



ICCTA Government Relations and Public Policy Report April 24, 2023

The Illinois General Assembly spent three days in Springfield last week. Both chambers considered legislation from the house of origin at the committee level, with some bills receiving additional consideration with extended deadlines.

The House and Senate both return to Springfield on Tuesday, April 25, and are scheduled to work through Friday, April 28 – the deadline to pass substantive bills out of committee in the opposite chamber. Appropriations committees and the Medicaid Work Group will continue to work to finalize the Fiscal Year 2024 budget. Four weeks remain in the spring 2023 session. In addition to the budget, legislators are rumored to be putting together omnibus bills for elections, procurement, cannabis, gaming, revenue, and possibly a few others. Adjournment is scheduled for May 19.

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

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

KEY SESSION DATES FOR THE 103RD ILLINOIS GENERAL ASSEMBLY

- April 28: Deadline – House bills out of Senate committee / Senate bills out of House committee
- May 2: Illinois Community College Caucus inaugural reception
- May 3: ICCTA Lobby Day
- May 11: Deadline – Third Reading House bills in the Senate
- May 12: Deadline – Third Reading Senate bills in the House
- May 19: Adjournment

NEURODIVERSITY RESOLUTION INTRODUCED

At the initiative of ICCTA president Dr. Maureen Dunne, a [resolution promoting neurodiversity in higher education](#) has been introduced by Rep. Terra Costa Howard (D-Lombard). House Resolution 219 has already garnered two chief co-sponsors: Rep. Katie Stuart, chair of the House Higher Education Committee, and Rep. Norrine Hammond, the Republican spokesperson for the House Rules Committee. Trustees and presidents are encouraged to ask their state representatives to sign onto HR 219 as co-sponsors.

STATE BUDGET PRESSURES EMERGE

As state lawmakers begin crafting a state budget in earnest, they are now faced with recent news that could put previously planned spending or additional programs at risk for FY24.

The largest unexpected shortfall comes from the Illinois Department of Healthcare and Family Services, which now estimates spending nearly \$1 billion in the upcoming budget year on **state-funded healthcare for noncitizens**. In 2020, Illinois made noncitizens aged 65 and older eligible for Medicaid-type coverage, becoming the first state to do so. This is a cost born entirely by the state because the individuals are not eligible for the federal Medicaid program. At the time, the FY21 cost estimate was \$2 million. The actual expenses, however, have far exceeded that estimate, costing nearly \$188 million between March 2022 and February 2023. Since the program's initial passage, lawmakers have expanded it twice, lowering the age limit to 55 in 2021 and 42 a year later. The expanded program is known as Health Benefits for Immigrant Adults.

For the current fiscal year that concludes June 30, the actuarial firm Milliman estimated that the total program costs would be about \$222 million, but the actual cost for all three age groups was \$410 million from March 2022 through February 2023. All told, the estimated \$990 million price tag for the upcoming year represents a \$768 million increase over the faulty initial estimate. Gov. JB Pritzker's administration has downplayed the \$768 million increase from last year's estimates, but Republicans are calling for the program to be put on hold. Another bill that remains in committee would add 19- to 41-year-olds to those covered under the program. Milliman's estimate projected that expansion would cost \$280 million, but whether it ends up in the final budget remains to be negotiated.

In addition, the Illinois Health and Hospital Association is calling for a **20% increase in hospital Medicaid reimbursement rates**. [Senate Bill 1763](#) would allow every hospital in the state to collect more money for patients on Medicaid. If passed, it would provide the first Medicaid base rate increase for Illinois hospitals in 28 years. The Illinois Primary Health Care Association supports a similar bill, [House Bill 2298](#), that would raise **Medicaid reimbursement rates for services at Federally Qualified Health Centers**. Services would include medical, dental, and behavioral health care. It is estimated to cost about \$50 million each for Illinois and the federal government, but the IPHCA says the rate increase would help its members care for an additional 180,000 patients each year, hire 250 more health care providers, and expand services.

Other spending asks come from providers at community facilities serving **developmentally disabled individuals**; a push to create a **state-based health exchange**; municipalities seeking roughly \$450 million to restore their share of the **Local Government Distributive Fund**; requested changes to **court and local government salaries** (circuit clerks, county clerks and recorders, county treasurers, county assessors, and county auditors); a proposed **permanent \$700 per child tax credit**, which would cost between \$700 and \$800 million per year.

The long list of funding requests comes amid a backdrop of surging state revenues. In early March, the nonpartisan legislative Commission on Government Forecasting and Accountability increased its revenue projection for the upcoming fiscal year to about \$465 million beyond what the Governor projected. But March also saw the first year-over-year revenue decline of any month in the current fiscal year, and a more recent report from COGFA projects slow revenue growth over the next three years among increased spending pressures. April is the most important month for revenue projections, as Illinoisans file their taxes and the scope of available funding becomes more clear. COGFA's April revenue update is due in early May.

