

ICCTA Government Relations and Public Policy Report September 6, 2023

The 2024 election season is officially underway as candidate petition circulation kicked off yesterday, September 5. The state's petition filing period runs from November 27 through December 4. Candidates are working to appear on the March 19, 2024, Illinois primary ballot.

VETO SESSION PREVIEW

The Illinois General Assembly's fall 2023 veto session will take place **October 24-26 and November 7-9**. This session is expected to be more active than previous years under Gov. JB Pritzker's administration. Due to a few of the Governor's veto actions, significant friction exists between labor and the environmentalists. In addition, the Illinois Brotherhood of Electrical Workers uninvited him to a national union conference in Chicago last week at the Hyatt Hotel. Gov. Pritzker was supposed to headline the event.

<u>For the bills that received total vetoes</u> (primarily <u>Senate Bill 76</u>, which would have ended Illinois's ban on the construction of advanced nuclear reactors), lawmakers will now have an opportunity to override those vetoes with a 3/5 majority of votes. If a vetoed bill is not called for a vote, the veto stands, and the bill dies.

<u>For the bills that received amendatory vetoes</u> (primarily <u>House Bill 3445</u>, which would allow Ameren the right of first refusal for transmission projects in the MISO territory, and <u>HB 2878</u>, which would have enabled public/private partnership transportation projects with the intention of Interstate 55 expansion), the legislature can either vote to approve the Governor's amendments to the bill with a simple majority vote, or override the amendatory veto with a 3/5 majority vote to approve the original bill. If the bill is not called for either vote, the bill dies. Both bills passed through the General Assembly with bipartisan support, and both were pitched as helping create jobs, lower utility costs, and promote clean energy.

NEW STATE LAWS AFFECTING HIGHER EDUCATION

Gov. Pritzker has acted on all bills passed by the Illinois General Assembly during the spring 2023 session. A number of newly enacted state laws affect Illinois higher education.

Please CLICK HERE to review ICCTA's list of new state laws affecting Illinois higher education.

COD FACULTY MEMBERS AUTHORIZE STRIKE

The College of DuPage Faculty Association says that its members have been working without a contract since a multiyear pact expired May 31. Negotiations on a new deal started in February. The members voted to authorize a strike on August 25, although that vote does not mean a strike is imminent at the state's largest community college. The faculty's bargaining team is required to file a 10-day notice of intent to strike with the Illinois Educational Labor Relations Board before a walkout can occur. The strike threat comes about a month after the two sides entered federal mediation. The next mediation session was September 5.

According to the COD union, one of the sticking points is the board's proposal to remove 18 part-time counseling positions, which would leave just 10 full-time counselors. The board also proposed adding full-time advising positions, but those positions will not offer mental health services.

HOUSE PENSION HEARING UPDATE

Illinois legislators met for the third time to discuss a measure that aims to provide an additional \$500 million yearly for the state's pension systems to address massive unfunded liabilities. HB 4098, which has been the center of conversation during these hearings, is an omnibus bill with many ideas to address Illinois' pension debt, including safe harbor provisions of Tier 2 pensions. The subject of the third hearing was buyout plans and DROP, or Deferred Retirement Option Plan, which is an alternative payment method for active public employees. Hearings will continue throughout the summer to learn about other aspects contained in HB 4098. Committee Chair Rep. Stephanie Kifowit (D-Oswego) would like to pass some reforms during the next legislative session.

The next two committee hearings will occur on **September 6** and **September 27**.

GOOD NEWS ON STATE FINANCES

The Illinois Comptroller's <u>Annual Comprehensive Financial Report</u> showed that the state had a General Funds surplus for the first time since 1985. The surplus for the fiscal year ending June 30, 2022 was \$1.5 billion, improving \$4.6 billion from the previous fiscal year.

There was also another tiny bit of good news in the report. The state's "net position" improved from a deficit of \$199.2 billion at the end of Fiscal Year 2021 to \$184.8 at the end of Fiscal Year 2022 -- a \$14.4 billion reduction in red ink. The state's net position is described as representing "the deferral of current and prior year costs to future periods," and includes things like the pension debt.

