

ICCTA Government Relations and Public Policy June 12, 2023

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The Illinois General Assembly has concluded its 2023 spring session. The Senate adjourned on Friday, May 26, at 1:33 AM, and the House adjourned on Saturday, May 27, at 3:03 AM. Veto session will take place **October 24 - 26 and November 7-9**.

Illinois lawmakers passed 566 bills through both chambers this spring – all but one of them in May. Legislative leaders have 30 days from a bill's passage to send it to the Governor, who then has 60 days to sign or veto it. If the Governor takes no action in that time frame, the bill becomes law automatically. Gov. JB Pritzker signed 90 of those bills into law last Friday, June 9.

On Wednesday, June 7, Gov. Pritzker signed a \$50.6 billion state budget, but he issued an amendatory line item reduction veto to reduce pay raises for lawmakers and other state officials so that the increases comply with state law. Pritzker's amendment provides for 5% raises, the maximum allowed, instead of the 5.5% increase that was included in the budget. Lawmakers will now be making \$89,250 in the budget year that begins July 1, instead of \$89,675. The change reduces the overall budget by less than \$200,000.

HIGHER EDUCATION SEE HISTORIC INCREASES IN FY24 STATE BUDGET

The state's FY24 budget includes a historic appropriation of \$2.53 billion for higher education, an increase of \$279 million (12.4%) compared to the previous fiscal year and the largest increase in over 20 years. Notable highlights include:

- \$100 million increase for the Monetary Award Program
- \$80.5 million (7%) increase for public universities
- \$19.4 million (7%) increase for community colleges
- \$50 million for AIM HIGH program for public university students
- \$10 million for a new grant program to develop programs in Advanced Manufacturing and Electric Vehicle Technologies
- \$12.6 million for student mental health support
- \$1 million for data center curriculum development
- \$3 million for a new grant for institutions that serve large proportions of low-income students
- \$3.15 million for a new community college Dual Credit Grant program
- \$5.15 million for new community college Non-credit Workforce Training Grants
- \$3.8 million increase to Minority Teachers of Illinois Scholarship to support minority teachers-in-training
- \$2.75 million to expand English as a Second Language and for digital instruction in adult education
- \$2.0 million to provide grants and supports to End Student Housing Insecurity
- \$1.5 million for nursing school grants
- \$800,000 for nurse educator fellowships

SECRETARY OF STATE GIANNOULIAS CHARGES COINBASE IN GROUNDBREAKING SUIT

Illinois Secretary of State Alexi Giannoulias and other state regulators have taken legal action against crypto exchange platform Coinbase Global, Inc. and Coinbase, Inc. for violations of securities laws. This action alleges that Coinbase failed to register its staking offerings with the states' Securities Departments. Registration would have given Illinoisans considering investing their money with Coinbase the opportunity to evaluate the risks involved and compare Coinbase's staking offerings with other investments. The SOS Securities Department determined that Coinbase offered its staking offerings to Illinois residents without registering those securities. Of Coinbase's nearly 3.5 million accounts holding staking offerings, over 140,000 were issued to Illinois investors. Additionally, Coinbase is not a member of the FDIC or SIPC, which means investors are not protected from Coinbase's losses.

ATTORNEYS GENERAL ALLEGE BILLIONS OF ILLEGAL ROBOCALLS

Illinois Attorney General Kwame Raoul is one of 48 U.S. attorneys general signing onto a lawsuit against Voice over Internet Protocol provider Avid Telecom, alleging that they have facilitated more than 7.5 billion illegal automated phone calls (robocalls) to millions of individuals on the national Do Not Call registry. According to a press release from Raoul's office, between December 2018 and January 2023, more than 290 million of those calls were placed to Illinois residents. The lawsuit alleges that Avid Telecom sent or transmitted calls including Social Security Administration scams, Medicare scams, auto warranty scams, Amazon scams, DirecTV scams, credit card interest rate reduction scams, and employment scams.

SUPREME COURT TO HEAR PENSION CONSOLIDATION CASE

The Illinois Supreme Court will hear arguments in the case challenging the consolidation of the state's municipal police and firefighters' pension funds. In February, an appellate court affirmed a May 2022 decision by a Kane County Circuit Court judge holding the law that consolidated the pension funds constitutional. The Appellate Court of Illinois, Second District, said "while plaintiffs have a constitutional right to receive pension benefits ... they have no right to the investments held by the funds; rather, they are entitled only to present or future payments from the funds."