TWO LEGISLATORS WILL RESIGN FROM THE GENERAL ASSEMBLY

Sen. Pacione-Zayas Named Deputy Chief of Staff to Chicago Mayor-Elect

Mayor-elect Brandon Johnson has named Rich Guidice as his chief of staff and state Sen. Cristina Pacione-Zayas as deputy chief of staff. Pacione-Zayas, whose 20th state Senate District includes parts of the Bucktown,

Logan Square and Avondale neighborhoods, will resign within the next few weeks, and an appointment to fill the seat will be made by local Democratic Party officials. Rich Guidice currently is executive director of Chicago's Office of Emergency Management and Communications, the organization that oversees the city's biggest events, including Lollapalooza. Guidice has worked directly under three Chicago mayors.

Rep. Robinson Elected Chicago Alderperson

State Rep. Lamont Robinson was elected 4th Ward alderperson after defeating Prentice Butler in the April 4 consolidated election to replace Ald. Sophia King. Robinson is expected to resign his House seat prior to adjournment.

SENATE GOP ADVOCATES FOR BUSINESS-FRIENDLY INITIATIVES

Minority Senate Leader John Curran and fellow Senate Republicans are arguing that the state's fiscal standing should be used to help businesses through legislation being pushed by its caucus and lowering taxes. Ideas include removing the \$100,000 cap on the Net Operating Loss deductions, repeal the franchise tax, reduce the filing fee for limited liability corporations, eliminate the estate tax going forward, and create a tax credit to fund research and development. Senate President Don Harmon released a statement complimenting Leader Curran "on the amicable nature of our ongoing discussions. We've had encouraging talks with our Republican colleagues on how to work together toward shared goals that further the state's economic success and stability. I look forward to reviewing their proposals and seeing where we can find common ground."

PRITZKER PITCHES ILLINOIS BONDS TO WALL STREET

The state of Illinois plans to sell \$2.5 billion in general obligation bonds to cover a variety of spending programs. Gov. Pritzker and several top staff briefed Wall Street investors last week and took wide-ranging questions on state finances. The Governor was asked about the state's pension systems and responded that pension buyouts, consolidations, and increases in pension payments are slowly turning the tide on the traditional sore spot in state government. He also pointed to the increased balance in the state's Rainy Day Fund, especially with progressives pushing for increased spending on social services. Gov. Pritzker demurred criticism of Chicago's crime and fiscal problems and pointed to his single meeting with Mayor-elect Brandon Johnson in the days following the runoff in early April. But he again threw water on one of Johnson's key proposals -- a tax on each financial transaction and market trade. "It's not popular in the legislature. It's not something that would be good or smart for the state, in my view. I know there are differing opinions about this," Gov. Pritzker said. "We're a state that isn't going to change our position on it."

CHICAGO MAYOR-ELECT JOHNSON ADDRESSES JOINT SESSION

In an April 19 speech to a rare joint session of the Illinois House and Senate, Chicago mayor-elect Brandon Johnson urged state lawmakers to revise the state's formula for allocating funding for public school districts, direct more funds to youth employment, and fully fund the Local Government Distributive Fund (the portion of state income tax that goes to municipalities) and other ambitious initiatives that he said would uplift Chicago — and with it, Illinois — during his first visit to Springfield since winning election. Some of the components of Johnson's plan would need approval from state lawmakers. While in Springfield, Johnson attempted to establish a rapport with legislators and lay out his agenda both in private meetings and his floor speech. Johnson will be sworn in on May 15.

ILLINOIS AFTER-SCHOOL PROGRAMS AT RISK BECAUSE OF STATE ERROR

About 27,000 elementary and high school students could lose access to after-school and summer programs in the upcoming fiscal year due to an internal error causing an estimated \$15 million funding gap. The programs, known as 21st Century Community Learning Centers, are federally funded through a program administered by the Illinois State Board of Education that targets students in low-performing and high-poverty schools. An ISBE spokesperson said that the funding gap is the result of a miscalculation made when the agency tried to estimate how much federal money would be available next year. ISBE is asking the federal government for permission to use pandemic relief funds to cover the amount that was over-allocated for next year.

STRIKES SUSPENDED AT THREE UNIVERSITIES

Governors State, Chicago State and Eastern Illinois University faculty have all ended their strikes. Faculty at Governors State University ended a strike on April 17 after being on the picket line for five days. Union members at Chicago State University ended their 10-day strike on April 16; and those at Eastern Illinois University ended their six-day strike on April 20, with a ratification vote set for April 25.

Bargaining is also ongoing between administrators and faculty at Northeastern Illinois University. The faculty union there voted to authorize a strike last week and has also requested mediation. Faculty at University of Illinois at Chicago went on strike for six days in January before the two sides reached an agreement. The union ratified the contract in early February.