STATE PORTFOLIO INVESTMENTS

In July, the state's investment portfolio pulled in \$121.6 million, a one-month record for Illinois, according to Treasurer Frerichs. It was driven by a record 4.52% interest rate earned on the state's assets. The investment income for July topped the previous record – set one month prior – of \$115.7 million. "State legislators budget public money that is collected, but that money is not spent all at once," Frerichs' office said in a news release. "State agencies, boards and commissions require assistance managing their cash and investing all remaining funds. That's where the Office of the Illinois Treasurer steps in."

RETIREMENTS, APPOINTMENTS, AND CONVICTIONS

State Rep. Lance Yednock (D-Ottawa) has announced that he will not seek re-election next year, but he will serve the remainder of his term. Yednock has represented the 76th District since 2019. In his statement, Yednock indicated he believed that his moderate tendencies hurt him with his own party. "I understand that if I cannot get the legislature to understand how downstate needs resources, then I must admit to myself that a different representative may get a better outcome, and that is far more important to me than a future reelection campaign" Yednock said. Yednock's chief of staff, Amy Murri Briel, has formed a campaign committee and is exploring a bid for the seat.

State Sen. **Win Stoller** (R-Germantown Hills) announced that he will not seek a third term. Stoller, appointed in 2020 to the seat then occupied by former state Sen. Chuck Weaver, said that he plans to serve the remainder of his term.

Former Democratic state Sen. **Steven Landek**, who retired from the Senate in January after more than a decade in Springfield but still serves as mayor of southwest suburban Bridgeview, was appointed to the Illinois Finance Authority. The Finance Authority Board oversees a state agency that provides access to low-cost capital to public and private institutions to spur economic development.

Following a three-week trial, a federal jury found Michael Madigan's former chief of staff, **Tim Mapes**, guilty of perjury and obstruction of justice charges for lying to the grand jury. He repeatedly said that he either did not recall or did not know about actions that Madigan and his mutual friend, influential lobbyist Mike McClain, were allegedly doing on the speaker's behalf. Mapes is facing 20 years on the obstruction charge and 5 years for perjury. The sentencing hearing has been tentatively set for January 10, 2024.

NEW EMPLOYMENT-RELATED LAWS

The National Law Review recently published a lengthy synopsis on newly signed state legislation (<u>HERE</u>) that will impact Illinois employers. Topics include new job posting disclosure obligations, new and expanded leave benefits, new commuter benefits, extension of liability to employers under the Gender Violence Act, expanded protections for temporary workers, new protections for freelance workers, increased access to personnel records, electronic distribution of employee notices, limitation on damages available against striking workers, new penalties for interfering with labor disputes. The article also contains tips on how to prepare for these new changes.

ILLINOIS SECURES \$1.3M FEDERAL GRANT TO PROMOTE WOMEN IN CONSTRUCTION

A \$1.3 million federal grant to the Illinois Department of Labor will help bring more women into the construction industry, where they make up barely 4% of the workforce nationwide. The grant money comes as part of President **Joe Biden**'s signature \$1.2 trillion infrastructure package signed into law almost two years ago and aims to promote gender equity and inclusion in the male-dominated field. The funds will go to IDOL and the nonprofit Chicago Women in Trades, which will then dole out their own grants to a handful of workforce development groups putting together equity plans. That includes apprenticeship programs and other pathway programs.

PRITZKER, LEADERS CALL ON WHITE HOUSE TO EXPAND WORK PERMITS FOR IMMIGRANTS

Gov. Pritzker, Chicago Mayor **Brandon Johnson**, and multiple other Illinois leaders (including the heads of the Illinois Manufacturers Association, the Illinois Restaurant Association, and the Chicagoland Chamber of Commerce) are urging President Biden to expand work permits to the thousands of undocumented immigrants that have been transported to the state from the U.S./Mexico border. While some of the migrants have entered the country illegally, many have claimed refugee status, fleeing Central American countries. Awaiting asylum hearings and receiving legal work permits can take months under current federal rules.

BACK-TO-SCHOOL TAX BENEFITS AVAILABLE FOR BOTH PARENTS AND EDUCATORS

The Illinois Department of Revenue is reminding taxpayers that they may be able to claim school expenses for their K-12 students on their 2023 Illinois individual income tax returns. **The Illinois Education Expense**

Credit allows parents or legal guardians of a full-time K-12 student under the age of 21 to take a 25% tax credit on qualified education expenses over \$250 this year. Qualified educational expenses include tuition, book rental, and lab fees. The total credit may not exceed \$750, regardless of the number of qualifying students. The K-12 Instructional Materials and Supplies Tax Credit allows eligible teachers of full-time K-12 students to receive a tax break of up to \$500 for qualified expenses on classroom materials paid during the taxable year. If spouses are both educators and are filing jointly, the maximum credit is \$1,000.

