**Illinois Updates – May 26, 2020**

**Legislative Session Coverage**

The General Assembly reconvened in Springfield on Wednesday, May 20 with the House of Representatives meeting in the Bank of Springfield Center, and the Senate meeting in their chambers. Strict protocols were put into place to protect lawmakers from COVID-19 exposure, including the requirement for a negative coronavirus test prior to session, mandatory face coverings, temperature checks and social distancing. Rep. Jonathan Carroll announced that he would miss session because of a recent exposure to a COVID-19 and Rep. Edgar Gonzales announced that his COVID test had returned positive, necessitating self-quarantine for both members.

Speaker Michael J. Madigan announced that the House would vote on rules to require that all members observe safety measures, and that any member refusing to follow the guidelines could be removed from session by a vote of the chamber. The new rules were in response to a small number of downstate Republican House members who said they did not intend to wear face coverings during session. One member who refused to be tested for coronavirus and to wear a face mask was escorted from session on Wednesday, May 20, but returned to work wearing the required protective equipment for the remaining three days of session.

The proclamation calling the General Assembly into special session limited the scope of legislation to the following topics:

* The COVID-19 pandemic or other disasters;
* The State budget and its implementation;
* Economic recovery, infrastructure projects, and funding thereof;
* The explanation, arguments for and against, and the form for constitutional amendments;
* Laws or authority scheduled to be repealed prior to June 1, 2021;
* The 2020 General Election and the State Board of Elections;
* The hospital assessment program

An agenda became available last Monday, providing greater insight into the bills that would be considered by the House and Senate. Over the course of four days, lawmakers approved over twenty pieces of legislation that were deemed necessary for the function of state government during the current pandemic.

**FY 21 Budget Overview**

A key priority of this week’s special session was to vote on a fiscal year 2021 state budget. Filed as an amendment to Senate Bill 264, the proposed budget will spend $39.9 billions in general revenue funds and an additional $52.8 billion from other funding sources. Spending of state funds in the filed budget versus the budget introduced by Governor JB Pritzker in February are not dramatically different - $43.62 billion in the proposed budget versus $42.77 in the introduced bill. Revenues to support that spending will differ dramatically in light of the coronavirus pandemic, causing the budget contained in SB 264 to be billions out of balance when revenues are added to the equation.

The Governor and budget negotiators have identified multiple actions to address the budget deficit, including additional federal stimulus funds, borrowing through previously approved authority, and passage of the progressive income tax or new emergency borrowing that has been authorized through the federal CARES Act.

The budget implementation bill (SB 357) provides the Governor with additional emergency budget powers to move money between and to hold contingency funds within budget lines and expands the state Comptroller’s authority to borrow and transfer between state funds. A companion bill, SB 2099, creates the Coronavirus Urgent Remediation Emergency Borrowing Act (CURE), which allows the Governor to borrow up to $5 billion from the Federal Reserve Bank.

**COVID-19 Legislative Priorities**

In addition to the budget, the House and Senate acted on the following issues that were deemed a priority. All of the bills have received approval in both chambers, except where noted.

Hospital Assessment (SB 2541) - The hospital assessment program was retooled after months of negotiations. The assessment program collects assessments from hospitals in order to maximize federal match for Medicaid, and then distributes the funds back to the hospitals via a formula. The recent agreement reached by stakeholders will generate $250 million for Medicaid match.

Healthcare COVID Package (SB 1864) - The healthcare package contained provisions to require the Illinois Department of Healthcare and Family Services to conduct a study on improving access to health insurance for low- and middle-income families. In addition to the study, SB 1864 requires coverage for routine costs associated with participation in a clinical trial, creates the Kidney Disease Prevention and Education Task Force, and empowers HFS to take actions related to the coronavirus outbreak to the extend allowed by federal law.

Employment Package – Lawmakers approved two bills to address employment issues in response to COVID-19. HB 2466 was an agreed bill negotiated by employers and labor regarding workers’ compensation. Under the provisions of the bill, essential workers and first responders who contract coronavirus will have a rebuttable presumption and qualify for workers comp coverage under certain conditions. Another bill, SB 471 creates a temporary 60-day extension of paid leave if an employee is injured in the line of duty.

Sunset Extensions – The General Assembly approved a number of regulatory and statutory sunset extension during special session. Included in HB 2174 were extensions of Crematory Regulation Act; the Cemetery Oversight Act; the Illinois Health Information Exchange and Technology Act; the Radiation Protection Act of 1990; the Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997; a provision of the Illinois Power Agency Act concerning home rule preemption; the Emergency Telephone System Act; the Telecommunications Article of the Public Utilities Act; provisions of the Cable and Video Competition Article of the Public Utilities Act; the Mercury Thermostat Collection Act; and the Transportation Network Providers Act. Further amends the Emergency Telephone System Act to delay the required implementation of Next Generation 9-1-1 service until December 31, 2021. SB 1857 included extensions of a number of laws, including the Criminal and Traffic Assessment Act and the Cook County Court Fee Waiver Program.

