

**IN THE CIRCUIT COURT  
FOR THE SEVENTH JUDICIAL CIRCUIT OF ILLINOIS  
SANGAMON COUNTY, ILLINOIS**

ILLINOIS MANUFACTURERS'  
ASSOCIATION and ILLINOIS RETAIL  
MERCHANTS ASSOCIATION,

Plaintiffs,

v.

ILLINOIS WORKERS' COMPENSATION  
COMMISSION and MICHAEL J. BRENNAN,  
COMMISSIONER, IN HIS OFFICIAL  
CAPACITY,

Defendants.

Case No. 2020CH000098

**VERIFIED COMPLAINT FOR INJUNCTIVE AND OTHER RELIEF**

Plaintiffs, Illinois Manufacturers' Association and Illinois Retail Merchants Association, through their attorneys, Greensfelder, Hemker & Gale, P.C., state as their Verified Complaint for Injunctive and Other Relief against Defendants Illinois Workers' Compensation Commission and Michael J. Brennan, Commissioner, in his official capacity, as follows:

**COUNT I – VIOLATION OF THE ILLINOIS ADMINISTRATIVE PROCEDURE ACT**

**NATURE OF THE CASE**

1. Plaintiffs seek to enjoin the Defendants from usurping authority vested solely with the Illinois Legislature and unlawfully implementing its recent emergency amendments to the Illinois Workers' Compensation Act ("IWCA") that provide sweeping substantive legal reform granting new rights to employees and infringing on the protectable interests of employers (including Plaintiffs' employer members) by declaring COVID-19 to be a prima facie Workplace Occupational Disease under the IWCA and the Workers' Occupational Disease Act. Defendants' brazen usurp of authority now creates a virtually irrefutable rebuttable presumption

under the IWCA that COVID-19 was in fact contracted *in the workplace*. These emergency amendments unlawfully create new substantive rights for employees and new liabilities for employers in violation of the Illinois Administrative Procedure Act, because Defendants have not been vested with the authority under the Illinois Administrative Procedures Act to create new substantive rights: a power solely vested with the Illinois Legislature. As a result, such emergency amendments are void as a matter of law, should be invalidated and the Defendants should be enjoined from implementing these emergency amendments.

## PARTIES

2. Plaintiff Illinois Manufacturers' Association ("IMA") is a private not-for-profit manufacturing trade association that represents its members' interests on various matters of importance to Illinois manufacturers, including but not limited to, tax policy, environmental regulations, health care reform, and labor law. . It is the only association in Illinois dedicated exclusively to manufacturing. IMA is also the oldest and one of the largest manufacturing associations in the nation, representing nearly 4,000 companies and facilities that employ nearly 600,000 workers. The majority of its members are private corporations and have between 50 and 249 employees. Its members are manufacturers in the following industries: heavy equipment, fabricated metal, food/beverage, chemical, paper, plastics, steel, electronics, transportation equipment, petroleum/energy, wholesale durable goods, printing, and wholesale non-durable goods.

3. The IMA has offices in Springfield and Oak Brook, Illinois and has members in Sangamon County, Illinois.

4. Plaintiff Illinois Retail Merchants Association ("IRMA") is a private not-for-profit association that benefits Illinois retailing through effective management with retailers, the

general public, policy makers, and the media regarding the impact legislative and regulatory proposals will have on the success of retail operations. IRMA is the only statewide organization exclusively representing retailers in Illinois. IRMA closely monitors legislative and regulatory activity, voicing opposition to anti-business proposals and supporting and passing business friendly initiatives. In addition to serving as retail lobbyists, IRMA provides services and resources to its members to assist with the development of their businesses.

5. IRMA has offices in Springfield and Chicago, Illinois and has members in Sangamon County, Illinois.

6. Defendant Illinois Workers' Compensation Commission ("Commission") is an administrative agency of the State of Illinois that administers the judicial process that resolves workers' compensation disputes between employees and employers regarding work related injuries and illnesses. The Commission acts as an administrative court system for the resolution of such disputes.

7. Defendant, Michael J. Brennan, is the Chairman of the Commission and is named as a Defendant in this action in his official capacity. As Chairman, Brennan is responsible for the oversight of the Commission and ensuring that the Commission complies with Illinois law, including statutory law, among other things.

