

ICCTA Government Relations and Public Policy Report

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BILLS, BILLS, AND MORE BILLS

The Illinois General Assembly did not convene last week, but a lot of legislation was filed. The House deadline for filing substantive legislation was Friday, February 19; nearly 4,000 House bills were filed. The Senate deadline is coming up on Friday, February 26. Neither chamber is scheduled to convene this week.

[House](#) and [Senate Committees](#) have not been finalized by the caucuses.

The Governor has not yet acted on any of the 19 bills passed during the January 2021 **lame duck session**.

[Please click here for a list of community college-related bills identified to date.](#)

GOVERNOR PRITZKER PROPOSES FY22 BUDGET

Last Wednesday Gov. JB Pritzker proposed a \$41.58 billion state budget in General Revenue Funds (\$95.5 billion in All Funds) for the next fiscal year. The budget relies on more than \$900 million in savings from the elimination of “corporate loopholes,” flat spending overall, increases for some programs, no income-tax increase, and a second year of skipping a recommended \$350 million boost for the school aid formula. Click here to review the [Budget in Brief](#) and the complete Fiscal Year 2022 [Budget Book](#).

Overall, the governor’s budget proposal would put higher education funding in Illinois at \$2.097 billion. Funding in this proposal would include:

- \$1.158 billion for public universities
- \$249 million for community colleges and adult education
- \$28 million in additional dollars for Monetary Award Program grants (total \$479 million)
- \$35 million (flat funding) for AIM HIGH scholarships
- \$20 million in first-year funding for College Illinois!
- \$1 million in new money for the Common Application
- \$250,000 in new money for strategic planning implementation

The Illinois Board of Higher Education also expects \$8 million for community colleges and \$12 million for IBHE from supplemental federal relief funds recently passed by Congress.

Below is a list of the \$932 million that Gov. Pritzker is laying out as part of closing “loopholes” – each of which requires legislative approval. Some of these proposals reverse agreements the Governor entered into as a result of bi-partisan budget negotiations in 2019 for the FY 2020 budget:

- Capping Net Operating Losses at \$100,000 per year (\$314 million)
- Matching Foreign-source dividends to Domestic-source dividend rates (\$107 million)
- Rolling back federal 100% accelerated depreciation (\$214 million)
- Eliminating the state biodiesel tax credit (\$107 million)
- Reinstating the corporate franchise tax, which was repealed in 2020 (\$30 million)
- Capping retail stores sales tax discount at \$1,000 per month (\$73 million)
- Reducing tax credits for private school scholarships (\$14 million)
- Eliminating an add-on deduction for construction job hires (\$16 million)
- Ending a sales tax exemption for manufacturing machinery (\$56 million)

Other key points:

- Reduce to 90% (i.e. a 10% state skim, rather than 5%) of the transfer to the Local Government Distributive Fund (LGDF). Between individual and corporate income tax receipts, the Governor's plan estimates this would save the state \$152 million in FY22
- The state will retain 10% of sales tax revenues that would otherwise be distributed to local transportation districts (the state has retained 5% the last few years). The Governor also recommends a \$100 million increase in the portion of state sales tax sharing covered by the Road Fund
- Transfer \$100 million from the Capital Projects Fund, \$50 million from the Open Space Lands Acquisition and Development Fund, and \$40 million from the School Infrastructure Fund – all to general funds
- Fully fund the 5 state retirement systems – approximately \$9.3 billion, which is about a \$742 million increase over the estimated FY21 payment
- FY22 Capital Appropriations: In FY20, the General Assembly passed and the Governor enacted the Rebuild Illinois ("RBI") package – a comprehensive capital funding plan necessary for infrastructure improvements. To date in FY21, Illinois has sold approximately \$2 billion in bonds to aid in funding RBI. Plans for an additional \$1 billion bond sale before the end of FY 21 will bring the total to \$3 billion. GOMB anticipates another \$2.5-\$3 billion in bond sales in FY22. Additionally, GOMB expects to spend \$4.3 billion in pay-go funds for FY22 and reappropriate \$45.4 billion for future projects. The FY22 recommendation includes \$4.3 billion for new capital appropriations

The Governor also used his address to call on legislators to pass ethics reform, including prohibiting legislators from leaving office to become lobbyists. He prioritizes passing an energy bill that protects the state's nuclear fleet and bolsters wind and solar industries, protects the environment, and supports jobs.

MADIGAN RESIGNS

State Rep. Michael Madigan on Thursday announced his resignation from the Illinois House after representing a southwest-side Chicago district for a half-century -- the majority of that time as the powerful House Speaker. He remains chair of the Democratic Party of Illinois and Democratic committeeman for the 13th Ward. The latter role gave Madigan the ability to handpick his successor in the 22nd House District because he controls more than 50% of the weighted vote based on the number of ballots cast for him when he sought a 26th term in November 2020. On Sunday, – 13th Ward infrastructure manager **Edward Guerra Kodatt** was selected with 63% of the weighted vote.

