



ICCTA Government Relations and Public Policy Report January 29, 2024

Illinois legislators do not return to the State Capitol until February 6. However, they continue to file legislation and they are working to identify their priorities. As a reminder, we have now entered the inaugural “blackout period,” during which time the Legislative Reference Bureau will not accept requests for new drafts or amendments. The blackout period will be lifted at the same time as the deadline to introduce new legislation on February 9.

Governor **JB Pritzker** is scheduled to deliver his Fiscal Year 2025 budget proposal to the Illinois General Assembly on Wednesday, February 21. The Governor’s Office of Management and Budget issued a report in November projecting that the state could face a budget deficit of \$891 million next year, assuming that revenue trends remain stable and the state continues making all of its required payments into its Rainy Day Fund and pension funds.

*****Please review [ICCTA’s BILL LIST](#).**

It is vital that we know your positions so that legislation does not slip through unopposed.***

KEY 2024 SESSION DATES FOR THE 103RD ILLINOIS GENERAL ASSEMBLY

- February 9: Deadline – Introduction of House & Senate Bills
Legislative Reference Bureau Amendment Requests Begin
- February 21: Governor’s State of the State/Budget Address
- March 10: Deadline – Senate Bills out of Senate Committee
- March 19: Primary Election
- April 5: Deadline – House Bills out of House Committee
- April 12: Deadline – Third Reading Senate Bills in the Senate
- April 19: Deadline – Third Reading House Bills in the House
- May 2: ICCTA Lobby Day
- May 3: Deadline – House Bills out of Senate Committee & Senate Bills out of House Committee
- May 17: Deadline – Third Reading House Bills in Senate & Senate Bills in House
- May 24: Adjournment
- May 25-31: *Contingent Session Days for the Budget*

INCUMBENTS FACING TOUGH PRIMARIES

Two challengers to House Democrat incumbents have been endorsed by the powerful Illinois AFL-CIO. Both challengers also reported receiving \$68,500 contributions. A growing number of endorsements and contributions are flowing to the challengers, including from pro-choice Personal PAC.

- ❖ **Rep. Mary Flowers** (D-Chicago), the longest-serving member of the General Assembly, faces a primary challenge from **Dr. Michael Crawford**, dean of the private university The Chicago School. Flowers was kicked off House Speaker **Chris Welch**'s leadership team for making a number of inappropriate comments, including telling a staffer they were dressed like a Nazi. She has served in the House since 1985.
- ❖ **Rep. Cyril Nichols** (D-Chicago), a former athletic administrator for the City Colleges of Chicago, has served in the House since he was appointed to replace former Rep. **Andre Thapedi** in 2021. He is challenged by **Lisa Davis**, an assistant Cook County Public Defender. Nichols drew ire from progressives in his caucus when a group of his supporters 'interrupted' a pro-LGBTQIA rally last month.

In the Senate, President **Don Harmon** is "all in" for appointed **Sen. Natalie Toro** (D-Chicago). Committees controlled by Harmon have already pumped nearly \$300,000 last quarter and dropped another \$500,000 this month, and the Senate Dems are paying several staffers on the ground in the district. Her toughest challenge comes from progressive-backed **Graciela Guzman**, who worked for former Sen. **Cristina Pacione-Zayas**. Guzman ended 2023 with \$65,000 in the bank.

Senate Republicans are directing donors to **Sen. Terri Bryant** (R-Murphysboro), who is facing a challenge from attorney **Wesley Kash**. Kash received over \$300,000 in cash from his father and grandmother but has not used it as of the end of the year. Bryant finished the year with around \$280,000 in the bank. Kash, who repaid \$50,000 in loans to his father, has around \$250,000.

ILLINOIS DEPARTMENT OF REVENUE ANNOUNCES START TO 2024 INCOME TAX SEASON

The Illinois Department of Revenue will begin accepting and processing 2023 tax returns on January 29, the same date that the Internal Revenue Service begins accepting federal income tax returns. If a taxpayer electronically files an error-free return, they should receive a direct deposit refund in approximately four weeks. In 2023, IDOR received a total of nearly 6.2 million IL-1040 returns. Of those returns received, close to 5.6 million were filed electronically, or 90.3%. **The tax filing deadline is Monday, April 15, 2024.**

New Illinois Tax Credits this Year:

- ❖ **The Illinois Earned Income Tax Credit** was increased this year to 20% of the Federal EITC and expanded to include taxpayers 18 years of age or older (with or without qualifying child), those 65 years of age or older (without qualifying child), and those with an IRS-issued Individual Taxpayer Identification Number.
- ❖ **The Volunteer Emergency Worker Credit** is a new tax credit this year that is awarded to volunteer fire service emergency workers that apply, qualify, and are awarded the credit. It can be used to reduce the Illinois individual income tax owed by up to \$500. Credits are awarded on a first-come, first-served basis.