ATTORNEY GENERAL RELEASES REPORT ON SEX ABUSE BY CATHOLIC CLERGY

The Illinois AG office has released a nearly 700-page report detailing decades of child sex abuse by members of the Catholic clergy in Illinois. The report concludes a multi-year investigation into child sex abuse and reveals information of 451 Catholic clerics and religious brothers who abused at least 1,997 children in dioceses across the state. Before the AG's investigation, the Catholic dioceses of Illinois publicly listed only 103 substantiated child sex abusers. The report includes 50 pages of recommended policies that the dioceses could enact to further improve the handling of future allegations of child sex abuse.

SECRETARY APPOINTED TO ILLINOIS DOIT

Gov. Pritzker has named Sanjay Gupta, a national IT leader with private and public sector experience, to serve as the new Secretary of the Illinois Department of Innovation and Technology, pending Senate confirmation. Gupta has served in major roles across the public and private sectors, including running the federal government's pandemic aid portals for small businesses and serving as a board member of the federal Technology Modernization Fund.

COMED SEEKS \$1.5B RATE INCREASE

ComEd is seeking a \$15 billion rate increase, which could lead to Chicago-area households paying an average of \$6.72 more per month next year on their electric bills — and that would only be the first of three straight annual hikes. The utility's four-year, phased-in hike would include similar increases in power delivery rates in 2025 and 2026, followed by a slight reduction in 2027, according to ComEd's filing with the Illinois Commerce Commission. By then, the average monthly residential bill would be about \$17 higher than today's average cost of \$93 — an 18% jump. ComEd says that that is the price of bolstering the region's electric grid in a statewide effort to phase out carbon emissions and protect the system from severe weather damage due to climate change. The ICC has until December to decide whether the rate hikes are justified.

CHICAGO PUBLIC PENSION ISSUES

Chicago Mayor Brandon Johnson has tasked his finance team and local legislators with finding long-term funding solutions for the city's \$33.7 billion in public pension liabilities. While all four city employee pension funds saw some improvement in their funded ratios in 2021, they remain low with the firefighters' fund just 20.93% funded, the police fund at 23.54%, the municipal fund at 23.41% funded, and the laborers' fund at 45.92%.

MEDICAID PURGE BEGINS

Nationwide more than 600,000 Americans have lost Medicaid coverage since April 1. A vast majority were removed from state rolls for not completing paperwork. States are now combing through rolls and deciding who stays and who goes.

U OF C QUANTUM COMPUTING GRANT

The University of Chicago, along with the University of Tokyo, will receive \$150 million from IBM and Google for quantum computing research in an effort to keep the U.S. and Japan in front of China. Former Chicago Mayor Rahm Emanuel, the current U.S. ambassador to Japan, said that the schools' partnership resulted from the University of Tokyo's president mentioning his university's quantum-computing program. Quantum computers are a high-interest research area because they could help solve problems such as modeling how a drug molecule interacts with the body's proteins or how batteries work at an atomic scale.

INSURERS PAYING \$1.1B IN PREMIUM REBATES

COVID-19 led to huge declines in care utilization, and insurers are still feeling the effects as they must dole out more than \$1 billion in premium rebates this fall. Under the medical loss ratio rule in the Affordable Care Act, insurers must spend between 80% and 85% of their premium revenue on providing healthcare, with rebates based on the previous three years of experience. This includes the pandemic, when many providers didn't offer routine care. Insurers will need to pay nearly \$1.1 billion in rebates, which is still less than the \$2 billion paid in 2021 or \$2.5 billion in 2020.

EV MARKET CONTINUES TO MOVE FORWARD

Electric cars and trucks account for 7% of the U.S. light-vehicle market in the first quarter of this year, up from 4.6% in the year-earlier period. The growth is coming as traditional automakers turn on the faucet for new EV

models. Legacy brands and recent industry startups took nearly 40% of new U.S. EV registrations in the first quarter. Brands gaining EV market share include Chevrolet, Ford, Volkswagen, Rivian, Mercedes-Benz and BMW, while brands losing dominance include Tesla, Hyundai, Kia, Audi, Nissan and Polestar. Overall, Tesla still had the bulk of the EV market with 6 of 10 registrations, but that was a drop from its 72% market share a year earlier. J.D. Power said in a report earlier this month that despite growing market share for EVs, many consumers are still wary of the new technology. Barriers include a lack of reliable public charging infrastructure, relatively high purchase prices and confusing new rules for federal EV incentives.