#### **Jurisdiction and Venue**

8. Jurisdiction is proper in the courts of this state.

9. Venue is proper in this Court as the Commission has an office at 4500 S. Sixth Street, Frontage Road, Springfield, Sangamon County, Illinois.

#### **The Commission Exceeded Its Statutory Authority In Enacting the Amendments**

10. Any and all actions taken by the Commission must be specifically authorized by statute.

11. The Illinois Administrative Procedure Act applies to and governs the actions of the Commission. (5 ILCS 100 §1-5 and §1-20).

12. The Illinois Administrative Procedure Act requires that all rules enacted by the Commission comply with the provisions of Article 10 of the Illinois Administrative Procedure Act.

13. The Illinois Administrative Procedure Act only authorizes the Commission to enact rules that either (1) establish procedures governing the cases before the Commission or (2) implement or prescribe existing law or policy.

14. Article 10, Section 5, of the Illinois Administrative Procedure Act provides in part:

Rules required for hearings. All agencies shall adopt rules establishing **procedures** for contested case hearings.

(5 ILCS 100 §10-5)(Emphasis added).

15. Article 10, Section 10, of the Illinois Administrative Procedure Act provides in part:

Components of rules. All agency rules establishing **procedures** for contested cases shall at a minimum comply with the provisions of this Article 10.

(5 ILCS 100 §10-10)(Emphasis added).

16. The Illinois Administrative Procedures Act defines a “rule” as:

**"Rule" means each agency statement of general applicability that implements, applies, interprets, or prescribes law or policy, but does not include (i) statements concerning only the internal management of an agency and not affecting private rights or procedures available to persons or entities outside the agency, (ii) informal advisory rulings issued under Section 5-150, (iii) intra-agency memoranda, (iv) the prescription of standardized forms, (v) documents**

prepared or filed or actions taken by the Legislative Reference Bureau under Section 5.04 of the Legislative Reference Bureau Act, or (vi) guidance documents prepared by the Illinois Environmental Protection Agency under Section 39.5 or subsection (s) of Section 39 of the Environmental Protection Act.

(5 ILCS 100 §1-20)(Emphasis added).

17. The Illinois Administrative Procedure Act does not give the Commission the statutory authority to enact rules that change the law or that violate to the provisions of the Illinois Administrative Procedure Act and or that are not procedural.

18. The strict limitations on the Commission's power to enact only procedural and interpretive rules is expressly recognized in the Illinois Workers' Compensation Act and the Illinois Workers' Occupational Diseases Act.

19. Section 16 of the Illinois Workers' Compensation Act and Illinois Workers' Occupational Diseases Act are similar and provide in part:

**The Commission shall make and publish procedural rules** and orders for carrying out the duties imposed upon it by law and for determining the extent of disability sustained, which rules and orders shall be deemed prima facie reasonable and valid.

(820 ILCS 305 §16)(Emphasis added).

20. Section 13 of the Illinois Workers' Compensation Act provides for the selection and appointment of members to the Commission and references "promulgation of **procedural** rules" by the Commission. (820 ILCS 305 §13)(Emphasis added).

#### **Emergency Amendments to the Illinois Workers' Compensation Act**

21. On April 15, 2020, the Commission published a Notice of Emergency Amendments to the Illinois Workers' Compensation Act effective April 16, 2020 ("Amendments" attached hereto as Exhibit A).

22. The Amendments provide as follows:

ILLINOIS REGISTER  
WORKERS' COMPENSATION COMMISSION  
NOTICE OF EMERGENCY AMENDMENTS

- a) The Illinois Rules of Evidence shall apply in all proceedings before the Commission, either upon Arbitration or Review, except to the extent they conflict with the Act, the Workers' Occupational Diseases Act [820 ILCS 310], or the Rules Governing Practice Before the Workers' Compensation Commission (50 Ill. Adm. Code Chapter VI).

1) In any proceeding before the Commission in which the petitioner is a COVID-19 First Responder or Front-Line Worker as defined in Section (a)(2), if the petitioner's injury, occupational disease, or period of incapacity resulted from exposure to the COVID-19 virus during the Gubernatorial Disaster Proclamation 2020-38 and any subsequent COVID-19 disaster proclamations, the exposure will be rebuttably presumed to have arisen out of and in the course of the petitioner's COVID-19 First Responder or Front-Line Worker employment and, further, will be rebuttably presumed to be causally connected to the hazards or exposures of the petitioner's COVID-19 First Responder or Front-Line Worker employment.