WELCH, HOUSE LEADERS TO TRAVEL TO ISRAEL, PALESTINE FOR DIPLOMATIC TRIP

House Speaker **Chris Welch** (D-Westchester) and members of the Illinois House leadership team will be travelling to Israel and Palestine from Aug. 31 through September 9 as part of a delegation led by the Jewish United Fund. Speaker Welch said that the delegation will meet with both Israeli and Palestinian leaders, visit important religious and historical sites, and make connections to better learn about the complexities of the Middle East region.

SUSTAINABLE FUELS CAUCUS ESTABLISHED

State Rep. **Terra Costa Howard** (D-Glen Ellyn) and five other legislators have formed the Sustainable Fuels Caucus to address domestic energy supply needs, offer policy solutions to air and environmental quality issues, and explore alternative energies like ethanol, hydrogen and biodiesel. Costa Howard, who is also vice chair of the Hydrogen Economy Task Force, said that the caucus is an opportunity to educate the public on alternative fuels. The other caucus members are Reps. **Eva Dina Delgado**, **Dave Vella**, **Ann Williams**, **Dagmara Avelar**. and Sen. **Patrick Joyce**.

'SKIP-THE-LINE' APPOINTMENTS AVAILABLE AT ILLINOIS DMVS

Illinois Secretary of State **Alexi Giannoulias** is rolling out a slew of changes at the state's DMV locations, aimed at cutting lines and making some services easier to access as part of the "Skip-the-Line" initiative announced earlier this summer. As of September 1, a wider range of services will be offered online at www.ilsos.gov, including renewing driver's license or ID cards as well as license plate stickers. All DMV locations will also offer extended hours, serving customers Monday through Friday 8 AM to 5:30 PM An additional 15 DMVs will also be open on Saturdays, 8 AM to 12:30 PM.

In-person visits will now be required for certain services at 44 of the busiest DMVs in the state, including all Chicago locations and some central and downstate locations. These services include REAL ID, driver's license and ID card services, and in-car driving tests. Those seeking services such as title and registration or renewing their license plate sticker do not need to make an appointment.

ADDITIONAL FUNDING ANNOUNCED FOR CAIRO PORT

Both the state and federal governments are sending additional money for plans to develop a riverport in southern Illinois at the confluence of the Ohio and Mississippi Rivers. The Alexander-Cairo Port District will receive a \$150,000 federal grant to develop a master plan to identify the scope for port development and the future of the riverport. In addition, the Illinois Department of Transportation recently authorized an additional \$790,000 for planning and development. The state money is part of a \$40 million investment that was originally appropriated in the 2019 Rebuild Illinois capital improvements program. State officials had originally hoped to start construction on the project in 2022 and to have it operational in 2024. But the project stalled

amid disagreements between IDOT and port district officials over how the state funds appropriated so far have been spent.

NEW CASINO OPENS IN SOUTHERN ILLINOIS

The long-awaited Walker's Bluff Casino and Resort is the fourth of six casinos authorized in a 2019 gambling bill that is now operational. Located just outside of Carterville, the casino features 650 slot machines and table games, a hotel, restaurants, a full-service spa, and a 1,200-seat event center. It is expected to employ about 300 people. Proceeds from the gambling expansion were earmarked, in part, to provide funding for Rebuild Illinois, the state's multi-year capital improvement program to repair and build new roads, bridges and government buildings across the state.

USDA ISSUES ADDITIONAL ILLINOIS DROUGHT DISASTER DESIGNATIONS

U.S. Department of Agriculture Secretary Thomas J. Vilsack has issued a Disaster Declaration for McDonough, McHenry and Mercer counties for drought conditions that occurred during the 2023 Illinois growing season. This is in addition to Adams, Calhoun, Hancock, Jackson, Monroe, Fulton, Mason, Tazewell, Perry, Pike, Randolph, St. Clair and Washington counties that previously received a Disaster Declaration. A USDA disaster designation allows the USDA Farm Service Agency to provide emergency loans to producers recovering from natural disasters.

