



**2022 Illinois State Legislative Session**

# **End of Session Summary**

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## Contents

<b>A Message from Chamber President &amp; CEO, Jack Lavin</b>	5
<b>Executive Summary</b>	6
<b>Chamber's 2022 State Legislative Agenda</b>	8
I. Property Tax Assessment Reform: SB 3894 (Muñoz) / HB 4974 (Delgado)	8
II. Film Tax Credit Program Expansion: SB 3944 (Sims)	8
III. BIPA Reform: SB 3874 (Cunningham-Plummer) / HB 4692 (Wheeler)	8
IV. EDGE Tax Credit Sunset Extension and Modernization: HB 5255 (Wheeler)	9
V. Minimum Wage Tax Credit Increase: HB 5320 (Croke-Costa Howard-Batinick)	9
<b>FY23 Budget Overview</b>	10
FY23 Budget	10
FY23 Budget Implementation Bill (BIMP)	11
<b>Business and Labor</b>	13
General Contractor Liability Bill Passes Notwithstanding Strong Business Opposition	13
“Workers’ Rights Amendment” Arguments Pass, Now Voters Will Decide	13
Erosion of “Drug-Free” Employer Cannabis Policies Stopped	14
Consumer Legal Lending Bill Passes Amidst Strong Business Opposition	15
“Good Corporate Citizen” Legislation Fails to Move	16
Latex Glove Ban in Food Service, First Response, and Healthcare Passes	16
Several Leave Bills Are Considered, Few Pass Both Houses	16
Other Employment Law Related Bills Pass	17
<b>Taxes</b>	19
FY23 Revenue Omnibus Contains Numerous Taxpayer-Friendly Provisions	19
Property Tax Omnibus Bill Leaves Much to Be Desired	21
Punitive Vacancy Fraud Act Targeting Commercial Property Owners, Does Not Pass	22
Property Tax Bill to Support Commercial Properties in South Suburbs Passes	22
<b>Public Safety</b>	23
Organized Retail Crime Package Passes with Overwhelming Support	24
<b>Tech Sector</b>	27
Fair Food and Retail Delivery Act Passes	27
Right-to-Repair Considered at Committee Subject Matter Meeting, No Vote	27
App Store Regulations Gain Momentum, But Do Not Advance	28
Geolocation Privacy Protection Act Is Revived, But Fails to Advance	28
Regulatory Bill Over Automatic Subscriptions Introduced, Fails to Move	29
Rideshare Regulatory Proposals are Filed—Do Not Advance	29

<b>Energy and Environment</b> .....	30
CEJA Gets Cleaned-Up, Trailer Bill Passed Both Chambers.....	30
Environmental Justice Legislation Passes House, Stalls in the Senate.....	30
Standalone EJ Public Notice Bill Passes Committee, Does Not Move Further.....	31
<b>Miscellaneous</b> .....	33
Pharmacy Benefit Manager Legislation Stalls in Both House and Senate.....	33
White Bagging Bills Fail to Move .....	33
Design-Build Bills Pass Both Houses .....	33
CMAP Study on Regional Transportation Viability Passes Both Chambers .....	34
Attempt to Force Automobile Manufacturers Replacement Sales Taxes Stalls .....	34
CTE Education Curriculum Proposal Advances.....	34
State Doubles Down on Pension Buyout Plan .....	34
Legislation Removing For-Profit Schools from MAP Successfully Stalled .....	35
<b>Issues to Watch – Veto Session and Beyond</b> .....	36

## A Message from Chamber President & CEO, Jack Lavin

Dear Members,

The Chicagoland Chamber of Commerce is proud to represent the interests of our over 1,000 member-businesses, as well as the interests of the greater Chicagoland business community. In addition to the Chamber's principal pillars of Networking and Thought Leadership, the third pillar of Advocacy and Government Relations has, and continues to be, one of the biggest returns on investment for members of the Chamber. As one of the only organizations in the State that is consistently lobbying and working with legislators in the Chicago City Council, Cook County Board of Commissioners, and the State of Illinois and General Assembly, the Chamber has a very unique perspective and insight into how laws enacted in one jurisdiction impact another.

After two years of witnessing the devastating impacts of the pandemic and being forced to navigate the various levels of government, Chicago's business community was ready to look towards the future. There was a strong hope that the 2022 legislative Session in Springfield would represent an opportunity to build a new post-pandemic business climate, create a framework around the new ways we work, enact policies that spur economic growth, and address the shocking rise of crime and violence occurring throughout the Chicagoland region.

To that end, the Chicagoland Chamber's Government Relations Team went to work. They worked tirelessly to share this newfound vision and share the business community's plea for our State elected officials to drive important economic development policies, and support Chamber member and sector priorities. At various points, the Chamber was tracking nearly 500 bills in the House and nearly 300 in the Senate. The Chamber engaged legislators, the Governor's Office, State Agencies, and stakeholders on hundreds of these bills and amendments, many of which portended to harm Chicago's business environment. Due in no small part to the Chamber's advocacy efforts, most anti-business legislation received no action or consideration. In all, the Chamber took a public position on nearly 60 bills and offered public testimony on many of them.

True to its reputation as one of the most bi-partisan, pragmatic, and effective business groups working in the Capitol, the Chamber secured a number of wins throughout Session to advance the priorities of our members and the greater Chicago's business community. This summary provides a detailed overview of the bills that moved, the important bills that did not move, and the Chamber's involvement in the 2022 spring legislative session.

We hope you find this document to be a helpful guide to the major take-aways of the busy 2022 spring legislative session and a helpful tool to keep track of the policy issues that should be on your radar moving forward. It goes without saying that the Chamber GR Team relied heavily upon the expertise and knowhow of our membership throughout Session. As always, thank you for your partnership and continued support of the Chamber.

Sincerely,



## Executive Summary

The 2022 Illinois Legislative “Winter” Session represented an opportunity to finally move past the previous two legislative sessions that were marked by the pandemic. However, between the Omicron variant forcing many of us to revert back to a remote lifestyle in early January, and the front-loaded, abbreviated Session calendar (packed with seemingly endless back-to-back procedural deadlines), 2022 presented a set of unique challenges and kept us firmly on our toes. By the time April came around, a month ordinarily signaling the “Spring break” portion of the legislative calendar, bills were flying and we were busy tying up all the various loose ends and pushing for the best possible outcome on the many issues we were actively engaged in.

In the end, this year was an extremely successful year for the Chicagoland Chamber and many of the members we represent. The Chamber went into session with 5 legislative priorities to address issues of crime, property taxes, economic development, regulatory and civil liability burdens, and job-creation facing our members in the greater Chicagoland area. *On many of these items, we delivered.*

- ✓ **Unemployment Insurance Trust Fund Relief**
  - The Chamber, along with our partner business organizations, successfully negotiate \$2.7 billion in federal ARPA moneys to be used for paying the historic \$4.5 billion UI Trust Fund deficit (which has already been signed into law by Governor Pritzker, as [Public Act 102-696](#)); and continue to stay engaged in discussions with Labor and the Governor’s Office over responsibly addressing the remaining \$1.8 billion deficit.
- ✓ **Film Tax Credit Expansion**
  - The Chamber championed legislation ultimately included in the [FY23 Revenue Omnibus](#) that will double the size of the Illinois film industry and its workforce in the coming years by providing for a modest expansion of the Illinois Film Tax Credit and create an industry-funded workforce development program focused on diversifying the film industry.
- ✓ **EDGE Tax Credit Extension and Expansion**
  - The Chamber successfully advocated for the 5-year extension of the EDGE tax credit program (which was dangerously close to sunseting at the end of June 2022) and provisions that will make the program refundable for start-up companies that were included in the [FY23 Revenue Omnibus](#).
- ✓ **Driving the Property Tax Reform Discussion**
  - The Chamber spearheaded, and continues to lead, the conversation around the business community’s call to advance substantive property tax reforms. The Chamber introduced [SB 3894](#) and [HB 4974](#) to reform Cook County’s property tax system, with SB 3894 passing out of the Senate Revenue Committee unanimously.
  - While the Senate decided to hold on our legislation due to opposition from the Cook County President’s Office and Cook County Assessor’s Office, key legislators in both the House and Senate expressed support for our legislative concepts and strongly committed to work with the Chamber over the next year to introduce legislation in the 2023 legislative Session that addresses many of the root causes plaguing the property tax system for both Illinois residents and businesses.



✓ **Public Safety Improvement Secured**

- The Chamber strongly supported and helped build support for legislation initiated by the Illinois Retail Merchants and Attorney General's Office to combat the rise of organized retail theft throughout Chicago and Illinois. [HB 1091](#), which passed both Houses after much anticipation, creates the INFORM Act (to require online marketplaces to collect information from high-volume sellers), creates a new "organized retail crime" offense to charge perpetrators of these crimes more easily, and gives states' attorneys enhanced tools to go after criminals engaged in these types of crimes.
- Understanding that the public safety crisis cannot only be met with more robust criminal justice policies to address the daily violence occurring in Chicago, the Chamber also successfully advocated for having youth summer jobs programming included in the [FY23 Budget](#).

