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September 27, 2016

Commissioner Timothy O. Schneider BOARD OF COMMISSIONERS OF COOK COUNTY 118 N. Clark Street Room 567 Chicago, IL 60602

## Dear Commissioner Schneider:

I am contacting you on behalf of the Village of Schaumburg to express concern about the proposed mandate from Cook County that all businesses offer paid sick leave to their employees. The ordinance, sponsored by Commissioners Gainer and Garcia, will also apply to any firm that is licensed by, receives a contract from, or is awarded an incentive by Cook County.

My understanding is that the provisions of the ordinance will mirror those in Chicago's ordinance that was passed in June. The sick leave requirement will apply to any employee that works at least 80 hours in a 120-day period (or less than 5 hours/week). And, that for every 40 hours worked, one hour of paid sick leave shall accrue. The maximum accrual in any 12 month period is 40 hours.

The Village of Schaumburg has three main concerns with this proposal.

First, there are cost implications for businesses, particularly small businesses that are located in our community. The ordinance cites a "small, 0.7 to 1.5 increase in labor costs for most employers." While we have not surveyed businesses to determine the accuracy of this statement, we disagree that the .7 to 1.5% increase should be described as "small." In fact, we have already heard from some Schaumburg area businesses that this mandate would add to the reasons that they will relocate from Schaumburg and Cook County.

Second, the proposed mandate will create an uneven playing field for the businesses located in our community in comparison to those in the rest of the metropolitan area. This will hinder economic development and business expansion in our area. Further, Schaumburg has businesses located in two counties and the ordinance could create two sets of rules for businesses within our borders. Several other communities face the same issue.



Finally, the proposed Cook County mandate infringes on Schaumburg's home rule authority. Schaumburg's Village Attorney has opined that a home rule ordinance could be approved by municipalities to limit the application of Cook County mandates. It is my understanding that the Cook County State's Attorney's Office has reached the same legal conclusion. Many business organizations throughout the county have already expressed their opposition to this ordinance. If it is approved, there is little doubt that they will approach home rule communities to pass ordinances to nullify its application. If this were to occur, a patchwork of rules and regulations would result, creating a confusing regulatory environment for businesses. It seems that this type of policy would be best addressed at the state or national level.

It is my understanding that this ordinance could be considered by the Finance Committee of the Cook County Board as early as October 5<sup>th</sup> and that there are a sufficient number of votes on the County Board to pass it. If you are planning to vote in support of this ordinance, I ask that you carefully consider the information that I have shared in this letter before doing so.

If you have any questions, please feel free to contact Schaumburg Village Manager Brian Townsend at btownsend@villageofschaumburg.com or 847-923-4700.

Sincerely,

VILLAGE OF SCHAUMBURG

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