

Immediate Release

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Contact:

Darbi Keltner dkeltner@ilchamber.org 217.827.9736

Oppose Efforts to Curtail Illinois' Growing Logistics Industry (HB 2547)

This morning, Illinois Chamber Senior Vice President of Government Affairs, Clark Kaericher, testified in the Senate Labor Committee subject matter hearing on HB 2547, the "Warehouse Worker Protection Act."

Kaericher delivered the following remarks to the committee.

I am here today to emphasize the importance of warehousing to the Illinois economy and to highlight some of our concerns with the proposed legislation. Warehousing has seen 600% growth nationally since 1998, representing an annual rate of 11.9%, nearly six times the rate of growth for business in general. Illinois has been at the forefront of this expansion. Indeed, warehousing is an important component of the Illinois economy. The Federal Reserve Bank research reveals Illinois warehousing has grown from a gross domestic product of \$3.4 billion in 2012 to an estimated \$4.7 billion in 2022.

Illinois Department of Employment Security numbers show a total of 65,000 warehouse employees in 2020 and they expect that number to grow to 82,000 by 2030. These numbers are triple their projected rate of job growth as a whole which makes warehousing one of the fastest-growing industries in our state. Jobs supporting this industry, including trucking, account for 350,000 total jobs and are expected to grow by an additional 50,000 over that same time period.

These are good jobs. Amazon alone employs 38,000 people in Illinois with a starting rate of pay of \$19 an hour in addition to benefits that begin on day one. Online job site Indeed shows nearly 4,000 job openings for full-time warehouse work in Illinois.

HB 2547 would hinder the growth of the logistics industry in Illinois. Some of the Chamber's concerns relate to the sharing of proprietary data, response times for requests in as little as 3 calendar days (as opposed to 14 business days in other states), and the lack of definition of an "adverse employment action" which will lead to confusion and litigation. Speaking of litigation, the inclusion of a private right of action outsources a key duty of the state, unlike other states that use enforcement from the state's attorney general.

Last year the General Assembly convened a task force on Warehousing. That group has started to meet, and the Illinois Chamber takes its inclusion in that group very seriously. We'd like to see the recommendations of that task force in its written report before legislation is enacted. Short of that, we wanted you to know that this industry is critical to Illinois, and we did not want proponents of the legislation to leave lawmakers with the impression that no one was concerned about legislative proposals that were not the product of serious discussions or negotiated solutions.

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Illinois Chamber of Commerce | 215 E Adams St, Springfield, IL 62701