REV ILLINOIS INCENTIVES BRINGS NEW FACILITY TO SOUTHERN ILLINOIS

PVC compound manufacturer Manner Polymers will be bringing a new facility to Southern Illinois that will create more than 60 jobs. The facility, made possible through a Reimagining Energy and Vehicles in Illinois tax credit, will invest \$54 million to build a state-of-the-art facility in Mt. Vernon that will build a wide variety of PVC compounds, including those used in electric vehicles and solar panels. The facility is planning to be operating in the fall of 2025. Illinois was selected as the site for the facility after Manner Polymers considered locations in Arkansas, Missouri, Indiana, Kentucky, and Tennessee, in part thanks to the incentives offered through the REV Illinois program. Manner Polymers is the second recipient of a REV Illinois incentive, following a September 2022 deal with T/CCI Manufacturing, which plans to make upgrades to its Decatur facility to produce compressors for electric vehicles.

GOVERNOR'S HOMETOWN AWARD APPLICATIONS NOW OPEN

Applications are now open for the Governor's Hometown Awards program. The award recognizes projects that have improved a local community's quality of life. Nominated projects must be sponsored by a unit of local government and include strong volunteer support. Applications are open now through June 16, 2023 for townships, villages, cities, and counties that hosted volunteer projects between Jan. 1 and Dec. 31, 2022.

DOA ANNOUNCES FREE RECYCLING PROGRAM

The Illinois Department of Agriculture encourages farmers and agrichemical facilities to take part in a free agrichemical container recycling program beginning in July.

AG DIRECTOR COSTELLO DELIVERS COMMENCEMENT ADDRESS

Illinois Department of Agriculture director Jerry Costello, Jr., recently congratulated the 195 graduates of the Chicago High School for Agricultural Sciences on becoming the next generation of agriculture leaders, encouraging them to continue their pursuit of a career in the state's number one industry. These graduates are part of a record-breaking year for FFA membership in the state of Illinois. Since Gov. Pritzker announced last June that every student taking agriculture classes would have their FFA dues paid, the number of Illinois FFA members jumped from 23,000 to over 41,000 members, making the 2022-2023 school year the largest single-year increase in membership. Additionally, 5,500 students not enrolled in agricultural education courses joined FFA, demonstrating an appreciation of the value of the organization beyond those even taking ag courses. Currently, over 350 schools across Illinois have a FFA chapter.

SUICIDE PREVENTION ONLINE TRAINING RESOURCES PROVIDED FOR VETERANS

The Illinois Governor's Challenge Campaign has announced the launch of online training resources for organizations interested in supporting veterans, service members, and their families with their mental health needs. The online training program covers topics including the signs and symptoms of mental health conditions like post-traumatic stress disorder, depress, anxiety. Participants learn to recognize these symptoms in service members and veterans and provide the appropriate strategies and supports, touching on topics including suicide prevention, crisis intervention, and safe gun storage.

SUPREME COURT CREATES PARENTING COORDINATION PROGRAM

The Illinois Supreme Court has adopted a new rule to establish a statewide framework for using "parenting coordinators" to resolve issues in family law cases. The rule allows local circuits to adopt rules to establish a parenting coordination program. "Parenting coordination" is defined under the Rule as a child-focused alternative dispute resolution process conducted by a licensed mental health or family law professional appointed by the court to assist coparents who are unable or unwilling to cooperate in making parenting decisions or complying with parenting agreements and orders. The parenting coordinator assists parents in working out minor disputes. A parenting coordinator may be authorized by the court to make specific recommendations regarding an existing parenting plan including the time, place, and manner for the pick-up or drop-off of children, the extent and nature of the children's participation in extracurricular activities, including payment of expenses, or any other specific issues assigned to the parenting coordinator by the court or agreed by the parties.

ISP OPENS DECATUR FORENSIC LAB

The Illinois State Police's Decatur Forensic Science Laboratory is officially open. The new lab will focus on highthroughput DNA testing, which comprises about 20% of all ISP forensic cases in the laboratory system, and utilize robotics, which will increase ISP's testing capacity. The ISP forensic science laboratory system has been recognized as one of the largest crime laboratory systems in the world, providing forensic science analytical services to more than 1,200 state, county, and local criminal justice agencies. The average turn-around-time for a DNA case is 3.6 months, but ISP has worked to reduce the turnaround time. In March 2023, 37% of the analyses were completed in 60 days or less. In June 2022, ISP announced that after decades of extensive sexual assault forensic backlogs, the number of pending sexual assault forensic assignments older than 180 days reached zero.

NEW DCEO GRANT PROGRAM ANNOUNCED

DCEO has launched a \$15 million Federal Grant Support Program to assist Illinois-based businesses and organizations seeking federal grants that align with the State's economic development objectives.

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>