✓ **Defeated Anti-Business Efforts**

- The Chamber ensured the continued growth of Illinois' burgeoning data center industry by stopping efforts from Labor to upend the Illinois Data Center Tax Incentive program; helped stop efforts to impose paid leave, expansive workplace mandates regarding allowable use of cannabis, and other business unfriendly employment policies; and pushed back against multiple efforts by environmental groups, advocacy organizations, and other perennial opponents of pro-growth business interests in the healthcare, insurance, and tech spaces.

✓ **Chicagoland Chamber Job Training Grant Approval**

- The Chamber secured passage of the \$1.5 million job training grant in the [FY23 Budget](#), which provides valuable workforce development services to Chamber members and businesses throughout the Chicagoland region.

Below you will find a comprehensive overview of many of the important issues that we were tracking this year, a summary of many of the main takeaways that were largely acted upon in the wee hours of the morning of April 9<sup>th</sup> (the day after the scheduled adjournment day), and a look at what's ahead this Summer, in the fall Veto Session, and 2023.

## Chamber's 2022 State Legislative Agenda

The Chamber introduced 5 main pieces of legislation this session. Each measure was meant to address some of the most pressing issues facing our membership and the larger business community in the Chicagoland area, including economic development, tax relief, and tort reform. As you can see, we worked to get strong bi-partisan sponsorship of these proposals and advocated for their inclusion in End-of-Session packages.

### I. Property Tax Assessment Reform: [SB 3894](#) (Muñoz) / [HB 4974](#) (Delgado)

In 2021, the City of Chicago was re-assessed as part of the 3-year assessment cycle in Cook County. The Cook County Assessor's Office produced record-high assessment increases on commercial properties throughout the City. It was not uncommon for independent, mom-and-pop shops to see assessment increases of over 80%. For businesses that were forced to shut down in 2020, and continue to endure pandemic-related challenges, this level of increase is going to be devastating once property tax bills reflecting the increased assessments hit mailboxes later this year. That is why the Chamber put forth reasonable assessment limits on residential and commercial properties in Cook County, sought to direct the IDOR to study the fairness of the assessment system, and called for public input when material changes to the assessment process, like the ill-informed COVID-19 property tax factor, are considered by the County Assessor.

**SB 3894 passed unanimously out of the Senate Revenue Committee, however, stern opposition from the Cook County President's Office and the Assessor stalled the bill from receiving a Floor vote. This is an issue that is not going away; on the contrary, the Assessor's mishandling of the entire assessment process risks creating significant problems for taxing bodies and taxpayers alike.**

### II. Film Tax Credit Program Expansion: [SB 3944](#) (Sims)

Combining the interests of a broad coalition of industry, labor, and education stakeholders that represent every facet of the Illinois film industry, the Chamber introduced legislation that would modestly expand the Film Production Tax Credit to (i) allow for non-resident wages to qualify for the credit (bringing the Illinois incentive in line with many other similar tax credit programs in other states), (ii) create more long-term confidence in the program by making the credit permanent, and (iii) establish an Illinois Production Workforce Development Fund (funded entirely by the industry) designed to issue grants to benefit minority-owned organizations and foster a more diverse industry workforce in Illinois.

**The proposal passed out of the Senate Revenue Committee unanimously, however, this standalone bill did not receive a Floor vote. After negotiations ramped up later in the year, we worked tirelessly in advocating for its inclusion into the FY23 Revenue Omnibus bill. With the exception of a repeal of the sunset, the language contained in SB 3944 ultimately wound up in SB 157, as the omnibus tax credit and relief package, which has been signed by the Governor.**

### III. BIPA Reform: [SB 3874](#) (Cunningham-Plummer) / [HB 4692](#) (Wheeler)

In 2008, the General Assembly unanimously created the Biometric Information Privacy Act (also known as BIPA) to regulate the collection of biometric information. Unchanged since 2008 despite the vastly different digital realities we live in today, this consumer protection law has created incredibly burdensome restrictions on even routine employer practices and a predatory

civil action frenzy that has resulted in over 1,500 class action lawsuits since 2019 alone. In most cases, the defendant/employer (made up of companies of every size and industry) has been sued for inadvertent violations of the Act. That is why the Chamber urged members of the GA to enact modern, common-sense reforms to BIPA, which would (i) allow for reasonable uses of biometric information for record-keeping, timekeeping, HR, and security purposes, (ii) create sensible liability protections for employers following the law in good-faith, and (iii) update the law to allow for new safety technologies to be introduced in Illinois.

**Although this proposal did not receive a vote, positive discussions with Senate Leadership were had, and we are hopeful that at least some of the provisions in SB 3874 may be taken up by the General Assembly in 2023. In addition to signing on to pivotal amicus briefs to cases before the Illinois Supreme Court, we, along with partners IMA, IRMA and the State Chamber brought together a coalition of over 20 association across every sector and industry to call for the reforms contained in SB 3874 and HB 4692.**

#### **IV. EDGE Tax Credit Sunset Extension and Modernization: [HB 5255](#) (Wheeler)**

The EDGE Tax Credit Program was scheduled to sunset on June 30, 2022. Just like in 2017, when the EDGE tax credit was on the verge of expiring and stakeholders worked on a bi-partisan basis to reform the Program, the Chamber hoped in 2022 to leverage the looming sunset of the Program to make necessary enhancements to EDGE, including (i) extending the life of the credit by 10 years to create greater certainty in the Program, (ii) create parity between "job retention" and "job creation," (iii) make the EDGE credit transferable to maximize the value of the credit, (iv) allow for an enhanced credit amount to be utilized by industries operating in high-need communities and most impacted by the pandemic, and (v) reinstate the Business Location Efficiency Incentive Act to foster projects in areas that have access to mass transit or are located in disadvantaged areas.

**Although HB 5255 did not pass the Committee stage, the Chamber advocated for an extension of the Program and to make the credit more accessible. Under the FY23 Revenue Omnibus (under SB 157), the EDGE credit will receive a five-year extension and the Program will expand to allow for the monetization of the credit for start-up companies so they receive the cash-on-hand up front to invest in their projects and companies.**

#### **V. Minimum Wage Tax Credit Increase: [HB 5320](#) (Croke-Costa Howard-Batinick)**

In 2019, the General Assembly passed a minimum wage increase that incrementally raises the State minimum wage to \$15 by 2025. At the time, legislators sought to ease the burden on small businesses (with 50 or less employees) by creating a partial tax credit meant to off-set part of the new costs that will gradually phase-out by 2025. Unfortunately, it was impossible for the GA to foresee the vast impacts of the pandemic on those very same small businesses, many of which closed and many more of which continue to struggle today. That is why the Chamber, along with over 50 other local chambers representing every corner of the State, introduced HB 5320 to restore the "Small Business Minimum Wage Tax Credit" to its 2020 value (of 25% of the difference in the increase of the minimum wage for that year) for three years. Currently, the credit is set to 17%, and will decrease next year to only 13%, and 9% in 2024.

**The Chamber was granted a Subject Matter hearing on the bill in the House Revenue and Finance Committee and received much interest from stakeholders on both sides of the aisle and the Illinois Department of Revenue, however, given budgetary constraints, the measure was not acted on this year.**



## FY23 Budget Overview

As the final days of the 2022 legislative session calendar neared, various versions of the budget began to appear. It had been rumored that the House Speaker, Senate President, and Governor's Office had similar, yet different budget priorities. Although the Governor had introduced his recommended FY23 appropriation package in February, new developments and new-found revenue estimates had allowed for various new items to be considered for inclusion. Notwithstanding the publicized differences amongst the three Democratic leader's plans, in the end, an agreed-upon budget package passed in the early hours of April 9<sup>th</sup>. For a discussion of the FY 23 Revenue Omnibus (which contains many of the tax relief provisions that were part of the budget package, please refer to the "**Taxes**" section in this document.

### FY23 Budget

[HB 900](#) (Welch/Sims) contained the FY23 Budget (which has been signed by the Governor and is now Public Act 102-698). The proposal includes an estimated \$120.3 billion operation spending plan, which includes \$44.868 billion in General Revenue Funds, \$50.735 billion in Other State Funds, and \$25.870 Billion in Federal dollars. The appropriations bill, further, contained approximately \$1.7 billion in FY22 supplemental funding, and capital reappropriations.

Though not yet officially disclosed, earlier released versions of the spending and revenue outlooks used by the legislature and Governor's Office to craft the budget reveal that there is an estimated \$46.543 Billion revenue estimate for FY23, which is just under the FY23 revenue estimate projected by the Commission on Government Forecasting and Accountability (COGFA) in March of this year which was set at \$46.988 Billion.