2022 GUBERNATORIAL CAMPAIGN ANNOUNCEMENTS

Former State Senator Paul Schimpf (R) will run for Illinois governor in 2022. A former military prosecutor, he ran and lost for Attorney General in 2014. Gary Rabine, owner of a paving and roofing company, has also declared as a Republican candidate. State Senator Darren Bailey is expected to announce his candidacy soon, while central Illinois-based U.S. Reps. Rodney Davis and Darren LaHood have not ruled out possible runs.

CENSUS AND REDISTRICTING UPDATES

U.S. Census officials will not have data available until September 30. This will pose a big problem for the Illinois General Assembly, which must approve a legislative district map based on those numbers by July 1. Officially, the map for congressional districts must be filed by October 5, but candidates for the 2022 election will have a very quick turnaround in deciding to run with a December petition-filing deadline. One option is to use preliminary data to draw the maps, assuming that they will face enough legal challenges in the court system to extend the process through September when the actual data is available.

PRESIDENT BIDEN'S AMERICAN RESCUE PLAN

The U.S. House Oversight Committee has approved President Biden's \$1.9 trillion COVID-19 relief package, with \$350 billion allocated to state and local governments. It is anticipated that the House will pass the bill as early as this week. The Senate will consider the bill soon, with allocations to local governments within 60 days of the bill signed into law.

COVID-19 UPDATE

Last Friday, the Illinois Department of Public Health reported 2,219 new confirmed and probable cases of coronavirus disease in Illinois, including 63 additional deaths. The preliminary seven-day statewide positivity for cases as a percent of total test from February 12–18 is 2.8%. The preliminary seven-day statewide test positivity from February 12–18 is 3.3%.

Illinois cases continue to drop as new COVID-19 cases mirror the number of cases being reported in late September, but the state also passed the grim milestone of 20,000 total deaths statewide. Illinois surpassed 10,000 total deaths on Nov. 5 – it took more than nine months from the beginning of the pandemic in Illinois to reach 10,000 deaths, but it only took a little over three months for the death toll to double.

All information pertaining to the Coronavirus Response from the Governor's office and agencies can be found [here](#).

Chicago and Cook County health officials on Tuesday eased some indoor dining restrictions by increasing capacity limits for restaurants, bars, and event spaces to 40 percent or 50 people, whichever is less.

VACCINES

COVID-19 Vaccine Administration Data: <https://dph.illinois.gov/covid19/vaccinedata?county=Illinois>

A total of 2,186,775 vaccine doses have been delivered to providers in Illinois, including Chicago. In addition, approximately 445,200 doses total have been allocated to the federal government's Pharmacy Partnership Program for long-term care facilities. This brings the total Illinois doses to 2,631,975. A total of 2,060,706 vaccines have been administered in Illinois as of midnight Friday, including 271,142 for long-term care facilities. The 7-day rolling average of vaccines administered daily is 59,460 doses. Thursday last week, 83,673 doses were administered, marking the highest single day number of vaccines administered in Illinois.

There are now three additional state-supported mass vaccination sites in southern and central Illinois. Two vaccination sites will operate in Carbondale, and one site will provide vaccines in Springfield. There are now more than 850 vaccination locations in Illinois open to the public. While the state is working to increase the number of vaccines administered daily, it is limited by the amount of vaccine available and allocated by the federal government. Information for locations is listed on the coronavirus.illinois.gov website.

Due to the recent adverse weather across the United States, the federal government's delivery of COVID-19 vaccines will be delayed. To help offset these delays, the State of Illinois proactively ordered vaccine to be delivered to its Strategic National Stockpile Receipt, Store, and Stage site in anticipation of adverse weather. Illinois has been distributing that vaccine to many providers around the state, as weather permits, to continue to support vaccination operations.

JCAR APPROVES NEW TEACHER EDUCATION RULES

The Joint Committee on Administrative Rules has approved controversial new regulations proposed by the Illinois State Board of Education. Democrats all supported the new teaching standards in college teacher

education preparation programs, meant to train new teachers in being more accommodating to diverse students. Republicans felt the new standards went too far in pushing a particular political ideology.

NEW DCEO DIRECTOR

Gov. Pritzker has named **Sylvia Garcia** as director of the Illinois Department of Commerce and Economic Opportunity, following Erin Guthrie's resignation to join Dell Technologies. Garcia previously served as COO of the Chicago Transit Authority and principal consultant at WSP USA.

RENEWABLE NATURAL GAS FACILITY

Will County has approved construction of a \$45 million renewable natural gas plant at its Prairie View landfill. The new facility will inject biogas into the RNG pipeline grid for use as a transportation fuel. The county will also sell renewable compressed natural gas, which can replace diesel fuel in vehicles. In 2010, the county began an agreement with Waste Management to convert a portion of the methane gas created from decomposition in the landfill to power a 4.8 MW gas-to-electricity plant. The electricity is then sold on the local market to residents and businesses. The new agreement will allow for the sale of all the methane gas. After an initial investment of an estimated \$45 million to build the RNG plant and pipeline, the county could receive \$12-20 million annually, based on market prices, in non-taxpayer revenue for more than 25 years.

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

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