2) The term "COVID-19 First Responder or Front-Line Worker" means any individuals employed as police, fire personnel, emergency medical technicians, or paramedics and all individuals employed and considered as first responders, health care providers engaged in patient care, corrections officers, and the crucial personnel identified under Section 1 Parts 7, 8, 9, 10, 11, and 12 of Executive Order 2020-10 dated March 20, 2020

- b) Exhibits offered in evidence, whether admitted or rejected, shall be retained by the assigned Arbitrator or Commissioner until a decision is issued in the matter. Exhibits may not be removed by the parties. Once a final decision is rendered, exhibits shall be retained by the Commission pursuant to the requirements of Section 17 of the Act.

(Source: Amended by emergency rulemaking at 44 Ill. Reg. \_\_\_\_\_, effective April 16, 2020, for a maximum of 150 days)

(Amended language denoted by underlining).

23. The Amendments violate the Illinois Administrative Procedure Act in that the Amendments change the burden of proof as set forth in the Illinois Administrative Procedure Act by creating a rebuttable presumption in favor of the claimant that the claimant in fact contracted COVID-19 in the course of his/her employment.

24. All disputes that come before the Commission are “contested cases” and the procedures for those contested cases must follow Article 10 of the Illinois Administrative Procedures Act.

25. The Illinois Administrative Procedures Act defines a “contested case” as:

“Contested case” means an adjudicatory proceeding (not including ratemaking, rulemaking, or quasi-legislative, informational, or similar proceedings) in which the individual legal rights, duties, or privileges of a party are required by law to be determined by an agency only after an opportunity for a hearing.

(5 ILCS 100 §1-30)(Emphasis added).

26. Article 10 of the Illinois Administrative Procedure Act requires that the Commission follow the same rules of evidence as are applied in civil cases in Illinois circuit courts.

27. Specifically, the Illinois Administrative Procedure Act provides:

(a) Irrelevant, immaterial, or unduly repetitious evidence shall be excluded. **The rules of evidence and privilege as applied in civil cases in the circuit courts of this State shall be followed.** Evidence not admissible under those rules of evidence may be admitted, however, (except where precluded by statute) if it is of a type commonly relied upon by reasonably prudent men in the conduct of their affairs. Objections to evidentiary offers may be made and shall be noted in the record. Subject to these requirements, when a hearing will be expedited and the interests of the parties will not be prejudiced, any part of the evidence may be received in written form.

5 ILCS 100 §10-40(a) (Emphasis added).

28. The rules of evidence as applied in civil cases in the circuit courts of the State of Illinois place the burden of proof on the claimant or plaintiff to establish the elements of each claim.

29. Prior to the Amendments, in proceedings before the Commission, the claimant had the burden of proof to establish that his/her injuries arose out of and in the course of employment. The only exceptions to this rule in the Illinois Workers’ Compensation Act are

exceptions that were made through the legislative process when enacted by the Legislature, not through the unilateral actions of the Commission.

30. The Amendments violate the Illinois Administrative Procedure Act because they unlawfully remove the burden of proof from the claimant having the exclusive burden to establish that he/she contracted COVID-19 as a result of their employment, require the employer to have to rebut the virtually irrefutable presumption that the claimant contracted COVID-19 through the workplace, and require the employer to provide evidence that the claimant did not in fact contract COVID-19 as a result of their employment.

31. For the same reason, the Amendments violate the Illinois Administrative Procedure Act or the Illinois Workers' Compensation Act because the Amendments create a substantive change in the law, which the Commission does not have the authority to enact.

32. In addition, the Amendments violate the Illinois Administrative Procedure Act as the Commission has unilaterally declared that COVID-19 is an Occupational Disease.

33. Because the Amendments violate the Illinois Administrative Procedure Act and the Commission exceeded its statutory authority in enacting the Amendments, the Amendments are invalid and void.

34. The implementation of the Amendments will cause immediate and irreparable damage to Defendants' members as, among other things, creating a rebuttable presumption in favor of the claimants with regard to COVID-19 will significantly increase the costs of insurance to employers.

