

## ICCTA's 2021 Illinois General Assembly End-of-Session Review

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**\*\*\*Please see [ICCTA's BILL LIST](#) for the status of community-college-related legislation\*\*\***

The 102<sup>nd</sup> Illinois General Assembly made history before it even began by: 1) electing a new Speaker of the House for the first time in 38 years; and 2) electing its first Black Speaker, Emanuel “Chris” Welch. Senate President Don Harmon had just taken over leadership of the Senate Democrats within the past year, and the Senate Republicans chose a new leader with Dan McConchie. House Republican Leader Jim Durkin became the “senior” of the four caucus leaders.

The 2021 spring session looked different in other ways, too, with the COVID pandemic still strong in Illinois in January. Throughout session, committee hearings were all held virtually, and lobbyists had very limited access to lawmakers at the State Capitol. Despite the challenges of tele-legislating, however, the General Assembly still considered over 7,500 bills and resolutions this spring. By adjournment, lawmakers passed 650 bills to the Governor for his consideration – two years’ worth of pent-up legislating.

From the onset, the **state budget** and **redistricting map** were the two major issues facing legislators in 2021. Democrats ultimately passed a \$42 billion budget and capital spending plan in [Senate Bill 2800](#). The [House](#) and [Senate](#) district maps and a new [Supreme Court](#) district map were passed and will be signed by Gov. JB Pritzker. Court cases challenging the constitutionality of the maps are expected, with the Illinois Supreme Court eventually deciding final approval of the maps. Petitions for running for office in specific districts will open January 13, 2022 with the spring 2022 primary election moved to June 28, 2022 ([SB 825](#)). Petitions for races will be filed beginning March 7, and early voting will open May 19. The Congressional district map will not be drawn until U.S. Census data is complete later this summer.

The legislature ended the 2021 session after passing several major initiatives: ethics reform, an election omnibus bill, telehealth, reform to recreational cannabis licensing, a Medicaid omnibus bill, affordable housing reform, two new state holidays (Election Day & Juneteenth), and several other bills detailed below. The General Assembly has 30 days to send legislation to the Governor, and the Governor has 60 days to act on the legislation or it becomes law.

We expect the General Assembly **to reconvene again as early as next week** to take up the energy bill. There was no veto session calendar released. Other outstanding issues include [SB 521](#) (gaming), [House Bill 562](#) (FOID), and [HB 2908](#) (elected Chicago School Board).

### **STATE BUDGET**

With higher-than-expected post-COVID incoming revenues, federal COVID relief, and stimulus checks sent directly to residents, Illinois’ finances look much better than expected going into Fiscal Year 2022. The **\$42 billion budget** pays off the remaining \$2 billion loan from the Federal Reserve and spends another \$1 billion in capital projects, jumpstarting projects from the 2019 Rebuild Illinois capital plan. Democrat lawmakers presented what they consider a balanced budget that does not include tax

increases, pays down the unpaid bill backlog and interfund borrowing, does not cut the Local Government Distributive fund (which helps direct money to cities and towns), funds the additional \$350 million in the school funding formula, and fully funds the FY22 pension contribution of \$9.4 billion. The Governor's staff and legislative budgeteers hope the new budget will result in a credit upgrade for the state.

The “**corporate loopholes**” closed in [SB 2017](#) (the budget implementation bill, or BIMP) includes capping the corporate net operating loss deduction at \$100,000 per year, rolling back a federal depreciation offset, treating foreign-source dividends like domestic-source dividends, and freezing the phaseout of the corporate franchise tax. All in, these changes are valued at \$650 million in savings. Ultimately, the General Assembly determined that the state will NOT reduce the tax credit for private school scholarships, stop the acceleration of eliminating the biodiesel exemption, cap retailers' subsidies for collecting sales taxes, or pause the Blue Collar Jobs program.

Total categories for this budget are:

- K-12 education - \$9.2 billion
- Higher education - \$1.9 billion
- Public safety- \$1.9 billion
- Human services - \$7.4 billion
- Government general services - \$1.4 billion
- Medicaid - \$7.5 billion
- Debt services - \$1.781 billion

Roughly \$1.5 billion of the \$8.1 billion from the **American Rescue Plan Act** funds from the federal government are allocated this year for programs including violence prevention, youth employment programming, mental health and substance abuse programs, economic recovery and small and impacted business support, public health response support, building stronger community programs like affordable housing, and education programs. Another \$1 billion of ARPA funds are allocated for **infrastructure spending**. The remaining \$5.6 billion in relief funds will be allocated over the next three years.