Using the \$46.543 Billion figure that the House Democrats used as their marker, HB 900 is estimated to expend a total of \$46.465 Billion—resulting in a \$78 million GRF budget surplus in FY23.

Looking at some of the high-level items included in the budget, there include the following appropriations:

- Looking at K-12 spending, the FY23 budget contains an additional \$350 million in EBF; and Early Childhood Education funding saw a \$54 million increase in funding.
- On Human Services spending, there are several appropriations made above the Governor's FY23 recommended levels, and some new Programming, including \$235 million in ARPA funding for IDHS grants to help the agency cover the cost of implementing the Reimagine Public Safety Act; adds a \$10 million line item for first responder wellness programs; \$3.6 million in a new Guaranteed Income Pilot program; new moneys are added to improve DCFS and case management; creates a new \$4 million Family Caregiver Program under the Department of Aging; and provides a \$100 million appropriation to DHS for Illinois Broadband Adoption.
- Under Higher Education spending, all the public universities receive a 5% increase to the FY22 funding levels and keeps that level flat for FY23; there is funding for a new High Impact Tutoring program housed under ISBE and IBHE and a new Community Behavioral Workforce Education Center; a new \$25 million appropriation is made to help healthcare workers bolster the talent pipeline by creating the PATH Workforce Program—in addition to providing the ICCB with \$150,000 for administrative expenses of

the new PATH program; adds a new \$5 million grant to the City of Chicago for Career and Technical Education; and increases MAP grant funding by \$122 million.

- Under Public Safety spending, the budget includes a \$19 million increase to ISP to hire approximately 330 new cadets; adds \$80 million towards grants for Adult Redeploy, Violence Prevention Programs, and Gang Crime Witness Protection; and gives IDOT \$20 million for purchasing automatic license plate readers; adds a \$5 million grant to Chicago to help with police training and recruitment; and adds an \$11 million line item for the Violent Crime Victims Assistance Act.
- Under DCEO, there is a new \$500,000 line item to provide a feasibility study under a public-private partnership for the Civic and Transit Infrastructure Act; adds a new \$5 million allocation to the Office of Minority Economic Empowerment to support efforts to helping minority-owned businesses in the State; contains a new \$7 million appropriation for a manufacturing promotion campaign, in addition to \$2 million centered around EV component manufacturing; adds \$38 million to ETIP; creates a \$19 million line item for tourism and recreation; makes a new \$100 million federally-funded award from the Infrastructure Investment and Jobs Act; creates a new \$400,000 line for the Illinois National Main Street Center; makes a new \$3 million investment to help the agency administer the Innovation Voucher Program; provides a \$300,000 grant for IRMA; creates a \$45 million appropriation for not-for-profits/local units of government to invest in violence interruption and community development; and contains a \$12 million grant for Choose Chicago.
- Under ARPA federal relief, adds \$200 million to Back-to-Business, adds \$50 million for job training, adds \$16 million for Community Navigators programming; adds \$25 million to the RISE program; creates \$500,000 in funding for small business microloans; authorizes \$75 million for hotels and \$50 million for restaurant relief; and adds \$150 million of funding for low-income housing tax credits.
- Under new capital spending, creates a \$300 million lump sum for Broadband under DCEO.

### FY23 Budget Implementation Bill (BIMP)

The Budget Implementation Bill, which historically contains much of the operating language necessary to deploy budget-related items, contained a number of non-budget related items, under [HB 4700](#) (Harris/Sims), which has been signed into law by the Governor as Public Act 102-699). Specifically, the bill:

- Creates a requirement that, with regards to the Secretary of State's requirement to mail every voter a pamphlet outlining the pro and con arguments surrounding the Worker's Rights Amendment, the SOS need only mail a postcard with a link to its website;
- Creates the Hotel Jobs Recovery Grant Program to help hotels in the downtown Chicago area that were historically excluded from previous government relief directed specifically at the hospitality sector--with grants of up to \$1,500 per room. Allocates \$75 million for this program.
- Creates the Restaurant Employment and Stabilization Grant Program, with grants of up to \$50,000 per eligible retailer. Allocates \$50 million for this program.
- Creates the Climate Jobs Institute within IBHE with the purpose of producing high-quality, reliable, and accurate research on labor, employment, and broader social and

economic impacts on decarbonizing Illinois' economy. Also establishes the Climate Jobs Advisory Council.

- Provides that before the State applies for federal broadband funding through the federal Infrastructure Investment and Jobs Act, the Administration must provide its application and plan for broadband grant funding to the Legislative Budget Oversight Commission at least 30 days prior to the submission to the federal government.
- Creates the Office of Opioid Settlement Administration within DHS.
- Allows DCEO to make direct grants to Choose Chicago.
- Creates an Internet Lottery program through the Illinois Department of the Lottery.
- Increases eligible MAP grant awards and expands MAP eligibility to include Career and Technical Education institutions.
- Establishes the IL Creative Recovery Grant Program Act to provide grants to the arts and creative sectors.

## Business and Labor

The General Assembly in recent years has been incredibly active in the area employment law, especially as the pandemic prompted advocacy groups to push for increased worker protections. The unfortunate consequence of these type of initiatives, however, is that employers are inevitably forced to bear the brunt of so-called “pro-worker” policies. This year was largely no different. Below is a description of action taken on several proposals impacting employers in the State.

### General Contractor Liability Bill Passes Notwithstanding Strong Business Opposition

[HB 5412](#) (Evans/Castro) was an initiative of the Mid-America Carpenters’ Regional Council to purportedly address wage theft in the construction industry. The legislation received strong opposition from numerous business groups, some of whom eventually were carved out of the provisions of the bill. As passed both Houses, the bill will create a new blanket liability on non-union general contractors engaged in private construction in the event the employee of any subcontractor, at any level, files a wage claim for underpayment under the Wage Payment and Collection Act. The liability would expose GCs to any unpaid wages, interest, penalties, or attorney’s fees owed an aggrieved employee. Notably, the provisions of the bill exempt contractors subject to a CBA, public employers, and homeowners acting as a primary contractor.

The Chicagoland Chamber, in addition to numerous other groups, were in strong opposition to HB 5412, ultimately asking the House and Senate Sponsor to entertain an amendment that would protect the overwhelming majority of GCs that comply with the law (and who have no knowledge of a sub acting in bad faith) and exempt lower-dollar projects. This call was met with extreme resistance by the Carpenters’ union. Ultimately, the opposition offered nominal “concessions” under HB 4600 (Evans/Castro).

As passed both Houses, [HB 4600](#) would merely:

- Create a “Bond Reform in the Construction Industry Task Force”;
- Further exempt construction projects not exceeding a paltry \$20,000;
- Carve out single-family and single-family residential rehabilitation projects;
- Cap the statute of limitations for claims under the new liability provisions at 3 years.

Given the lackluster provisions HB 4600 contained, the Chicagoland Chamber did not engage. Needless to say, we remain strongly opposed to these new liability provisions and will advocate for a total veto of HB 5412.

Both HB 5412 and HB 4600 have passed both Houses and are expected to be sent to the Governor for signing.

### “Workers’ Rights Amendment” Arguments Pass, Now Voters Will Decide

The fate of perhaps one of the most significant legislative measures that has the potential to shape the business climate in Illinois for decades to come will be decided by the voters this November. [Senate Joint Resolution Constitutional Amendment 11](#) (Evans/Villivalam) was approved by the General Assembly last year. The so-called “Workers’ Rights Amendment” was billed by proponents as a means to protect union workers in the State from any future attempts by future legislatures to allow for “right-to-work” laws. The fact of the matter is that the Collective

Bargaining Freedom Act, which effectively prohibits any right-to-work ordinances from being adopted at the local level and further makes it an exclusive right of the State to enact laws or rules that restrict the use of union security agreements, is already State law and local right-to-work zones or ordinances are already forbidden in Illinois.

Were this constitutional amendment to be adopted by voters, Illinois would be only the third state in the country (New York and Hawaii being the other two) to enshrine collective bargaining rights in the state's constitution. Specifically, the amendment:

- Provides that *employees* shall have the fundamental right to organize and to bargain collectively through representatives of their own choosing for the purpose of negotiating wages, hours, and *working conditions, and to protect their economic welfare and safety at work.*
- Provides that no law shall be passed that *interferes with, negates, or diminishes* the right of employees to organize and bargain collectively over their wages, hours, and *other terms and conditions of employment and work place safety*, including any law or ordinance that prohibits the execution or application of agreements between employers and labor organizations that represent employees requiring membership in an organization as a condition of employment; and
- Provides that these provisions are controlling over home rule powers.