35. In addition, upon receipt of a COVID-19 workers' compensation claim, Defendants' members will face a daunting Sophie's Choice: acquiesce to paying the employee's



medical bills at the outset, or face harsh penalties for attempting to overcome the virtually irrefutable rebuttable presumption regarding COVID-19 claims. These penalties include:

- a) a 1% per month penalty paid to a medical provider if the medical bill is not paid within 30 days of receipt of the bill (820 ILCS 305/8.2(d)(3));
- b) 50% of the award for any unreasonable or vexatious delay of payment or intentional underpayment of compensation, or proceedings have been instituted or carried on by the one liable to pay the compensation, which do not present a real controversy, but are merely frivolous or for delay (820 ILCS 305/19 (k)); and,
- c). \$30 per day up to \$10,000 total where medical or certain indemnity benefits have been demanded by the employee and its determined that the employer has without good and just cause fail, neglect, refuse, or unreasonably delay the payment of benefits.

36. Plaintiffs will suffer irreparable injuries based on the implementation of the Amendments because the Amendments infringe on Plaintiffs' members substantive rights and because they also have an interest in not being subject to improper rule making.

37. Plaintiffs have no adequate remedy at law because even in the highly unlikely scenario in which the employers somehow or someway manage to overcome this virtually irrefutable presumption, the amount incurred in doing so will never be recoverable.

38. Plaintiffs are entitled to recover their attorneys' fees pursuant to 5 ILCS 100 §10-55(c), which provides as follows:

(c) In any case in which a party has any administrative rule invalidated by a court for any reason, including but not limited to the agency's exceeding its statutory authority or the agency's failure to follow statutory procedures in the adoption of the rule, the court shall award the party bringing the action the reasonable expenses of the litigation, including reasonable attorney's fees.

WHEREFORE, Plaintiffs Illinois Manufacturers' Association and Illinois Retail Merchants Association request that an order be entered in their favor and against Defendants that grants Plaintiffs the following relief:

- (a) A temporary, preliminary and mandatory injunction that prohibits the Illinois Workers' Compensation Commission from enforcing the Amendments;
- (b) A finding that the Amendments are void;
- (c) An award of attorneys' fees pursuant to 5 ILCS 100 §10-55(c);
- (d) An award of costs; and
- (e) Such other relief as this Court deems to be equitable and just.

## **COUNT II –DECLARATORY JUDGMENT**

39. Plaintiffs repeat and reallege the allegations of paragraphs 1 through 38 above as their allegations of this paragraph 39.

40. A justiciable controversy exists between the Plaintiffs and the Defendants concerning the authority of the Commission to enact the Amendments to Section 9030.70 of the Illinois Workers' Compensation Act and validity of the Amendments to Section 9030.70 of the Illinois Workers' Compensation Act.

41. Under the provisions of 735 ILCS 5 §2-701, this Court is vested with the power to declare the rights and liabilities of the parties and to provide such other and further relief as may be necessary to enforce the same.

WHEREFORE, Plaintiffs Illinois Manufacturers' Association and Illinois Retail Merchants Association request that an order be entered:

- (a) Declaring that the Illinois Workers' Compensation Commission exceeded its authority under the Illinois Administrative Procedure Act in changing the burden of proof to find that exposure to COVID-19 "will be rebuttably presumed to have arisen out of an in the course of the claimant's COVID-19 First Responder or Front-Line Worker employment and, further, will be rebuttably presumed to be causally

connected to the hazards or exposures of the petitioner's COVID-19 First Responder or Front-Line Worker employment”;

- (b) Declaring that the Illinois Workers' Compensation Commission exceeded its authority under the Illinois Workers' Compensation Act in changing the burden of proof to find that exposure to Covid-19 “will be rebuttably presumed to have arisen out of an in the course of the petitioner's COVID-19 First Responder or Front-Line Worker employment and, further, will be rebuttably presumed to be causally connected to the hazards or exposures of the petitioner's COVID-19 First Responder or Front-Line Worker employment”;
- (c) Declaring that the Amendments to Section 9030.70 of the Illinois Workers' Compensation Act are void and invalid;
- (d) An award of attorneys' fees pursuant to 5 ILCS 100 §10-55(c);
- (e) An award of costs; and
- (f) Such other relief as this Court deems to be equitable and just.

Respectfully submitted,

ILLINOIS MANUFACTURER'S ASSOCIATION  
and ILLINOIS RETAIL MERCHANTS  
ASSOCIATION

By: /s/ Scott Cruz  
One of Their Attorneys

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