STATE LOOKS TO CURB VEHICLE THEFT WITH GRANTS TO POLICE TASK FORCES

Six interagency law enforcement task forces received state grant funding this spring to combat car thefts. The grants were allocated by the Illinois Vehicle Hijacking and Motor Vehicle Theft Prevention and Insurance Verification Council, an initiative of the Illinois Secretary of State's office. Lawmakers created the group in 1991 under the authority of the Illinois Criminal Justice Information Authority. According to the council's website, between 1991 and 2014, the annual number of motor vehicle thefts in Illinois dropped 70% from 75,214 to 22,854. In March 2015, then-Gov. **Bruce Rauner** issued an executive order freezing state grants for that fiscal year. In 2018, lawmakers gave SOS state authority over the council, and the General Assembly began allocating funding again in 2019. In May 2022, lawmakers expanded the council's scope to emphasize vehicular hijacking prevention, and lawmakers allocated another \$30 million to supplement the fund's \$21 million balance as part of a broader election-year budget package aimed at addressing crime. The task force fills a needed void. In the Metro East alone, SOS officials say that they recovered 547 stolen vehicles valued at over \$8 million between July 2022 and June 30, 2023.

CHICAGO SUES KIA AND HYUNDAI FOR LACK OF ANTI-THEFT TECHNOLOGY

Mayor Johnson recently announced that the city of Chicago filed a lawsuit against Kia and Hyundai for failing to include "industry-standard engine immobilizers" in multiple vehicle models sold in the United States, "resulting in a steep rise in vehicle thefts, reckless driving, property damage, and a wide array of related violent crimes in Chicago."

Johnson's suit follows Illinois Attorney General **Kwame Raoul** and other attorneys general joining together to urge a federal court not to accept a proposed class-action settlement with Hyundai and Kia related to car thefts. The issue is that the proposed settlement requires modifications, whereas the attorneys general want the companies to recall the impacted vehicles. The court has since rejected the settlement. Illinois is not a

party to the litigation, but Raoul and his office are closely monitoring given the high number of car thefts in Illinois. In 2022, there were over 7,000 Hyundai and Kia thefts in Chicago.

MICROLINK DEVICES ANNOUNCE MANUFACTURING EXPANSION IN NILES

MicroLink Devices has entered into a new Reimagining Energy and Vehicles in Illinois agreement with the state for the company's \$9.5 million facility expansion in Niles. The expansion will enable the company to grow its design and manufacturing operations for the production of solar cells and solar sheets and to construct a new state-of-the-art testing and assembly lab. The expansion creates 9 new jobs while retaining 54 jobs.

MEDICAID ENROLLMENT UPDATE

State Medicaid enrollment continues to go down, largely due to the fact that more than 47,000 people were removed from the beginning of August based on re-enrollment requirements. More than 34,000 were removed for failing to respond or provide the necessary information to continue on Medicaid. Those removed can re-enroll if they provide the needed information within 90 days. Recently the federal Centers for Medicare and Medicaid Services sent a letter to the Illinois Department of Human and Family Services, inquiring about longer than usual call times at Medicaid call centers and stated that that may be impacting individuals' ability to renew Medicaid coverage. HFS responded that it is leveraging all of its available resources to ensure access for those trying to respond to the redetermination process.

INCREASED ACCESS TO MENTAL HEALTH SERVICES FOR RURAL FARMERS

The Illinois Department of Agriculture has unveiled a new grant program aimed at reducing the stigma for farmers and their families in agricultural communities who need mental health care services. Gov. Pritzker and IDOA Director **Jerry Costello** announced the program alongside the Illinois FFA Foundation and the Southern Illinois University School of Medicine at the 2023 Farm Progress Show in Decatur. The Farm Family Resource Initiative began as a telehealth mental health program covering six counties. The FFRI was later expanded to cover all 102 counties and offers six free telehealth mental health sessions. The program expansion will also fund up to 20 grants at \$1,000 each to support FFA chapters implementing local initiatives encouraging access to mental health resources. The Farm Family Resource Initiative also operates at 24/7 helpline for farmers, available at 1-833-FARM-SOS.

UBER ENABLES AUDIO RECORDING FEATURE IN CHICAGO

Uber has rolled out a new feature that allows drivers and riders to record audio during the trip to deter and resolve conflicts. The feature will pop up on the app, giving both the driver and rider an option to hit the record button for all or part of the journey. The completed audio file is encrypted and stored on the user's smartphone for 7 days.

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

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