Although federal law (e.g., National Labor Relations Act) largely has jurisdiction over labor relations involving private sector employers, and is preemptive over state actions, the usual and ordinary interpretation of the carefully crafted language contained in SJRCA 11 has the potential to go well beyond merely preventing “right-to-work.” Further, to the extent the amendment impacts labor relations amongst *public* employers, the language is incredibly broad and will leave interpretation up to the courts. If history is an indicator, constitutional provisions protecting against “diminishments or impairments” (i.e., pension clause) have typically favored employee rights—and have resulted in decades of the legislature being unable to adopt any meaningful structural reforms.

As is part of the constitutional amendment process, the Secretary of State is charged with supplying voters with a set of arguments in favor and against the passage of the amendment, with Democrats writing the arguments in favor and Republicans authoring the opposing arguments. This year, [SJR 55](#) (Villivalam/Evans) contained such arguments for the Workers' Rights Amendment.

### Erosion of “Drug-Free” Employer Cannabis Policies Stopped

[HB 4116](#) (Morgan/Peters) was an initiative of Rep. Morgan in an attempt to largely do away with zero-tolerance policies regarding cannabis. As you may recall, as part of the negotiations regarding the initial passage of the recreational cannabis law in Illinois, employers worked with other stakeholders to secure a robust protection of existing zero-tolerance or drug-free workplace policies under the Cannabis Regulation and Tax Act. However, current law has created a gray area for employers where employees and applicants can be adversely impacted for engaging in or consuming a legal product in Illinois. The Chamber was supportive of exploring ways to provide a clearer and more concrete framework for employers.



Under HB 4116, Rep. Morgan wanted allow workers in the State to be free to use cannabis (without the fear of facing adverse employer actions). Specifically, HB 4116 would do the following:

- Eliminate the blanket zero-tolerance and drug-free workplace policy employer protections contained under the CRTA and Right to Privacy Act;
- Introduced a new standard for allowing cannabis in the workplace, only explicitly exempting policies related to on-site use; situations involving situations where the employee works in a “safety sensitive position,” the employee demonstrates impairment; or an employee tests positive for levels of cannabis beyond what is allowed to safely operate a motor vehicle. Included in the new “safety sensitive” position carveout were positions that are high-hazard, involve the use of a firearm, involve the performance of medical procedures; involve the use of heavy machinery or retail/manufacturing distribution centers; and those positions related to critical service or infrastructure (including federal contracts).

The proposal successfully passed out of the House, however, the bill failed to advance out of the Senate. The Chamber along with partners in the business community worked with both Sponsors to try to make the explicit exemptions broad enough to accommodate any industry that would be concerned with allowing use of cannabis in their workplaces, however, many of our requests were not granted. Ultimately, the proposal failed to receive the support of Senate leadership and the bill failed to move before the Saturday adjournment. We anticipate that this proposal may come back at a later time.

### Consumer Legal Lending Bill Passes Amidst Strong Business Opposition

[SB 1099](#) (Tarver/Collins) creates the “Consumer Legal Funding Act,” which will regulate the contracts made between a consumer and the consumer legal funding company, including, allowing for a right of rescission. The Act also contains a series of restrictions on consumer legal funding contracts, establishes an 18% fee cap, requires certain disclosures, creates a new licensing requirements for businesses engaged in consumer legal funding, among other provisions.

Being compared to the legislation that passed last year concerning payday and title loans, this new Act has noticeable differences, including the fact that the services that are being regulated would not just lead to “cost savings” for consumers. The potential for this legislation is vast, given the instances where these consumer legal funding organizations have prolonged settlement discussions and drawn-out claims—in hopes that settlement agreements lead to higher payments for these firms. There, too, was a concern that many of these companies could potentially be propped up, at least in part, by the same legal firms that may be bringing suit. Attempts were made to include parallel disclosure provisions found in other state laws, such as Wisconsin, where plaintiffs are required to disclose whether or not the plaintiff is in contract with a consumer legal lending firm. No such request was agreed to, unfortunately.

The proposal was brought forward by the limited number of industry stakeholders, in collaboration with the Trial Lawyers, and was strongly opposed by a number of insurance industry and business organizations, including the Chamber. The proposal has passed both houses and will be on its way to the Governor.

## “Good Corporate Citizen” Legislation Fails to Move

Legislation that would establish new “good corporate citizen” requirements for any business that is in receipt of tax incentives from the State of Illinois has been introduced every year over the last couple of sessions. The proposals, filed under [HB 4826](#) (Croke) and an amendment to [HB 5543](#) (Gonzalez), would require businesses to affirm that (i) they or their corporate officers, parent companies, or affiliates are not or have not been subject to criminal charges within the last 5 years; (ii) that no criminal, civil, or administrative charges, complaints, or actions have been brought by the State; and (iii) that there have been no previous tax delinquencies. The Chamber strongly opposed to this legislation, given the bad precedent the new requirements would present businesses when a mere charge would be filed alleging any number of issues. The legislation, facing stern opposition from the business community, did not advance, though, this could be one that is resurrected next year.

## Latex Glove Ban in Food Service, First Response, and Healthcare Passes

The legislature passed legislation that will incrementally prohibit the use of latex gloves in the food, EMS, and other healthcare setting under [HB 209](#) (Mussman/Jones).

The proposal will:

- Prohibit the use of latex gloves in the preparation and handling of food beginning on January 1, 2023.
- Prohibit the use of latex gloves by EMS personnel beginning on January 1, 2023.
- Prohibit the use of latex gloves by health care facility personnel when patients are unconscious or when a patient’s history of latex allergy is not immediately known beginning January 1, 2024.

For each of these prohibitions, there will be a “crisis situation” exception that will relieve the employer of the duty to comply with the law in the event that there is a supply shortage preventing the sourcing of nonlatex gloves. The Illinois Department of Public Health is the administering agency over the proposal. It is expected for the Governor to sign the legislation.

## Several Leave Bills Are Considered, Few Pass Both Houses

Over the last couple of years, advocates and legislators in both the House and Senate have continued to expand existing leave benefits for workers in Illinois. In the absence of a viable paid leave program that would have enough support to pass both Chambers, several attempts to bolster unpaid leave laws have been introduced. This year, fortunately, many did not advance.

[HB 3898](#) (Gordon-Booth-Davis-Halpin), titled the Healthy Workplace Act, would impose a state-wide minimum 5-day paid leave program for employees to use for specified reasons, including personal illness, to care for family members, or for purposes of justice-involved visitations. The proposal was strongly opposed by the Chamber and other several employer groups. The bill passed out of the House Labor & Commerce committee in mid-February—however, there was never any real attempt by the Sponsor to move the bill beyond this stage. Rep. Gordon-Booth had previously worked with business organizations on an agreed-to version of this legislation that was rejected in 2021. This is an issue that will inevitably return in 2023.

[SB 3120](#) (Bush/Moeller), as passed both houses, will modify the “Child Bereavement Leave Act,” which currently requires employers of 50 or more employees to allow workers to take up to

two weeks of unpaid leave following the death of a child (and up to 6 weeks in the event there is a loss of more than one child). Under SB 3120, the Act is renamed the “Family Bereavement Leave Act” and makes the following changes: (i) expands the eligibility of allowable leave to include deaths of “covered family members” and (ii) further allows leave to be taken in the event of a miscarriage, unsuccessful IVF procedure, failed adoption match, failed surrogacy agreement, a diagnosis negatively impacting pregnancy, or a stillbirth. The legislation passed both houses and is expected to be signed by the Governor.

[SB 257](#) (Munoz/Kifowit), as passed both houses, contains various protections for military victims of sexual assault. Included in the bill are changes to expand the Victims’ Economic Security and Safety Act (otherwise known as VESSA). VESSA allows for up to 12 weeks of unpaid leave for employees that are victims of domestic, sexual, or gender violence. Under SB 257, certain employees would be eligible under VESSA to take unpaid leave for purposes of attending, participating in, or preparing for a court-martial or nonjudicial military proceeding related to domestic, sexual, or gender violence where the employee or a family member was the victim. The bill passed both houses and is expected to be signed by the Governor.

### Other Employment Law Related Bills Pass

[SB 3146](#) (Villanueva/Collins) is a proposal that sought to strengthen the “One Day Rest in Seven Law,” which currently prohibits employers from requiring an employee to work more than six days in a workweek without at least allowing the employee a rest period of 24-hours; additionally, the law also requires that employers allow no less than 20-minute meal breaks for any 7.5 hours of continuous work. Under, SB 3146, the Law is amended to (i) make the 24-hour rest period apply after any consecutive seven-day period (instead of calendar week), (ii) requires an additional 20-minute meal break to be authorized for any 4.5 continuous hour shift worked—in addition to the 20-minute meal break required per 7.5 hour shifts, (iii) creates a new graduated civil offense structure for violation of the Act (instead of a petty offense), ranging from \$250-\$500 per offense (in addition to damages in the same amount), and (iv) requires employers to publicly display posters informing employees of the rights provided under the Act. Although the bill was improved, especially by graduating the new penalty according to employer size, this is one that the Chamber opposed in the House given the new mandate. The bill passed both houses and is expected to be signed by the Governor.