SCHOOL-BASED HEALTH SERVICES EXPANSION

The Biden administration has approved a Pritzker administration proposal to expand the Illinois School-Based Health Services program, which will bring in additional federal matching funds to provide covered services for Medicaid-enrolled students across the state, including critical youth mental health services. The approval means that the state will receive federal dollars for students who receive things like behavioral health services, preventive care, physical and occupational therapy, and other services covered by Medicaid. Previously, this reimbursement was limited to students who had an Individualized Education Program. The expansion is expected to bring tens of millions of additional federal Medicaid dollars to schools.

MUNICIPAL LEAGUE MEMBERS SIGN CIVILITY PLEDGE AT SPRING MEETING

The Illinois Municipal League announced a pledge of civility at its recent spring 2023 Board of Directors Meeting, promising to encourage productive dialogue and build trust with the public. "Even in these times of political disagreement, we believe in finding common ground and engaging in civil discussions about community issues that are important to everyone," IML President and River Forest Village President Catherine M. Adduci said in a statement. "The Civility Pledge is a reminder for all municipal officials and constituents to work together in the pursuit of understanding the points of view of others."

\$16 MILLION IN CLIMATE WORKFORCE PRE-APPRENTICESHIP GRANTS ANNOUNCED

The Illinois Department of Commerce and Economic Opportunity is offering \$16 million across two programs aimed at providing training opportunities for individuals interested in working in clean energy and the trades. DCEO is launching the initiatives with \$10 million for the Climate Works Pre-Apprenticeship Program and \$6 million for the Energy Transition Barrier Reduction Program as part of the Climate and Equitable Jobs

Act. The pre-apprenticeship program will support 500 to 700 pre-apprentices over the first year to provide students with the necessary certifications and skills to work for clean energy employers in the construction and building trades.

AG RAOUL SUPPORTS FEDERAL RECALL OF EASILY STOLEN VEHICLES

Illinois Attorney General Kwame Raoul and 17 other attorneys general are calling on the National Highway Traffic Safety Administration to issue a federal recall of certain Hyundai and Kia vehicles that are particularly vulnerable to theft. In a letter to the NHTSA, the attorneys general argue the vehicles manufactured between 2011 and 2022 lack engine immobilizers, which prevent them from being operated without a key. The coalition wrote that Kia and Hyundai have not done enough to address the issue, promising only some vehicles will receive a software update and offering others a free steering wheel lock. In 2022 alone, there were over 7,000 Hyundai and Kia thefts in Chicago, which account for 10% of all registered Kia vehicles and 7% of all registered Hyundai vehicles in the city.

STATE PUBLIC EMPLOYEE LEVELS DROP

Public health workers spent the last three years on the frontlines of the battle against COVID-19, yet the Illinois Department of Public Health saw the total number of paid employees drop by 6.25% last year. Another drop in staffing took place in the Department of Corrections. The prison population decreased 34% since 2005, and employees in those facilities followed suit. Despite the 4% decrease in total employees in 2022, total payroll for the department rose more than \$33.3 million. The rise is driven by contractually obligated raises and overtime.

COVID-19 PPP FRAUD PROBE IN COOK COUNTY

Forty-eight employees of Cook County Clerk of Court Iris Martinez “no longer work” for the office after they were found to have defrauded the federal Paycheck Protection Program, which was enacted to provide forgivable loans to help struggling businesses stay in business in 2020 and 2021 during the first two years of the coronavirus pandemic. An internal investigation at the park district echoes similar accusations against workers at other branches of Cook County government and courts.

LEGIONNAIRE’S DISEASE REPORTED IN THE VETERANS’ HOME AT QUINCY

The Illinois Department of Public Health and the Illinois Department of Veterans’ Affairs have confirmed one case of Legionnaire’s Disease at the Illinois Veterans’ Home at Quincy. Directives governing the home’s clinical and environmental protocols were immediately deployed, including enhanced resident monitoring and testing of all water sources. Currently, this is an isolated case, and out of an abundance of caution, the residents in the building will be monitored closely for at least the next two weeks. The confirmed resident experienced very mild symptoms and is recovering well.

CLEAN HYDROGEN HUB APPLICATION SUBMITTED

The Midwest Alliance for Clean Hydrogen, a coalition based in Illinois, Indiana and Michigan, has applied to the U.S. Department of Energy to obtain up to \$1.25 billion in federal funding for a regional clean hydrogen hub intended to reduce planet-warming carbon dioxide emissions. MachH2 is one of 33 groups encouraged to submit final applications in the competition for six to 10 hydrogen hubs spread across the country.

DEFENSE RESTS IN COMED FOUR TRIAL

Former ComEd CEO Anne Pramaggiore and former ComEd lobbyist John Hooker both took the witness stand in their defense, and onetime City Club President Jay Doherty and retired lobbyist Michael McClain chose not to testify as the defendants accused of conspiring to bribe former Illinois House Speaker Michael Madigan all rested their case. Closing arguments begin on Monday, April 24. Over the last six weeks, the jury heard from about 50 witnesses, listened to dozens of secret FBI recordings, and read hundreds of emails and text messages.

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

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