The Illinois Department of Healthcare and Family Services will receive \$180 million of the ARPA allocation to **support Illinois hospitals**, \$30 million of which is dedicated to safety-net hospitals. Over \$37 million is allocated to 14 specific hospitals in the Medicaid managed care program and another \$31.5 million to 12 other hospitals.

For **higher education**, the budget provides funding for public universities, community colleges, and adult education at the same level as was appropriated in FY2021. Funding for MAP grants increases \$28 million to keep up with demand. The budget also includes significant investments in federal relief funds:

- \$27 million for community colleges from the Governor's Emergency Education Relief Fund (GEER) to overcome barriers created by the pandemic and support student learning renewal
- \$25 million to support rapid expansion of the early childhood workforce and implementation of an Early Childhood Education Consortium ([HB 2878](#))
- \$10 million State Coronavirus Urgent Remediation Emergency Fund for college bridge programs

New **Medicaid funding** is included for veteran support specialists, an ALL Kids expansion (and transfer into the regular Medicaid program), chiropractic services, family and clinical counseling, non-citizen kidney transplant services, certified community behavioral health clinics, hospital inpatient overdose and observation status, pediatric vaccination rate increase, dental rate increase, one-time supportive living per diem rate increase, tobacco cessation services, technology/wheelchair repair increase, a new senior PACE Program, undocumented elderly patients from 55-64, and long-lasting injectable medication coverage for mental health and substance abuse.

### **REDISTRICTING**

By holding supermajorities in both the House and Senate, holding the Governor's office, and also having a majority of justices on the state Supreme Court, Democrats passed new legislative maps that they hope will help them maintain control for the next decade. Due to the pandemic and the delay in U.S. Census data, Democrats based district boundaries and population counts on American Community Survey data, which Republicans argued was not official data. The GOP also lamented the lack of transparency with Democrats preparing maps behind closed doors. They especially targeted Gov. Pritzker for his flip from campaigning for a nonpartisan, independent commission and pledging to veto any map that was not drawn fairly to announcing his agreement that the Democrats could draw a map without any nonpartisan guidance.

The maps passed by the Democrats place several incumbent Republicans in districts with their colleagues, meaning they will have to run against each other in the primary elections or move to a new district. Gov. Pritzker signed the three bills into law on June 4: [SB 642](#) (Supreme Court), [HB 2777](#) (General Assembly), and [SB 2661](#) (Cook County Board of Review). The General Assembly will need to return to session later this year after the U.S. Census data is released to pass a **Congressional district map** and possibly amend the General Assembly and Supreme Court maps based on the official data.

### **ENERGY**

One of the most anticipated bills of the session (with negotiations ongoing for more than a year) was an energy omnibus bill. At least five different versions were initiated: Gov. Pritzker's Consumers and Climate First Act, the Climate Union Jobs Act, the Clean Energy Jobs Act, the Downstate Clean Energy Affordability Act, and the Path to 100 Act.

Competing interests included environmental groups pushing for less carbon emissions and a date certain for reaching 100% carbon-free electricity; labor and minority caucuses pushing for union jobs and racial equity, respectively; and Exelon's request for state subsidies to support its nuclear fleet. Exelon had previously announced that two nuclear plants (Byron and Dresden) would close this fall without state support and then later indicated that another two plants could be shut down, as well. Both plants account for 30% of the state's carbon-free energy supply and employ 1,500 workers. Exelon reported that replacing nuclear energy with renewables and storage to achieve the same amount of zero emissions energy would cost consumers \$80 billion.

According to reports, an agreement was reached to provide Exelon with \$700 million in ratepayer subsidies over five years. However, no bill language was ever introduced or circulated, and while there

have been several sources claiming a “deal” has been made on an overall package, the terms of the deal are still murky -- leaving many stakeholders still in the dark. Ultimately, the General Assembly ended its spring session on June 1 without passing an omnibus energy bill, but leadership indicated lawmakers will return to Springfield “hopefully sooner rather than later” as work continues on the energy issue.