[SB 3616](#) (Hunter/Gordon-Booth), as passed both houses, expanded worker protections under the Illinois Human Rights Act. SB 3616 provides that it is a human rights violation in the State of Illinois to discriminate according to a person’s race, including traits associated with race, such as hair texture and protective hairstyles like braids, locks, and twists. Furthermore, provides that the Department of Human Rights has jurisdiction over claims related to public accommodation, including both the denial or “refusal of full and equal enjoyment” of facilities, goods, or services. The proposal is in-line with national movements to adopt CROWN (Create a Respectful and Open Workplace for Natural Hair) laws to protect largely individuals in the minority community, many of whom are African American. The proposal is expected to be signed by the Governor.

[HB 4850](#) (Guzzardi/Villa) is a measure that would have sought to expand employer liabilities for crimes of gender-based violence that occur in and around the workplace. Under HB 4850, the Gender Violence Act would be amended to provide that an employer is liable for gender-related violence committed in the work environment by an employee if the employer (i) failed to supervise, train, or monitor the employee who engaged in the gender-related violence or (ii) failed to investigate complaints or reports directly provided to a supervisor and the employer

failed to take remedial measures in response to complaints or reports. The bill would have allowed for a 7-year statute of limitations. This proposal was strongly opposed by the business community, including the Chamber. Although the bill passed out of the House, the bill stalled in the Senate. It is unclear if the proposal will be revisited in 2023.

[HB 989](#) (Delgado), under Floor Amendment #1 to [HB 989](#), would have sought to impose significant penalties on Illinois corporations that failed to comply with the Secretary of State's data collection regarding woman, minority, and LGBTQ-identifying persons serving on their corporate boards. Under the proposal, any failure to timely file these reports (which, as of 2021, applied to approximately 100 C-Corps) would result in fines ranging from \$100,000 to \$250,000+ depending on subsequent violations. The fine structure is identical to the fine structure currently imposed in the State of California, which has a much more stringent board diversity law. Amidst much pushback from business groups, including the Chamber, the Sponsor agreed to hold the bill until a further time. While the Sponsor agreed to make several changes at the Chamber's request, which would have moved us to a neutral position, the Sponsor decided to hold the bill and allow for a more holistic conversation with the business community this year. This is one that is likely to pop up later this year, if not in 2023.

## Taxes

In the second year with the State of Illinois realizing record-high revenues, in large part due to the billion of dollars in federal Covid-relief, House and Senate Democrats worked with the Governor's office to make sure that many of those "surplus" revenues were remitted, at least in part, back to taxpayers especially as we are now facing record inflation and high cost of goods. In addition to several tax-relief measures, the legislature successfully extended, expanded, and created new business incentives.

### FY23 Revenue Omnibus Contains Numerous Taxpayer-Friendly Provisions

As session progressed, there was increased speculation that the House Democrats were preparing to unveil an end-of-year revenue package, as had been tradition in years prior to the pandemic. This year, with the increasing pressure to pass one-time relief for Illinois families, SB 157 became the vehicle to enact broad tax relief. Included in this sizeable package were two items that the Chamber championed, including an expansion to the Film Production Tax Credit (making the credit more competitive) and an extension and expansion to EDGE.

[SB 157](#) (Hastings/Zalewski), the FY23 Revenue Omnibus, contained the following provisions:

- EDGE Tax Credit Changes
  - Start-ups are added to the Program; monetizes the EDGE credit for these firms.
  - Makes technical changes to the definition of underserved area.
  - Makes a 5-year extension (through June 30, 2027) to the credit's sunset.
- River's Edge Tax Credit
  - Modifies definition of underserved area.
- Film Production Tax Credit
  - Creates an Illinois Production Workforce Development Fund, funded through a portion of a transferred credit amount, to fund programming for diverse talent pipeline investments.
  - Makes game-changing expansions to the credit to allow for the claiming of non-resident on-screen and behind the scenes talent, up to \$500,000—a provision that many other competitor states currently already allow for as part of their state film tax credits.
  - Adds the ability to claim loan out company expenditures.
  - Maintains the 2026 credit sunset, although episodic productions already producing and receiving the credit may be granted continuous credits in perpetuity.
- Live Theatre Tax Credit
  - Temporarily increases the aggregate amount of tax credits able to be issued by DCEO to \$4 million for FY23, and increases the amount of the credit eligible by a production to \$2 million for FY23 in the event production spending exceeded \$2.5 million.
- Biodiesel, renewal diesel, and biodiesel blend sales tax subsidies are created.
- Hospital Income and Sales Tax Changes
  - Hospital tax credit extension through 12/31/2027
  - Makes permanent the sales tax exemption for hospital equipment.
- Withholding Tax Credit for Paid Leave



- Creates a new \$1,000 credit for Illinois businesses that allow employees to take paid sick leave in excess of 30 days for purposes of donating organs or bone marrow.
- Income Tax Rebates
  - Allocates \$685 million to the Income Tax Refund Fund for the purpose of issuing one-time income tax rebates of \$50 per filer (or \$100 for joint filers) and \$100 additional rebates per dependent, for up to three children.
- Property Tax Rebates
  - Creates the ability to issue one-time rebates to homeowners equal to the amount of the PTAX tax credit they would otherwise be eligible for up to \$300 dollars per residence. Allocates \$470 million for this purpose.
- Motor Fuel Tax Delay
  - Pauses the inflationary increase scheduled to take effect July 1, 2022, until January 1, 2023, saving taxpayers approximately 2-3 cents per gallon for this 6-month period.
  - Requires the posting of a “suspension of gas” sticker at each pump to inform taxpayers of the delay, with the risk of a \$500 penalty per day on gas stations that fail to comply with this mandate.
- Reimagining Electric Vehicles (REV) Credit Changes
  - Adds advanced battery and advanced battery component production to the list of eligible facilities able to receive a REV Tax Credit.
  - Adds battery recycling and refining service providers to existing credit eligibility.
- Earned Income Tax Credit Expansion and Increase
  - Increases the Illinois EITC to 20% of federal credit beginning in 2023—adds low-income single, young adults, ITIN filers, and seniors without dependents to the list of qualifying taxpayers eligible for the credit.
- Grocery Tax Relief
  - Eliminates the State grocery tax of 1% for one year from July 1, 2022 to July 1, 2023.
  - Requires retailers to post a notice either on a customer receipt or on a public place in the store stating that there is 0% state sales tax on groceries for one year.
  - Creates the grocery tax replacement fund. \$400 million allocation.
- School Supply Sales Tax Holiday
  - Provides a 5% (or State portion) sales tax holiday for clothes (worth up to \$125) and school supplies from August 5-14, 2022. Excludes delivery charges from being part of the sale price.
- Breast Pumps Sales Tax Relief
  - Creates a permanent sales tax exemption beginning July 1, 2022 on the sale of breast pumps and other similar equipment.
- Coal and Aggregate Mining Equipment Sales Tax Exemption Extension
  - Pushes back the expiration of the coal and aggregate mining equipment sales tax exemption to July 1, 2028 from July 1, 2023.
- Fund Transfers
  - Makes transfers to the Budget Stabilization fund of \$720 million for FY22 and \$280 million in FY 23 and transfers to the Pension stabilization fund \$200 million in FY23.

- Teach School Supply Income Tax Credit Increase
  - Increases the existing credit amount to \$500 beginning in 2023 (up from \$250).
- Agrotourism Tax Credit for Businesses
  - Creates an up to \$1,000 tax credit for tax years 2022 and 2023 for agrotourism businesses based on the insurance premiums paid by the taxpayer. Caps the aggregate amount of credits issued by IDOR at no more than \$1,000,000 per year.
- Makes changes to the parking tax levying structure.
- UI speedbump language – pushed to January 1, 2023; makes retroactive changes concerning misstated earning claims to have a 5-year look-back for any claim arising after March 15, 2020.
- Creates the MICRO Act.
  - The Manufacturing Illinois Chips for Real Opportunity (MICRO) Act is created. An initiative of the IMA, the bill would create an expansive series of tax incentives for businesses hoping to expand in or relocate to Illinois engaged in the business of semiconductor manufacturing, microchip manufacturing, or semiconductor/microchip component manufacturing.

Senate Bill 157 passed both chambers and has been signed by the Governor; it is now Public Act 102-700.

