



# City of Chicago



R2016-94

Office of the City Clerk

## Document Tracking Sheet

**Meeting Date:** 2/10/2016

**Sponsor(s):** Arena (45)  
Waguespack (32)

**Type:** Resolution

**Title:** Call for hearing(s) before Committee on the Budget and Government Operations to examine legal, administrative and financial benefits of control and authority of workers' compensation claims by law department

**Committee(s) Assignment:** Committee on Committees, Rules and Ethics

RESOLUTION

WHEREAS, a system providing for the compensation of workers' families after the death of the worker due to a workplace accident was first created in Illinois in 1910; and

WHEREAS, that system was expanded in 1913 to provide for the compensation of workers injured at the workplace; and

WHEREAS, the City Council of the City of Chicago created a Bureau of Workmen's Compensation shortly thereafter to administer workers' compensation claims filed by employees of the City of Chicago; and

WHEREAS, that bureau, ever since, has been housed within the Committee on Finance; and

WHEREAS, the structure of the administration of city programs and services has changed dramatically since then, although the structure of that bureau has changed little; and

WHEREAS, that structure shields the Committee on Finance, which manages \$100 million annually, from oversight by the Inspector General of the City of Chicago, placing the bureau at risk for waste and inefficiency, despite best efforts; and

WHEREAS, in 2015 the City of Chicago appropriated \$69,512,605 for workers' compensation costs; and

WHEREAS, the municipal code does not require full, independent and transparent audits of programs, processes and instance of claims; and

WHEREAS, without disclosure of data on workers' compensation protocol and practice it is impossible to ascertain if administrators utilize effective and efficient policies and procedures or if specific procedures are in place to prevent, identify and resolve waste, fraud and abuse.

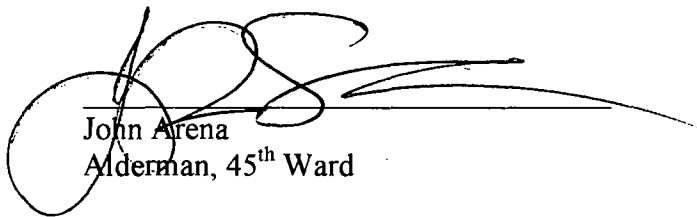
WHEREAS, across the country, the modern legal jurisprudence of workers' compensation law, employment law and labor law at the state and federal level has shifted worker's compensation administration away from the legislative arm of government; and

WHEREAS, that shift has been in direct response to the need for reform of excessive waste and abuse as they relate to workers' compensation claims between inter-governmental agencies; and

WHEREAS, the current fiscal crisis in the City of Chicago continues to harm the overall economy at the city and state level; and

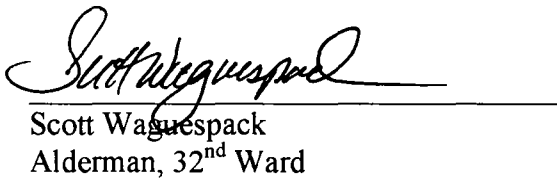
WHEREAS, the lack of oversight and risk of financial waste creates cynicism among the taxpaying public, undermining trust in the government of the City of Chicago and in this body; therefore

NOW THEREFORE, BE IT RESOLVED that the Mayor and the members of City Council call for hearings before the Committee of Budget and Government Operations to examine the legal, administrative and financial benefits of control and authority of workers' compensation claims being under the purview of the Law Department of the City of Chicago, in keeping with the modern legal practice.



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John Arena  
Alderman, 45<sup>th</sup> Ward



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Scott Waguespack  
Alderman, 32<sup>nd</sup> Ward

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