## **HEALTHCARE**

The 2021 spring session was a very active one for healthcare issues, topped with attempts to make payment parity for telehealth services permanent, health insurance plan rate review, Medicaid public option plans, an immense pharmacy benefit manager regulation bill, and prior authorization restrictions.

Under the Governor’s COVID-related executive orders since March 2020, insurance companies have been required to cover all services offered by **telehealth** at the same payment level as in-person services and without cost-sharing. After lengthy negotiations, [HB 3308](#) passed both chambers with bipartisan support. A payment parity provision provides that the service can be billed as an in-person service in order to be subject to parity. The bill also allows for negotiation of alternative reimbursement rates. The Illinois Departments of Insurance and Public Health will commission a study on telehealth utilization; impact on access, outcomes and health equity; and costs to be presented in 2026 prior to the sunset in 2027. Coverage for telehealth services is mandatory for clinically appropriate and medically necessary telehealth services.

The Illinois State Medical Society introduced its omnibus **prior authorization** legislation again, capturing a long list of bill sponsors early coupled with an active social media campaign. House Majority Leader Greg Harris led the negotiations, ultimately resulting in mandating a 5-day turnaround for prior authorization decisions on non-urgent services and standards for when prior authorizations are not required. [HB 711](#) passed both houses.

Illinois became the first state to extend full **Medicaid postpartum coverage** for eligible women from 60 days after giving birth to 12 months. The federal CMS approved Illinois’ 1115 waiver allowing for the extension, which is aimed at improving health outcomes for new mothers and reducing the rate of maternal morbidity and mortality. Women with incomes up to 208% of the federal poverty level – approximately 2,500 women – will have continuous Medicaid eligibility through 12 months postpartum. [SB 967](#) (Castro/Greenwood) would also mandate insurance coverage of medically necessary treatment for **postpartum complications** up to one year after birth and mandates medically necessary treatment of mental conditions for pregnant or postpartum individuals up to one year.

The **Medicaid Working Group negotiated an omnibus bill** to contain several Medicaid-related bills into one. [SB 2294](#) (Gillespie-D) brings CHIP into Medicaid, adds chiropractic services to Medicaid coverage, adds smoking cessation medication to Medicaid coverage, adds PACE for long-term care, increases SLF rate by 10% for one year, increases dental rate by \$10 million, and extends Medicaid eligibility for those eligible during COVID.

## **OTHER BILLS OF INTEREST AWAITING THE GOVERNOR'S SIGNATURE**

[Senate Joint Resolution Constitutional Amendment 11](#) (Villivalam/Evans) proposes amending the State Constitution prohibiting any **right to work** law. The referendum will appear on the November 8, 2022 ballot, asking voters to amend the Illinois Constitution to prohibit any right to work laws in Illinois.

[SB 539](#) (Gillespie/Burke) is an omnibus **ethics reform** bill that prohibits any legislator, constitutional officer, or elected county or municipal official from lobbying; prohibits fundraising events anywhere on a session day or day prior to session convening (not just in Sangamon County); and adds municipal lobbyists to the Lobbyist Registration Act. More information is available [HERE](#). The bill was not as strict as some Republicans (and maybe Democrats) wanted, but it passed with strong bipartisan support.

[SB 825](#) (Harmon/West) is a comprehensive **elections bill** that includes a new primary date for 2022 – June 28 – and voting rules that make it easier for people to permanently receive a mail-in ballot. The bill also would make curbside voting permanent and set up voting centers on Election Day where anyone within the election's jurisdiction could vote, regardless of the precinct of their residence. The measure also would make the general election date of Nov. 8, 2022, a state and school holiday, as it was last year, making it easier to use school buildings as polling places without having to deal with student security.

[HB 1443](#) (Ford/Lightford) would help re-start the Illinois **cannabis licensure system**, awarding 110 new cannabis distributor licenses through two successive lotteries that prioritize Black, Hispanic, and other minority communities in Illinois. Those would be in addition to the 75 licenses that have been held up due to legal suits filed regarding the award process for business licenses.