### Property Tax Omnibus Bill Leaves Much to Be Desired

In addition to signaling early on in this legislative session that there was an omnibus revenue proposal that was to be unveiled near the end of session, there had been numerous indications that a House and Senate Democrat property tax working group had been busy working on a property tax package. Property taxes being among the most pressing issues our members face in the Chicagoland area, this is one issue we were tracking and advocated for reform on this session. As the property tax working group continued to meet throughout Session, the Chamber continued to press for short and long-term solutions to the Cook County property tax system. Ultimately, the property tax package that was unveiled under [SB 1975](#) (Martwick/Kifowit) had a very limited scope and only offered some relief to homeowners.

In particular, SB 1975 contained the following:

- Creates a “Veterans’ Property Tax Study” to look at how the disabled veterans’ homestead exemption impacts taxing districts in counties where there are high concentrations of servicemembers.
- Adds optometrists to the list of physicians that may certify that an individual qualifies for a homestead exemption for persons with a disability.
- Provides that the homestead exemption for persons with disability may be auto-renewed without application in Cook County for tax years 2022-2027.
- Expands the disabled veterans homestead exemption to allow, beginning tax year 2023, surviving spouses to qualify for a full PTAX exemption in the event the deceased spouse is receiving dependency and indemnity compensation. Further, provides that the exemption is allowed to any surviving spouse that is an Illinois resident whose spouse never received the exemption prior to his or her death but would have otherwise qualified. Lastly, permanently allows for automatic renewal of the exemption for veterans that have a disability rating of 100%.

- Increases the amount of the senior citizens homestead exemption for the Collar Counties to \$8,000 (up from \$5,000).
- Increases the amount of the general homestead exemption in the Collar counties to \$8,000 (up from the current \$6,000).
- Provides that homeowners that participate in AARB, SNAP, LIHEAP, Benefit Access, or the Senior Real Estate Tax Deferral Program are automatically eligible for the Senior Citizen Assessment Freeze Homestead Exemption.
- Under PTELL, allows park districts, library districts, community college districts, and certain school districts to recapture any amount of a levy that they did not increase in a previous year (up to 3 years). Allows that district's levy to be increased by 5% or the rate approved by voters in a subsequent year in order to capture the full amount of the levy. Requires each school district to disclose their cash reserve balance.
- Lowers the interest rate on any loan taken under the Senior Citizen Real Estate Tax Deferral Act to 3% (currently, 6%) beginning in tax year 2023.

The proposal has passed both houses and is anticipated to be signed by the Governor.

### **Punitive Vacancy Fraud Act Targeting Commercial Property Owners, Does Not Pass**

There was a proposal introduced to allow individuals to file complaints with the Board of Review based on allegations that a commercial property owner improperly received vacancy relief. The proposal, championed by the Small Business Advocacy Council, was riddled with technical issues, ill-conceived, and would have set a terrible precedent. The proposal was subject of much discussion early in Session, but due to pressure by a coalition of business groups, including the Chamber, in addition to the Cook County Assessor's Office, Sen. Murphy did not move forward with [SB 3477](#) (Murphy). The issue is likely stalled for the foreseeable future, but was adamantly pursued by the SBAC, under the promise to redevelop struggling areas. We could see a future where this is picked up again.

### **Property Tax Bill to Support Commercial Properties in South Suburbs Passes**

The South Suburbs in Cook County have long experienced a shrinking commercial tax base, largely a product of community disinvestment but also flawed government policies that were not conducive to economic development. To help spur business investment in the area, Rep. DeLuca has passed legislation over the years to create property tax incentive packages for properties in located in his area.

This year, [SB 3189](#) (Joyce/DeLuca) created an incentive package that would allow and owned by a local unit of government and/or the Land Bank—considered “Southland reactivation property”—to be eligible for special property tax break on the assessment of the property in the event that private commercial or industrial property investors would redevelop parcels, sites, or property in Bloom, Bremen, Calumet, Rich, Thornton, or Worth townships. Locals would have 5 years after passage of the proposal to certify property as Southland reactivation property and entitle the property to a 12-year reduced assessment program that would cap the overall tax owed on such a property.

The Chicagoland Chamber strongly supported this legislation and hopes to continue working with the County and other stakeholders to address issues of property taxes/assessments and their impact on development in the South Suburbs and throughout Cook County.

## Public Safety

Perhaps the single-most discussed and prevalent issue Chamber members and City residents see on the news on a nightly basis is crime, and the glaring lack of public safety. After years of dealing with a global pandemic, and a more realistic hope that the worst of Covid-19 is now behind us, the rampant increase in crime continues to impact the reopening of our economy.

The Chamber has actively engaged with City, County, and State officials in the hopes of getting a better picture into the problems with public safety and to understand what role businesses can play in helping our law enforcement and criminal justice system address the problem.

Unfortunately, as we have relayed to you, the problem is multi-faceted and no one public official is willing to take responsibility.

What is infinitely clear is that criminals have been brazen and emboldened in recent years, and the lowest common denominator seems to point to significant changes that came out of Springfield last year under the SAFE-T Act, among other initiatives. This year, amidst significant public outcries and record-high crimes having been committed in Chicago in 2021, legislators promised to take action. Below is a description of some of the initiatives that received consideration, most of which passed both chambers in the last week of Session.

- [HB 260](#) (Williams/Feigenholtz) amends the Expressway Camera Act in order to allow for more cameras to be placed in Cook County, including Lake Shore Drive in Chicago. Also, allows for law enforcement to use images taken by the cameras to investigate carjackings, terrorism, and any violent crime. Extends the repeal date of the Expressway Camera Act to July 1, 2025. Passed Both Houses.
- [HB 601](#) (Andrade/Gillespie) expands the criminal charge of “commission of possession of burglary tools” to include possession of carjacking tools that unlock or start cars without a key or any tool that is meant to capture or duplicate the signal of an authorized key fob. Passed Both Houses.
- [HB 1321](#) (LaPoint/Hastings) would create the First Responder Mental Health Grant Program Act, which, subject to appropriations, would allow IDHS to give grants to local governments, hospitals, and ambulance service providers to provide behavioral health care services to first responders. Passed Both Houses.
- [HB 1568](#) (Vella/Martwick) would, in addition to offering law enforcement pension benefit enhancements, allow ILETSB to collaborate with the ICCB and IBHE to report recommendations to the GA for establishing minimum requirements for credits that may be transferred to satisfy certain courses required of law enforcement and correctional interns. Passed Both Houses.
- [HB 1571](#) (Manley/Glowiak Hilton) would require IDHS to establish an Off-Hour Child Care Program by July 1, 2023 to provide or help identify for first responders child care options. Passed Both Houses.
- [HB 3699](#) (Delgado/Martwick) makes changes to several laws in order to improve and support carjacking enforcement, and to support the prosecution and administration of carjacking laws. Passed Both Houses.
- [HB 3772](#) (Delgado/Aquino) would protect victims of carjackings by prohibiting the imposition of traffic, impoundment, and parking violations, fees, fines, or penalties from being levied upon the legal car owner; and authorizes up to \$1,000 reimbursements to be issued to certain victims. Passed Both Houses.

- [HB 3863](#) (Vella/Morrison) would create the Law Enforcement Recruitment and Retention Fund in order to allow for the appropriations to be made to locals, schools, and nonprofits for the purpose of helping hire and retain law enforcement officers. Passed Both Houses.
- [HB 3893](#) (Hernandez, E./Joyce) extends the sunset of an eavesdropping law that currently helps law enforcement utilize certain recordings with the consent of the local county State's attorney (through 1/1/2027) and extends the RICO article of the Criminal Code of 2012 through June 11, 2023. Passed Both Houses.
- [HB 4383](#) (Buckner/Collins) would effectively try to impose a ban on "ghost guns" by outlawing the manufacture or sale of unserialized firearms, with the exception of firearms manufactures by federal firearm entities. Passed Both Houses.
- [HB 4481](#) (Greenwood/Murphy) would expand the Expressway Camera Act in order to improve collaboration between ISP, the Tollway, and IDOT to expand the number of cameras along expressways in Boone, Bureau, Champaign, Dekalb, DuPage, Grundy, Henry, Kane, Kendall, Lake, LaSalle, Macon, Madison, McHenry, Morgan, Peoria, Rock Island, Sangamon, St. Clair, Will, and Winnebago Counties. Passed Both Houses.
- [HB 4667](#) (Yednock/Cunningham) would add deputies, county correctional officers, and correctional officers to a list of qualified law enforcement officers eligible under LEOSA to carry a weapon while off-duty. Passed Both Houses.
- [HB 4736](#) (Gordon-Booth/Peters) creates the Crime Reduction Task Force (made up of representative of the GA, law enforcement, criminal justice officials, and justice-involved advocacy groups) in order to develop and propose policies and procedures to reduce crime. Creates new grants to be made for purposes of establishing tip hotlines for crime victims and witnesses to report criminal activity; establishes a Co-Responder Pilot Program in the cities of East St. Louis, Peoria, Springfield, and Waukegan; and creates a witness protection program under the AG and ICJIA to help victims and persons suspected to be under threat of violent retaliatory crimes. Passed Both Houses.
- [SB 2364](#) (Slaughter/Harmon) contains the SAFE-T Act Trailer language, as passed the House; **unlike other proposals, SB 2364 only passed the House and requires action by the Senate before it can be sent to the Governor.** The bill allows law enforcement officers to issue citations in lieu of custodial arrests for various low-level offenses; creates a 26-member Commission on Pretrial Implementation; makes changes to the terms by which an individual on pretrial house arrest may be allowed to have the freedom to move about to 2 periods instead of "2 days" per week; allows for the periods to be structured by a supervising authority; and provides that the State may file a motion to deny an individual the ability to be on pretrial house arrest if that individual is charged with a forcible felony. **It is unclear at this time if the Senate will be taking this matter up this year.**

## Organized Retail Crime Package Passes with Overwhelming Support

As previously mentioned, one of the most anticipated pieces of legislation that business owners and residents of Chicago eagerly awaited this year was the Retail Merchants' and Attorney General's proposal to crack down on smash-and-grabs that have skyrocketed in recent years. Smash-and-grabs, and the rise of organized retail theft, while only one component of the rise of crime in Chicago, has significantly fueled gang activity and other forms of crime throughout the City. That is why the Chamber was proud to support the final version of the legislation.