PROPOSAL TO CREATE PERMANENT CHILD INCOME TAX CREDIT

Every year, there are several efforts to expand portions of the state budget. This spring, there is already an effort underway to create a permanent \$300 Child Income Tax Credit. The new proposal has been scaled back from last year's \$700-per-child tax credit bill. Proponents say that even the downsized version would make a major difference. "We have the data that shows roughly 60 percent of the recipients of this benefit across the state would be Black and Brown households," said Rep. **Mary Beth Canty** (D-Arlington Heights) recently on WTTW's Chicago Tonight program. The idea is framed as a partial replacement for the now-expired but massive 2021 expansion of the federal Child Tax Credit. "Monthly checks of up to \$3,600 offered parents

reliable resources to pay for basic goods, like formula, diapers and school supplies, and basic necessities like shelter, utilities and food,” wrote **Natalie Foster** in a recent *Crain’s Chicago Business* op-ed.

IBHE AWARDS HIGHER EDUCATION CAPITAL GRANTS

The Illinois Board of Higher Education has awarded \$400 million in grants to 45 Illinois colleges and universities as part of the Independent Colleges Capital Investment Grant Program. The program provides financial assistance to private, not-for-profit colleges and universities in Illinois for the construction, repair, and renovation of infrastructure on campuses to provide equitable learning experiences to students across the state. The largest recipients of the grants were Northwestern University (\$48.9 million), DePaul University (\$43 million), and Loyola University (\$36.7 million).

ILLINOIS STATE BOARD OF EDUCATION SEEKS \$653M BUDGET INCREASE

The Illinois State Board of Education has endorsed an FY25 budget request that includes a \$653 million increase in funding for PreK-12 public schools. PreK-12 education spending currently makes up about 1/5 of the state’s entire General Revenue Fund budget. The proposed increase, if approved, would bring the state’s total GRF spending on public education to just over \$11 billion. The proposed budget includes a \$350 million increase in Evidence-Based Funding, the minimum increase required under a 2018 law that calls for gradually increasing the state’s share of the cost of public education while focusing new money on the state’s most poorly funded districts.

ISBE’s request also includes about \$300 million in new or increased funding for several specific categories of school expenses. The largest of those is a proposed \$112 million increase, or nearly 26%, for a program that reimburses school districts for the cost of providing transportation to students with disabilities. The package also calls for a \$75 million increase in early childhood education funding to continue Gov. Pritzker’s Smart Start Illinois initiative, a multi-year program that seeks to eliminate early childhood and preschool “deserts” for 3- and 4-year-old children by 2027.

In addition, ISBE’s budget plan calls for addressing the pressures some districts are facing due to the large number of international migrants arriving in Illinois. The proposal calls for \$35 million in new funding for a line item called “supporting newcomers.” That money would be available for such expenses as hiring bilingual teachers, paraprofessionals and other staff; buying materials written in the students’ native languages; providing additional before- and after-school programming; and providing other supports for children and families.

DCFS SUPPORTS NEW TRANSITIONAL RESIDENTIAL FACILITY FOR YOUNG WOMEN

Unlimited Potential House and the Illinois Department of Children and Family Services recently announced the grand opening of UP House’s new campus and its transitional living facility, Logan’s Place, that offers housing, education, and support services for young women in the care of DCFS as they begin their journey toward independent living. The new campus will support up to 50 young women aged 17½ to 21. Staff will offer mentorship and individualized attention.

Once all 21 currently available beds at the facility are occupied, DCFS will invest \$3 million a year to pay for the costs of room and board and program fees. Residents will also have access to educational resources through partnerships with Moraine Valley Community College and South Suburban College and participate in job readiness training and vocational programs to explore various career paths.

ISBE ADOPTS NEW LITERACY PLAN

ISBE has adopted the Illinois Comprehensive Literacy Plan, a roadmap for the state to enhance and unify literacy instruction. The plan outlines seven parts of literacy instruction, including comprehension and writing, but highlights the need for teaching phonics and the need to use “evidence-based” instruction.