Election Package – SB 1863 contained language that would expand vote by mail for the 2020 General Election and makes Election Day (November 3, 2020) a state holiday, effectively closing the many school buildings that serve as polling places allowing for greater social distancing.

Education Package – Legislation to ease remote schooling during the COVID-19 pandemic was passed as SB 1569. The changes included provisions related to remote learning, graduation requirements, student assessments, and teacher licensure.

Government Administration Package – SB 2135 as passed made a number of changes to address operation of state government in the post-COVID environment. The bill creates the Restore Illinois Collaborative Commission to monitor actions taken the by the administration in implementing its Restore Illinois plan. The bill also legislates a number of provisions contained in previous executive orders including changes to the Open Meetings Act, Secretary of State operations and provisions for remote notarization of documents. Controversial language that would have allowed for remote meetings of the House and the Freedom of Information Act were removed from the bill prior to passage.

Local Government Administrative Package – A bill to make a number of changes related to the administration of local government was approved as HB 2096. Included in the bill are provisions to allow postponement of annual meetings, ease bidding requirements and eliminate library card fees for students.

Property Tax Relief – SB 685 contained language to empower county boards to provide property tax relief to residents. Under the provisions of the bill, county boards may vote to waive the interest penalty on any other than the final installment of property taxes for a period of 120 days. The legislation also delays that tax sale in all counties by 120 days or until the COVID-19 emergency has ended and extends the homestead exemption for certain residents for one year.

Graduated Income Tax – Legislation to establish the required language to place the graduated income tax question on the November ballot was passed during special session as Senate Joint Resolution 1. Governor Pritzker has pushed for a graduated (or progressive) income tax, which must be approved by a majority of voters to become law. Illinois currently has a flat income tax, meaning all residents pay the same tax rate regardless of income.

Telehealth Legislation – Two bills that would have created the Telehealth During the COVID-19 Pandemic Act were proposed but failed to receive final action before the House and Senate adjourned special session early Sunday. SB 671 and HB 823 would have codified the telehealth provisions previously put in place by executive order through December 2020. The measures were opposed by the insurance industry.

Cannabis Trailer – A trailer bill to the Cannabis Tax and Regulation Act that would allow cannabis dispensaries to change locations under certain circumstances, allow cannabis industry workers to begin employment pending a background check as well as other changes to the current law fell short. The bill, HB 2924, failed to receive final action in the House.

**Gaming Legislation Finally Comes Together**

Chicago Mayor Lori Lightfoot and lawmakers acted during the four-day session to pass long sought provisions to change the tax structure of the proposed Chicago casino, bringing the project closer to reality. The anticipated revenues from the Chicago casino are earmarked to offset the city’s public pension obligations as well as help fund the state’s vertical capital program. Legislation approved lasts year as part of an omnibus gaming package included a casino for the city of Chicago, but the mayor had warned that the tax burden outlined in the original bill made it almost impossible for the city to move forward with a gaming facility. The bill approved last week also included language requested by the city of Danville for their casino, provisions related to video gaming at the Illinois State Fairgrounds, and changes to licensure fees and deadlines. Governor Pritzker hailed the development and indicated he will sign the bill into law.

**Emergency Rules Create Confusion for Lawmakers**

The Illinois Department of Public Health issued emergency rules on Friday, May 15 to clarify the Department’s existing authority to enforce quarantine and to provide law enforcement with an additional tool to enforce Governor JB Pritzker’s Stay at Home Order. Governor Pritzker characterized the rules, which would allow law enforcement to issue a citation for violations of the stay at home order, as a less harmful consequence than loss of a business or professional license.

Republican lawmakers interpreted the Department’s actions quite differently, voicing their concerns that the rules were on overreach and emphasizing that businesses that reopen in violation of the stay at home order could face steep fines and possible jail time. Like many other aspects of the state’s response to the COVID-19 pandemic, the emergency rules became a political flashpoint. Opponents of the rulemaking mobilized small business owners to lobby the members of the Joint Committee on Administrative Rules (JCAR), the bipartisan legislative oversight committee responsible for reviewing all agency rules.

In light of the strong push back the rules generated, IDPH withdrew the rulemaking. The Governor said he hoped that the legislature would pass a measure to provide the same enforcement authority, but the General Assembly did not act on legislation to that effect during special session.

**Illinois COVID-19 Resources**

* State of Illinois: <https://coronavirus.illinois.gov>
* Illinois House Republican Caucus: <https://ilcovid19info.com>
* Chicago residents can access information about the city’s response to the outbreak by texting “covid19” to 78015, or visiting the city’s dedicated webpage at <https://www.chicago.gov/city/en/sites/covid-19/home.html>

**Dates to Remember**

* November 3, 2020 – General Election
* November 17, 18, 19 – First week of Veto Session
* December 1, 2, 3 – Second week of Veto Session