[HB 1091](#) (Glowiak Hilton/Buckner) contained language that ultimately Passed Both Houses, and is anticipated to be signed by the Governor. Specifically, HB 1091 would do the following:

- Creates the Illinois Integrity, Notification, and Fairness in Online Retail Marketplaces for Consumers (otherwise known as the INFORM Act) to largely require online marketplaces (such as Amazon, Facebook Marketplace, etc.) to require certain sellers dealing in “high-volume” sales to provide the marketplace seller certain identifying information, including bank accounts, tax identification numbers, and emails and phone numbers. Specifically:
  - Requires periodically, and no less than annually, a seller from certifying that no change in the seller’s information has occurred;
  - Requires an online marketplace to suspend the account of any seller that does not comply with the reporting requirements until the seller complies with the requirement;
  - Requires the online marketplace to verify the information collected within 10 days of collection or receipt of a notice of change in information.
  - Requires the online marketplace to require sellers of over \$20,000 to provide certain information on the seller, including name or company name, physical address of the seller, the contact information of the seller, including whether the seller used a different seller to supply consumer products to consumers upon purchase;
  - Requires an online marketplace to provide consumers with certain seller-specific information on the order confirmation message after a purchase is finalized;
  - Requires that upon request of a seller, an online marketplace may provide for partial disclosure of information provided to the seller for use by consumers;
  - Requires an online marketplace to suspend the seller’s account if the seller fails to be responsive regarding the partial disclosure of the seller’s information;
  - Requires an online marketplace to disclose to consumers a means to report suspicious seller activity;
  - Requires an online marketplace to protect the data of seller’s and only use the information as is dictated by the INFORM Act;
  - Allows the Illinois Attorney General to enforce the Act; and
  - Creates the Organized Retail Crime Enforcement Fund, which, subject to appropriation, would allow the AG to use moneys from the fund to help local law enforcement to enforce ORC.
  - **Effective January 1, 2023.**
- Creates a new “Organized Retail Crime” Section under the Criminal Code of 2012.
  - Provides that an individual is guilty of ORC when the individual, in concert with another person or group, knowingly commits retail theft from one or more stores, and, in the course of such an act or flight from the act, knowingly (i) commits assault or battery at the store; (ii) commits battery at the store; or (iii) intentionally destroys or damages property at the store.
  - Provides that a person is guilty of being a “manager of ORC” when the individual knowingly recruits, organizes, supervises, finances, or otherwise manages or directs any other individual or individuals to: (i) commit the act of retail theft from one or more stores (if the value of the merchandise exceeds \$300) and the manager has the intent to resell the merchandise; (ii) commit theft of

merchandise (worth over \$300) while the merchandise is in transit from the manufacturer to the retail mercantile establishment and the manager or individual has the intent to resell the merchandise, (iii) obtain control over property for sale or resale (of merchandise worth over \$300) knowing the property to have been stolen or can reasonably induce the merchandise is stolen; OR (iv) receive, posses, or purchase any merchandise or gift cards (worth over \$300) obtained from a fraudulent return.

- Allows for “concurrent venue” in the event that ORC can be charged in multiple counties.
- Allows for ORC to be investigated, indicted, and prosecuted under the Statewide Grand Jury Act.
- **Creates sentences ranging from Class 2 to Class 3 felonies, depending on the type of crime that could be charged as ORC.**
- Creates New Rights for Retailers Victims to ORC
  - Provides that a store that is a victim of a violation of ORC shall have the following rights: (1) timely file notifications of all court proceedings; (2) communicate with the prosecution; (3) be reasonably heard at any post-arraignment court proceeding in which a right of the victim is at issue, including decision, plea, or sentencing, (4) be notified of the conviction, sentence, imprisonment, or release of the accused; and (5) to have present counsel.
  - Requires that law enforcement agencies file a report with a State’s Attorney concerning details of the incident, unless a store owner refuses to file a report. Prohibits law enforcement from dissuading a store owner from filing a report.
- Reaffirms Retailer and Credit/Debit Card Issuer Agreements
  - Contains provisions regarding “friendly fraud”, requiring a card issuer to consider evidence submitted by a retailer when there is a dispute of a transaction and comply with any merchant responsibilities subject to an existing agreement.
- Venue Jurisdiction for ORC
  - Allows for venue of ORC to be proper in any county when ORC was committed, where merchandise was acquired, transferred, or distributed.

## Tech Sector

As the technology space has continued to attract the largely unwanted attention from legislators in recent years, most prominently at the federal level, it only followed that this year the Illinois statehouse would be replete with its share of proposals. As was expected, there were a number of bills that would impose new, so-called consumer-friendly regulations on industries ranging from applications, marketplace platforms, and businesses that utilize proprietary repair technology. Thankfully, many of these proposals did not advance.

### Fair Food and Retail Delivery Act Passes

Over the last couple of years, the restaurant and retail industry has asked the legislature to enact certain safeguards in the third-party delivery service space. The legislation originally was designed to address alleged issues where merchants had third-party delivery apps improperly post menus, logos, and other proprietary information on behalf of a vendor without the restaurant or retailer's approval. The Fair Food and Retail Delivery Act this year was introduced in order to regulate these contractual relationships.

Specifically, the Act, as contained in [HB 3205](#) (LaPointe/Feigenholtz), as passed both houses this year, will do the following:

- Provide that a “third-party delivery service” may not purchase or use the name, likeness, registered trademark, or intellectual property belonging to a merchant, or take or arrange for the pickup or delivery of an order from a merchant through a digital network, without first obtaining written consent from the merchant.
- Prohibit an agreement between a merchant and a third-party food delivery service from including a provision that requires a merchant to indemnify (i) a third-party delivery service, (ii) an independent contractor of the third-party delivery service, (iii) a third-party delivery service driver, or (iv) a registered agent of the third-party delivery service for any damages or harm partially or wholly caused by or resulting from the third-party delivery service, an independent contractor of the third-party delivery service, a third-party delivery service driver, or a registered agent of the third-party delivery service.
- Allow bars, restaurants, and retailers to bring a private right of action in circuit court to recover actual damages or up to \$5,000. And, allow a court to award punitive damages and other equitable relief.

The Chamber opposed efforts contained in several amendments to impose burdensome training and education requirements on workers of the delivery app services but was neutral with the bill as passed both Chambers. The bill is expected to be signed by the Governor.

### Right-to-Repair Considered at Committee Subject Matter Meeting, No Vote

Rep. Mussman last year introduced [HB 3061](#) (Mussman-Carroll), and advocated for its reconsideration this year after it failed to move. This year, the Cybersecurity, Data Analytics, and IT Committee allowed for the bill to have a “subject matter only” hearing, in order to hear the merits of the proposal and also hear from opponents, which included a coalition of union organizations and employer groups, including the Chamber.

HB 3061 would create the “Digital Right to Repair Act.” The Act would mandate that manufacturers of digital electronic equipment and parts provide to any purchaser of products or to independent repair shops any documentation, parts, or tools necessary to “diagnose,

maintain, or repair” a product. The Act would allow the Attorney General to enforce the provisions of the law, including levying remedies or penalties and provides limited protections for the equipment manufacturer; for example, the bill provides that a manufacturer is not required to divulge any trade secrets (except, in the event that information is necessary for meeting the documentation, parts, and tools disclosure requirements) and excludes automobile manufacturers. The bill would become effective January 1, 2022.