[SB 1965](#) (Lightford/Ford) would recognize **Juneteenth** as a state holiday and as a time to celebrate emancipation. June 19<sup>th</sup> will be a school holiday and a paid day off for all state employees.

[SB 2017](#) (Harmon/Harris) – the bill that implements the budget – enables Illinois to begin **vaccine lotteries** to encourage more residents to get vaccinated against COVID-19. Up to \$7 million in prizes will be awarded to adults through the program, which is being developed by the Illinois Lottery and the state Department of Public Health. The state might also offer up to \$3 million in “scholarships or educational awards” for people younger than 18.

[HB 3443](#) (Slaughter/Sims), containing “trailer bill” language for the Legislative Black Caucus's **criminal justice** legislation, cleared both chambers. The new policing law was a major plank of the Illinois Legislative Black Caucus social justice platform. It included a ban on police chokeholds, a requirement that police wear body cameras by 2025 and expanded training on use of force and crisis intervention. It also allows for anonymous police misconduct complaints. The proposed changes would allow an officer to view his own body camera video before writing a police report, require that a felony violation of body camera requirements be proven to be intentional and an attempt to obstruct justice, revise the definition of chokeholds, and remove a ban on targeting someone's back with a Taser.

[HB 219](#) (Gillespie/Carroll), would ban school workers from locking children in **seclusion spaces**, limiting isolated timeouts and restraint. The legislation requires schools that receive state funding to make a plan to reduce — and eventually eliminate — the practices over the next three years. The element that

proved most contentious among lawmakers over the past 18 months is an immediate ban on schools' use of prone, or face-down, restraint for most students. Restraining a student that way would be permitted only for children whose special-education plans specifically allow it as an emergency measure.

[SB 654](#) (Peters/Ortiz) would require **30 minutes of recess** for K-5 students in all public schools, which some have dubbed the "right to play" bill, cleared the House by the smallest allowable vote total, 60-52, and passed the Senate along partisan lines.

[SB 58](#) (Munoz/Evans, Jr.) will finally **reduce trailer fees** from \$118 to \$36. This plan received bipartisan support, as many lawmakers said it was one of the top three issues when constituents call for help. SB 58 will also remove the cap on the **motor vehicle trade-in sales tax credit**. Before January 1, 2020, customers received a tax credit equal to the full value of any vehicle traded-in to a dealer. That changed in the funding plan for the 2019 capital bill, which provided that a customer who trades in a vehicle valued at over \$10,000 will not receive credit for the portion in excess of \$10,000.

[SB 2338](#) (Buckner/Harris, III) will enable **Illinois college athletes** to hire agents and sign endorsement deals. Passage of the legislation comes as the NCAA has signaled it would support allowing student-athletes to profit from their name, image and likeness, although the organization has yet to act in changing its long-standing bylaws that prohibit student athletes from receiving compensation in any form for playing sports.

[HB 3739](#) (Robinson, Jr/Bush) would require water utilities to **replace lead service lines**. Under the bill, water utilities would be required to submit an initial plan for lead service line replacement by April 15, 2024, with a final plan due to IEPA by April 15, 2027. The bill would also establish a state-run grant program to assist in minimizing the costs of lead line replacement. The state is prepared to receive federal funding to minimize the cost, which is estimated to near \$5 billion.

[HB 156](#) (B. Hernandez/Villa) would require **menstrual products** to be available during school hours in "bathrooms of every school building that are open for student use" from 4th through 12th grades.

[SB 2406](#) (Hoffman/Belt) would make **St. Clair County its own judicial circuit** and create the state's 24th judicial circuit, which would include Monroe, Randolph, Washington and Perry, and expand the subcircuits in the 19th Circuit, in Lake County, from six to 10.

[HB 2621](#) (Guzzardi/Hunter) is the COVID-19 **Affordable Housing Grant Program Act**, which passed with bipartisan support in both chambers. The bill creates a grant program for those seeking to build affordable housing in Illinois, especially those disproportionately affected by the COVID-19 pandemic. It also extends the Illinois Affordable Housing Tax Credit.

[SB 672](#) (Hunter/Burke) expands the Illinois Freedom to Work Act to employees at salaries below \$75,000 and makes changes to **non-compete clauses**.

