to approve the Commercial Cigarette Manufacturing Machine Tax Ordinance (Communication No. 315449) failed.

315450 **AN AMENDMENT TO CHAPTER 74, ARTICLE IX, SECTION 74-352 (PROPOSED ORDINANCE AMENDMENT)**. Submitting a Proposed Ordinance Amendment sponsored by Larry Suffredin, County Commissioner.

PROPOSED ORDINANCE AMENDMENT

ALCOHOL BEVERAGE TAX

Synopsis: Decreases the per-gallon tax rate imposed on the sale of alcoholic beverages in three classifications, based upon alcohol content by volume. Impacts rates established by ordinance on November 14, 2011. Does not affect the per gallon tax rate for beer. Effective 30 days post-passage.

*Referred to the Committee on Finance on 11/15/11.

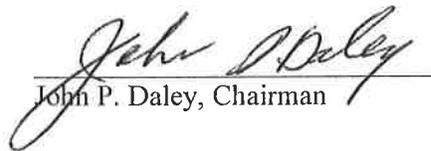
The Alcohol Beverage Tax Ordinance Amendment (Communication No. 315450) was withdrawn by the Sponsor.

COMMISSIONER BEAVERS, SECONDED BY COMMISSIONER STEELE, MOVED TO ADJOURN. THE MOTION CARRIED AND THE MEETING WAS ADJOURNED.

YOUR COMMITTEE RECOMMENDS THE FOLLOWING ACTION
WITH REGARD TO THE MATTERS NAMED HEREIN:

Communication Number 315206	Approved
Communication Number 315447	Withdrawn
Communication Number 315448	Failed
Communication Number 315449	Failed
Communication Number 315450	Withdrawn

Respectfully submitted,
Committee on Finance Committee


John P. Daley, Chairman

Attest:


Matthew B. DeLeon, Secretary

The transcript for this meeting is available in the Office of the Secretary to the Board, 118 North Clark Street, Room 436, Chicago, IL 60602.