

ICCTA Government Relations and Public Policy Report May 13, 2024

With the end of session quickly approaching, the Illinois General Assembly continues to push bills through committees and debate them on the floor. May 24 currently serves as the last scheduled day of session, but both chambers have "holds" in place until May 31. With budget discussions ramping up and much legislation remaining for consideration, it is likely that the General Assembly will miss the May 24 adjournment date. Remaining deadlines include:

- May 17: Deadline Third Reading for House bills in Senate & Senate bills in House
- May 24: Adjournment
- May 25-31: Contingent Session Days for the Budget

***Please review ICCTA's BILL LIST.

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

WALKER APPOINTED TO FILL SENATE'S 27TH DISTRICT VACANCY

Mark Walker, formerly the state representative for the 53rd District, was appointed as the new state senator for the 27th District, replacing **Ann Gillespie**, who resigned her seat following her appointment as the acting director of the Illinois Department of Insurance. The 27th Senate District contains most or parts of Arlington Heights, Buffalo Grove, Des Plaines, Mount Prospect, Palatine, Prospect Heights, Rolling Meadows, and Schaumburg.

FY25 BUDGET DEVELOPMENTS

Illinois' revenue performance through the end of April has resulted in an upward revision of the state's revenue forecast for Fiscal Year 2025 General Funds by approximately \$295 million. However, that revision is not enough to offset the need for additional revenue to support the FY25 proposed budget, which increases spending 1.5% over the current fiscal year. In February, Gov. JB Pritzker proposed several adjustments to the state's revenue base, totaling approximately \$1.1 billion. It has become clear that legislative opposition to proposed revenue is significant enough that the Governor's office sent a memo directing agencies to prepare for the possibility of reductions to proposed spending, under the scenario of \$800 million less in available revenue. The Governor's office requested that agencies "focus on grant programs and other discretional spending that has increased in recent years." That directive will likely impact legislators' pet projects.

ILLINOIS COMPLETES \$1.8 BILLION STATE BOND SALE

The state of Illinois recently sold two series of General Obligation Bonds totaling \$1.8 billion to provide funding for capital projects, including projects authorized under the Rebuild Illinois capital program and for accelerated pension payments pursuant to the state's ongoing pension buyout program.

Paul Chatalas, director of capital markets for Illinois, said that there was strong demand for the bonds and that the state's fiscal progress is paying off for its citizens. "After nine credit upgrades, the State of Illinois received tremendous feedback from the bond market today, and especially from retail investors, who came in at approximately \$1.5 billion in orders given the stronger ratings," he said.

BILL TO CREATE NEW EARLY CHILDHOOD AGENCY HEADS TO GOVERNOR

The legislature has passed Gov. Pritzker's initiative to consolidate early childhood services under a single agency, paving the way for the creation of a new state Department of Early Childhood. The new agency would be an umbrella for early intervention for children with disabilities and developmental delays from the Department of Human Services; preschool programs overseen by the State Board of Education; and day care licensing responsibilities handled by the beleaguered Department of Children and Family Services. Under the legislation, the agency would be created this July and oversee programs starting in July 2026, after a two-year transition period.

TEACHER SALARIES IN ILLINOIS AMONG BEST IN THE NATION

Illinois teachers are among the highest paid in the country, according to a new report from the National Education Association. According to the report, the national average teacher salary for 2022-2023 was \$69,544, which is a 4.1% increase from the 2021-2022 school year. An increase in teacher salaries was also seen in Illinois. The average teacher salary in Illinois was \$73,916 for 2022-2023, a 2.2% increase from 2021-2022 when salaries were \$72,315. Overall, Illinois ranked as the 12th best state across the country for teacher salaries. California ranked the highest with a salary of \$95,160, while West Virginia was the lowest at \$52,870.

MAYOR BRANDON JOHNSON VISITED SPRINGFIELD TO ADVOCATE FOR FUNDS FOR CHICAGO

Chicago Mayor Brandon Johnson met with Gov. Pritzker and state lawmakers last week to make his pitch for more state funding for city operations, including public schools. Johnson previously has said that his Springfield wish list included \$1 billion in state funding that's "owed" to the "families of Chicago." That money would include greater state aid under the evidence-based funding formula and additional teacher pension funds. Other requests include an increase to the effective rate for the local government distributive fund, some lead service line replacement debt forgiveness and more money for lead removal from licensed daycare centers, a change in state law to allow the city to collect more for its 911 services, and money to replace what ultimately turned out to be a federal budget cut for domestic violence hotline funding – totaling up to \$115 million.