ILLINOISANS CAN CLAIM UNPAID WAGES USING NEW DOL WEBSITE

The U.S. Department of Labor is currently holding more than \$5 million in wages owed to more than 7,000 Illinois workers, and the department has launched a new website in an effort to return it. When an employee is underpaid for the work they do, the DOL’s Wage and Hour Division can launch an investigation. If it finds that the employee is owed money, known as back pay, the department collects the unpaid wages and attempts to distribute it to the employee. The new [Workers Owed Wages](#) website attempts to connect workers with potential unclaimed back pay.

SOS ALERTS BUSINESSES TO REPORTING REQUIREMENTS

New federal laws require Illinois small businesses to report more information to the federal government about who benefits from their business. The federal Corporate Transparency Act, which went into effect January 1, establishes a national registry of the beneficial owners of businesses to prevent money laundering, corruption, and financial terrorism. Businesses are required to report their beneficiaries to the Financial Crimes Enforcement Network, a bureau within the U.S. Treasury. The Illinois Secretary of State’s Department of Business Services has sent mailers to registered businesses to inform them of the new requirements. That department will also host quarterly information webinars with the U.S. Department of the Treasury beginning in February.

IL SUPREME COURT HOLDS ANTITRUST ACT APPLIES TO STAFFING AGENCIES

In *State of Illinois ex. rel. Kwame Raoul v. Elite Staffing, Inc.*, the Illinois Supreme Court unanimously determined staffing agencies – a fast-growing industry that employs nearly a million Illinoisans – are not exempt from the state’s antitrust law. Illinois Attorney General **Kwame Raoul** had filed a lawsuit against three staffing agencies that provided temporary workers to the same home improvement business. The Court ruled against the staffing agencies for using their mutual client to coordinate no-poach agreements, which created a secondary agreement to pay temp staffers less than the market rate. The three companies at issue – Elite Staffing Inc., based in Chicago, Midway Staffing Inc. and Metro Staffing Inc., both headquartered in Chicago suburbs – all had contracted with a construction company also located in the suburbs. According to the Court’s ruling, the legislators who passed the state’s antitrust law did not intend to allow employers to enter into agreements that keep wages lower and prevent workers from switching jobs.

SOLAR COMPANY TO BUILD SECOND HEADQUARTERS IN CHICAGO

The nation’s largest solar company, Nexamp, will open its second national headquarters in Chicago as part of a \$2 billion investment in the state. Gov. Pritzker said that the company’s investments will bring nearly 4,000 jobs to the state and lead to the development of clean energy projects that will generate 3000 megawatts of energy, or the equivalent of more than 50,000 households. As part of its Illinois investment, Nexamp is partnering with the City Colleges of Chicago to create a workforce development program for local students looking to get a job in the solar energy industry. As they expand their Chicago operations, the company will target traditionally underserved communities and underemployed individuals for job opportunities.

PROPOSAL TO BAN NATURAL GAS CONNECTIONS IN NEW CONSTRUCTION IN CHICAGO

The Chicago City Council is considering an ordinance that would effectively ban the use of natural gas in most new buildings. The Clean and Affordable Buildings ordinance would establish a lower emissions threshold for energy sources in new buildings, essentially prohibiting the future use of natural gas. Proponents of the ordinance argue the lower threshold plays a key role in slashing emissions and reducing high gas bills in Chicago, while keeping environmental policy in line with other major cities. Citizens Utility Board executive director **Sarah Moskowitz** said that Chicagoans could save between \$11,000 and \$24,000 over 20 years by making their homes entirely electric. But Peoples Gas, the natural gas utility serving the city, says that making Chicagoans use all-electric heat could cost them double what they would pay for natural gas while increasing emissions because of limited output from renewables.

IDOT AWARDED FUNDS TO FIX CHARGERS

The Illinois Department of Transportation was awarded \$7.1 million in federal funds to fix electric vehicle chargers available to the public statewide. The funding, made possible through the Federal Highway Administration's Electric Vehicle Charger Reliability and Accessibility Program, helps support Gov. Pritzker's goal to have 1 million EVs on the road in Illinois by 2030.

ILLINOIS POWER AGENCY DRAFT STUDY

The Illinois Power Agency has released the preliminary draft version of its 2024 Policy Study analyzing three policy proposals made during the spring 2023 session of the Illinois General Assembly. The Policy Study focuses on energy storage systems, an offshore wind project in Lake Michigan, and a high voltage direct current transmission facility.

For more information on state legislative and public policy issues, please contact:

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