[HB 118](#) (Guzzardi/Villa) raises **employee recovery** amount from 2% to 5% for underpayments of wages.

[HB 684](#) (Gabel-D) **carves out ground ambulance services** from managed care. HFS estimates the bill will cost \$5-6 million annually.

[HB 706](#) (Morgan-D) makes changes to the **state employee group insurance** program.

[SB 1905](#) (Morrison-D) requires employers to notify employees of coverages not included in **policies written outside Illinois**.

[HB 3523](#) (Wheeler-R) expands IEMA definition of disaster to include **cyber attack**.

[SB 561](#) (Ellman-D) banned the sales of **PFAs** after January 1, 2025. An agreement would now ban certain uses of firefighting foam containing PFAS but allow manufacturers to continue using as part of fixed foam systems until an alternative is found. Food packaging bans were removed from the bill.

[SB 2563](#) (Bush-D) changes **diesel emission standards** for certain trucks and buses.

#### **BILLS SIGNED INTO LAW**

[SB 104](#) (Feigenholtz/Zalewski) extends the **cocktails-to-go** law prompted by the pandemic for three more years. Bars and restaurants would be able to give a free drink to people who've been vaccinated against the coronavirus.

[SB 72](#) (Hoffman/Harmon) passed the House as an alternative to the lame duck session bill, imposing a 9% **prejudgment interest** on injury awards beginning from notice of injury. SB 72 imposes a prejudgment interest rate at 6% when the case is filed, capped at five years, and the interest does not apply to punitive damages, sanctions, statutory attorney's fees or costs.

[HB 158](#) (Lilly-D), the Black Caucus' **healthcare pillar** bill, includes a moratorium on hospital closures and requires implicit bias training in medical schools and for continuing education. A Medicaid Technical Assistance Center would work with community-based providers with addressing social determinants of health for behavioral health issues.

#### **STALLED LEGISLATION**

Before adjourning, the House voted 96-11 on [SB 521](#) (Rita-D) to send to the Senate changes to the state's **gaming and sports betting** laws that would allow people to bet on Illinois collegiate teams, but not on an individual athlete's performance. The wagers would have to be done in person rather than on a mobile device. The in-state college betting provisions would sunset in two years. The measure also would allow the Wintrust Arena near McCormick Place, the home of the women's Chicago Sky pro basketball team, to open a sportsbook as is allowed at the city's larger sports venues. The measure does not change the provision that those seeking to create a mobile sports betting account must do so in person at a sportsbook or casino — a provision that had been lifted during the pandemic. SB 521 was not called for a Senate vote before lawmakers left Springfield.

The Senate, on June 1, passed a compromise bill — [HB 2908](#) — that would transition **Chicago to a fully elected board** in 2027. Under the compromise, the transition would begin in 2025 with a hybrid board,



where 11 members are appointed by the mayor and 10 are elected by voters. Starting in 2027, the city would get a fully elected board. The election to pick the remaining board members would take place in 2026. Mayor Lighfoot strongly opposes the bill. Advocates for a fully elected school board immediately are also deeply dissatisfied. The House, which overwhelmingly approved a different version, still must vote on this version of the bill before it goes to the Governor.

Labor has worked for several years on a measure like [HB 3437](#) (Walsh/Hastings) creating the Investing in Illinois Works Tax Credit to incentivize use of **labor contractors** and requiring that certain industries must pay prevailing wage on any work or maintenance. The bill remains in the Senate.

The Illinois House narrowly passed [HB 1091](#), otherwise known as the “**Fix the FOID Act**,” which would require gun owners to submit fingerprints when applying for or renewing a Firearm Owner Identification card. It would also require background checks for all gun transfers – including person-to-person sales. The bill passed with the minimum number of votes required in the House, 60-50, but was not called in the Senate. Instead, the Senate passed [HB 562](#), which is a more moderate version, enabling gunowners to apply for a FOID card that automatically renews, so long as they voluntarily submit their fingerprints. In addition, FOID cards and concealed carry licenses would be condensed into one document and Illinois State Police would establish a portal that includes reports of people whose FOID cards have been revoked or suspended. The House has not considered HB 562.

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

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