



ILLINOIS CHAMBER
OF COMMERCE

NEWS RELEASE

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Illinois Chamber of Commerce President & CEO Todd Maisch's statement on legislative action on "workers' compensation" reform:

"The Illinois Chamber of Commerce urges lawmakers to enact pro-growth reforms to create statewide job growth. We encourage legislators to support workers' compensation reform – *real* reform – not House Bill 2525 and HB 2622 which we view as "fake" workers' compensation reform."

Background

As amended, House Bill 2525 would not lower workers' compensation premiums, but potentially add costs to the system. The legislation's main features will create higher costs for employers due to more government regulation and litigation. The provisions in the legislation intended to reduce costs will not offset the increased, negative impact that the other provisions will cause.

To put it simply, with this bill there will be more government, more friction and more litigation that all boils down to higher workers' compensation costs.

Additionally, House Bill 2622 uses \$10 million of employer and insurer tax dollars to capitalize the creation of a state established, mutual insurance company. This \$10 million is diverting one third of the funds currently used to run the workers' compensation system in Illinois. Consequently, claims by injured workers likely will be delayed. Employer costs for temporary benefits likely will increase. With over 300 insurers already competing in the Illinois workers' compensation market, HB 2622 is not about competition but a political diversion that will have serious negative consequences for injured workers and Illinois employers.

We commend legislators and the governor in their attempts to come to agreement on workers' compensation reform that attacks Illinois' workers' compensation cost drivers. However, House Bill 2525 and House Bill 2622 largely fail as workers' compensation reform.

The bills will now be sent to the governor for final consideration. We will be urging the governor to veto both measures, House Bill 2525 and HB 2622.

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