102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB0341

Introduced 1/29/2021, by Rep. Mark Batinick

SYNOPSIS AS INTRODUCED:

20 ILCS 3305/7.1 new

Amends the Illinois Emergency Management Agency Act by creating the Fair Business Treatment Law. Provides that if the Governor issues a proclamation declaring a disaster under the Act or an executive order relating to the same disaster for which the proclamation was issued, and the proclamation or executive order includes one or more restrictions upon the retail sale of goods or services within Illinois, the restriction must be enforced so as not to favor any one industry classification of persons engaged in the business of selling tangible personal property at retail over any other industry classification of such persons. Requires the Illinois Emergency Management Agency to develop a protocol for the fair enforcement of proclamations declaring a disaster under the Act. Requires the Agency, in developing and maintaining the protocol, to consult with relevant private sector stakeholders, including representatives of the Illinois retail sales industry. Effective immediately.

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AN ACT concerning State government.

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2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

- Section 5. The Illinois Emergency Management Agency Act is
 amended by adding Section 7.1 as follows:
- (20 ILCS 3305/7.1 new) 6 7 Sec. 7.1. Fair Business Treatment Law. (a) This Section may be referred to as the Fair Business 8 9 Treatment Law. (b) The General Assembly finds that in March 2020, and in 10 the following months of calendar year 2020, the people of the 11 12 State of Illinois faced a virus that causes a contagious disease named COVID-19. The global pandemic caused by this 13 14 virus led to significant deaths, illnesses, and economic disruption throughout Illinois. The Governor of Illinois 15 responded to the COVID-19 pandemic by issuing a series of 16 emergency executive orders, commencing with Executive Order 17 2020-3 and continued through following executive orders. These 18 19 executive orders were described as efforts to reduce contagion and diminish the ability of the virus that causes COVID-19 to 20 21 pass from person to person within Illinois. 22 The General Assembly: (i) recognizes the need for
- 23 <u>emergency management authority powers to deal with a disaster</u>

of a magnitude such as that caused by COVID-19 in the year 2020; but on the other hand (ii) sharply opposes the use of emergency management authority powers to draw distinctions between groups and sectors of retail businesses, and between persons engaged in the business of selling tangible personal property at retail.

7 For example, within the North American Industry 8 Classification System, the retailing of shoes and footwear is 9 classified as industry classification #4482. At the same time, 10 the retailing of goods and services provided by a pharmacist 11 is classified as industry classification #44611. If, at any 12 time, an emergency relating to contagious disease is declared by executive authority, including, but not limited to, a 13 14 declaration under the Illinois Emergency Management Agency Act, this declaration may order the closure of nonessential 15 16 businesses. As one example of businesses that may be ordered 17 closed, a closure order may affect businesses defined as operating within industry classification #4482. These are 18 19 persons engaged in the business of selling tangible personal 20 property at retail that concentrate on shoe retailing. At the same time, the same declaration may declare an exception to 21 22 the closure order for business establishments that are defined 23 as engaged in essential businesses. These essential businesses 24 are classified, for the purpose of an emergency order, as 25 including a group of persons engaged in the business of 26 selling tangible personal property at retail that are legally

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2 may be classified as including pharmaceutical care, goods, and 3 professional services. A classification of this type was set 4 forth and enforced in calendar year 2020 by Executive Order 5 2020-10 and succeeding executive orders.

6 The General Assembly finds that if: (i) an essential 7 business is allowed to remain open; (ii) the essential 8 business's physical business model also includes the retailing 9 of goods within sectors other than those defined as essential; 10 and (iii) the essential business's entire place of business is 11 allowed to remain open, then market activity will shift from 12 nonessential businesses to firms classified as enjoying the status of being an essential business. 13

14 The General Assembly finds that this distinction between essential businesses and nonessential businesses threatens 15 16 Illinois jobs. The General Assembly finds that the outcome of 17 any distinction between so-called essential businesses and so-called nonessential businesses is to allow essential 18 19 businesses to enjoy and maintain a strategic advantage over 20 nonessential businesses at a level that may threaten the jobs of Illinois workers and the survival of Illinois persons 21 22 engaged in the business of selling tangible personal property 23 at retail.

The legislative intent of this Section is to reduce the inequality created by the process described in this subsection (b), and in its place to create equality between persons HB0341

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1 <u>engaged in the business of selling tangible personal property</u> 2 at retail.

(c) As used in this Section:

4 <u>"Industry classification" means classifications under the</u>
5 <u>North American Industry Classification System (NAICS) as</u>
6 <u>maintained within the United States.</u>

7 <u>"Person engaged in the business of selling tangible</u> 8 <u>personal property at retail" means both a purchaser and a</u> 9 <u>delivering supplier maintaining a place of business in this</u> 10 <u>State, as required by the particular context.</u>

11 (d) If the Governor issues a proclamation declaring a 12 disaster under this Act or an executive order relating to the same disaster for which the proclamation was issued, and the 13 14 proclamation or executive order includes one or more restrictions upon the retail sale of goods or services within 15 16 Illinois, including, but not limited to, the activities of 17 persons engaged in the business of selling tangible personal property at retail falling under paragraphs (9) and (12) of 18 19 Section 7 of this Act, the restriction must be enforced in such 20 a way as not to favor any one industry classification of 21 persons engaged in the business of selling tangible personal 22 property at retail over any other industry classification of 23 such persons.

(e) The Illinois Emergency Management Agency shall
 develop, by administrative rule, a protocol for the fair
 enforcement of a proclamation declaring a disaster under this

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1	Act or an executive order relating to the same disaster for
2	which the proclamation was issued. The protocol shall: (1)
3	operate across industry classifications; (2) create equal
4	treatment for all industry classifications involving the
5	retail sale of goods or services; and (3) apply to all persons
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6	engaged in the business of selling tangible personal property
6 7	engaged in the business of selling tangible personal property at retail. In developing and maintaining the protocol, the
7	at retail. In developing and maintaining the protocol, the

Section 99. Effective date. This Act takes effect upon becoming law.