BIPA LEGISLATION ADVANCES

Last week, <u>Senate Bill 2979</u> passed out of the House Judiciary-Civil Committee by a vote of 10-5-0. The bill makes changes to the state's Biometric Information Privacy Act and allows employers to obtain consent from employees to use biometrics in their everyday activities through an electronic signature. The bill also clarifies that each individual BIPA violation should not be considered a separate violation. While numerous business

groups oppose SB 2979 for leaving out other requested BIPA reforms, the bill is likely to proceed through the House unchanged.

ILLINOIS RELEASES COVID-19 AFTER-ACTION REPORT & PLAYBOOK

On the eve of the anniversary marking the end of the Public Health Emergency declarations put in place at the onset of the COVID-19 pandemic, the state of Illinois <u>released a playbook</u> detailing measures that the state should take to prepare for future public health emergencies, as well as recommendations for future administrations that may have to navigate public health crises. The playbook lays out three phases of any response: establishing the response, activating the response, and delivering the response. Under those headings, 14 steps the state should take are identified as it mobilizes state agencies, other branches of government, health system partners, and outside experts and stakeholders to deliver a coordinated disaster response.

STUDY SHOWS BENEFITS OF PROJECT LABOR AGREEMENTS

A new study published by the Illinois Economic Policy Institute and the University of Illinois at Urbana-Champaign's Project for Middle Class Renewal shows that there can be many benefits in the use of project labor agreements in construction projects. Analyzing data from the Port of Seattle's construction projects from 2016-2023, the study found that PLAs promote competition in bidding, help to control costs, and increase opportunities for women and people of color.

PLAs are agreements that set employment terms for construction projects, in both the public and private sectors, and have been in use since the 1930s. The agreements will typically include provisions for strike prevention, scheduling, and work safety rules. President Joe Biden signed an executive order in 2022 that mandates the use of PLAs for any federal project that costs more than \$35 million.

FERRERO OPENS FIRST NORTH AMERICAN CHOCOLATE FACTORY IN ILLINOIS

Gov. Pritzker, officials from the Illinois Department of Commerce and Economic Opportunity, and Ferrero North America executives celebrated the opening of Ferrero's first chocolate manufacturing plant in North America last week. The plant, a \$75 million investment located in Bloomington, was announced in 2021 and completed this year. The facility is expected to grow Ferrero's economic contributions in Illinois, where the company already employs over 1,500 full-time staff and has generated nearly \$300 million in output.

SOS URGES ILLINOISANS TO PREPARE FOR REAL ID COMPLIANCE

With the federal REAL ID compliance deadline just one year away, Illinois Secretary of State Alexi Giannoulias is urging residents to acquire their REAL ID-compliant driver's licenses or state IDs as soon as possible. Giannoulias emphasized the urgency of updating IDs to avoid potential delays and complications at airports and federal facilities. The federal deadline, set for May 7, 2025, mandates that all domestic travelers aged 18 and older must possess a REAL ID-compliant document to board commercial flights or enter certain federal buildings. Although passports remain a viable alternative, the REAL ID offers a convenient option for those without one.

ILLINOIS SEES MARKED INCREASE IN INTERNATIONAL TOURISTS

The Department of Commerce and Economic Opportunity's Office of Tourism reported a 39% increase in international visitors in 2023. The office says that 2.16 million tourists contributed nearly \$2.7 billion to the state's economy, a 47% rise from the year prior. Overseas visitors (those not from Canada or Mexico) surged from 963,000 in 2022 to 1,347,000 in 2023, a 40% increase. DECO says it has partnered with offices in the United Kingdom, Germany, and Mexico to promote Illinois as a tourism destination.

MULTISTATE SETTLEMENT REACHED WITH AMNEAL PHARMACEUTICALS OVER OPIOID CRISIS

Illinois Attorney General Kwame Raoul has announced that Illinois is among the states involved in a bipartisan settlement with Amneal Pharmaceuticals. The settlement, which exceeds \$270 million, addresses the company's role in the nationwide opioid epidemic. Amneal was a major producer of generic opioids, distributing over 9 billion pills from 2006 to 2019. The agreement stipulates that Amneal will pay \$92.5 million in cash over the next 10 years. Additionally, the company will provide up to \$180 million worth of naloxone nasal spray, an essential medication used to treat opioid overdoses.

RAOUL SUES ENERGY VENDOR FOR MISLEADING MARKETING PRACTICES

AG Raoul has also initiated legal action against Southeast Energy Consultants, LLC, a vendor representing alternative retail electric suppliers, for deceptive marketing strategies. The lawsuit, filed in Cook County Circuit Court, accuses SEC of misleading Illinois consumers into switching from their current utility providers to alternative suppliers that ultimately cost them more. The complaint details how Florida-based SEC has been collaborating with various ARES for over a decade, using telemarketing to target Illinois residents.

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

Illinois Community College Trustees Association

401 E. Capitol Avenue, Suite 200 • Springfield, IL 62701 • 217-528-2858 • <u>www.communitycolleges.org</u>