During the hearing, the proponents largely centered their arguments on the legislation’s democratization of the repair process for these consumer products. The opposition, however, pushed back on the flaws and problems that this proposal would result in, including, a broad scope of applicability (potentially impacting a wide-range of technologies and goods), exposure to new liabilities in the event repairs by non-authorized agents tampered with the integrity of the covered product, creation of new hazards in the event unauthorized repairs lead to malfunction, and, lastly, expanding the scope of who may and how they may have access to proprietary information (as would be required under the Act) would risk a company putting themselves at a competitive disadvantage in both the domestic and foreign markets.

Ultimately, the strong opposition to this proposal and, more importantly, the strong reservations many of the Committee members had over the impact this legislation would have, led to its stalling in Committee. Right to repair advocates continue to seemingly unveil new versions of their tried and tired arguments on a weekly basis. It is expected another push will occur next session.

### App Store Regulations Gain Momentum, But Do Not Advance

One proposal that gained attention from members of both the House and Senate was the “Freedom to Subscribe Directly Act.” [HB 4599](#) (Gonzalez)/[SB 3417](#) (Feigenholtz) would place new, onerous regulatory burdens on digital app distribution platforms (such as the Apple App Store and Google Play Store). Both the House and Senate bills were granted subject matter hearings this year, though neither proposal advanced.

The Act would prohibit platforms from requiring the use of their proprietary payment system for in-app purchases, prohibit the platform from taking a retaliatory action against a developer using the platform as allowed during the Act, and create a private right of action against any platform that violated the Act. The legislation, according to proponents, was designed to prevent the 15-30% commissions required of certain apps in the platforms for use of the platform’s payment processor. The legislation was strongly opposed by a wide coalition of business organizations, including the Chamber, based upon the potentially dangerous safety and regulatory concerns the Act would impose. Given the potentially severe implications that this proposal would have on the tech space’s growth in Illinois, given that no other state in the country has these limitations, in addition to concerns expressed by a number of legislators that expressed concerns with these possibilities, the bills did not receive any further consideration.

### Geolocation Privacy Protection Act Is Revived, But Fails to Advance

Last year, [HB 3453](#) (Williams, A.) was introduced, but did not receive any consideration. This year, Rep. Williams asked that the bill be assigned to the Cybersecurity, Data Analytics, & IT Committee. The proposal would create the Geolocation Privacy Protection Act. Broadly, the bill would prohibit a private entity that owns, operates, or controls a location-based app on a user’s phone from disclosing a user’s geolocation information to third parties without the consent of a user. The bill would require that notification, including certain release of data, be provided to a

user and allows for certain exceptions, such as in the event the private entity needs to release the information for safety purposes (in addition to health care providers, financial institutions, and third party delivery servicers). The bill allows the AG to enforce the Act and prohibits private rights of action.

The bill was posted to Committee over several weeks, however, no vote or consideration was ever taken. The Chamber has led the effort since 2016 to stop this legislation and was successful, with our business partner groups, in ensuring the bill did not see movement this session.

### Regulatory Bill Over Automatic Subscriptions Introduced, Fails to Move

[SB 3447](#) (Glowiak Hilton) is legislation that was introduced this year to create more robust regulations under the Automatic Contract Renewal Act, which contains clearly-defined safeguards for both consumers and businesses that enter into automatic renewal contracts.

What SB 3447 would do is: (i) require for disclosure of automatic renewals to be included in both the contract and “during the process by which a consumer enters into the contract,” (ii) provide that the clear and conspicuous disclosure of the automatic renewal clause displayed during the contract formation process must require the consumer to affirmatively consent to the renewal terms, (iii) provide that any notice provided to a consumer include the dollar amount that will be charged in the event of contract cancellations; the length of time of contract; and a link that directs the consumer to the cancellation process; and (v) would require for notices to be expanded to cover promotional, reduced rate, or otherwise special offers that result in automatic renewal contracts at the end of the promotional period; and (vi) require businesses to provide consumers with more easily accessible methods of termination of contracts.

The bill did not move past the Committee stage.

### Rideshare Regulatory Proposals are Filed—Do Not Advance

[SB 3752](#) (Crowe) amended the Transportation Network Providers Act to provide that no driver may be eligible to turn on the app for more than 10 hours during a 24-hour period and required drivers to post on their vehicle a trade dress at all times they were operating their vehicle while actively using the app for ridesharing purposes.

The proposal was never released from Assignments Committee.

[SB 4051](#) (Villivalam) amended the Transportation Network Providers Act to clarify that solely for purposes of provisions concerning driver safety, TNCs or TNC drivers are not common carriers, contract carriers or motor carriers, as defined by applicable State law, nor do they provide taxicab or for-hire vehicle service.

The bill was never released from Assignments Committee.

## Energy and Environment

This year, several bills were filed on behalf of environmentalist groups in order to largely impose new regulations on the regulated community. As with almost any proposal in this arena, business organizations, including the Chamber, have shown incredible willingness to engage in meaningful dialogue to find common ground. However, the willingness to reasonably negotiate, oftentimes is not reciprocated.

One incredibly significant proposal that has been discussed in recent years has to do with environmental justice and the need for the State to create environmental justice communities—this was a significant issue that the business community tried to negotiate on in good-faith, but to no avail. Although no comprehensive legislation passed both Chambers, this is an issue that is sure to remain active. Other meaningful legislation that was considered this year was the trailer bill to last year's Clean and Equitable Jobs Act. Below are discussions of both these issues.

### CEJA Gets Cleaned-Up, Trailer Bill Passed Both Chambers

One day before the scheduled April 8<sup>th</sup> adjournment date, Rep. Walsh filed Floor Amendment #4 to [SB 3866](#) (Hastings/Walsh), which contained clean-up provisions to the historic Clean and Equitable Jobs Act that culminated months/years' worth of negotiations between energy companies, labor unions, environmentalists, the State, and other industry stakeholders.

Under SB 3866, there are the following changes:

1. Makes changes to the allocation of Climate Works Hubs grants to prioritize projects that comply with certain union agreements;
2. Regarding the Energy Transition Charge, makes a clarification requested by the trades and the Clean Jobs Coalition in order to change the scope of customers that will be charged the 1.3% surcharge/kWh;
3. Creates new supplier diversity requirements for renewable developers;
4. Makes for certain utility-scale solar facilities to be located on more than one site and built in phases;
5. Makes further changes to improve transparency to the benefit of diverse suppliers, by requiring utilities and energy companies to include a buying plan in the annual supplier diversity report to the Commission;
6. Makes moderate changes to the emission standards prescribed under CEJA by granting that large EGUs may temporarily continue emitting Co2e and copollutants after certain specific legislative deadlines in the event that there may be a need to continue operations in order to maintain supply and reliability;
7. Modifies the Energy Storage Rebate eligibility requirements in order to allow certain existing customers with net-metering to qualify; and
8. Provides that the utility prohibition on providing broadband services to their customers becomes inoperative after December 31, 2027 for every participating utility.

The bill has passed both Chambers and is expected to be signed by the Governor.

### Environmental Justice Legislation Passes House, Stalls in the Senate

[HB 4093](#) (Harper/Villanueva) was an initiative of the Illinois Environmental Council to provide further regulations on businesses hoping to establish a facility in an Environmental Justice Community, or EJC. At the beginning of this session, the coalition against the legislation, led in



part by the Chamber, met with Rep. Harper and regularly met with the proponents of the legislation—at all times expressing a willingness to engage in good-faith negotiations. However, it quickly became clear that there was a desire to take action on the proposal on part of the proponents, without much interest in addressing the various concerns that the opposition had.

The bill, after having received a subject matter hearing in February, was amended in early March and forced through the House Energy and Environment Committee and House Chambers with only vague promises to continue negotiations in the Senate. Ultimately, Senate leadership did not let the proposal out of Assignments and the bill has temporarily been stalled, however, we anticipate for this issue to continue being the subject of much interest by the environmentalists and Senate Sponsor.

As passed the House, HB 4093 would do the following:

- Provide for no-less broad definitions of “environmental justice communities” and creates broad means by which a community can be designated an EJC;
- Imposes new permitting fees on numerous types of permits, to the tune of \$200,000;
- Creates the ability to establish “project banks” funded by the new fees
- Makes mandatory (instead of permissive) adherence to an applicant’s compliance history when deciding applications for environmental permits under the IEPA;
- Imposes new burdensome local siting standards;
- Requires new onerous requirements concerning public comment periods to be held during the application process, in addition to requiring vast new requirements for modeling and government oversight of potential emissions not directly impacting the site immediately surrounding the facility—all of which would be in addition to any requirements required by local units of government;
- Allows for arbitrary extensions to be granted by the IEPA in order to continue the consideration of any aspect of an application pertaining to a project in an EJC;
- Allows for a third party to petition the Pollution Control Board to reconsider any approval of a permit; and
- Allows for a grievance to be filed with the IEPA alleging civil rights violations pertaining to an “environmental justice grievance.”

As it is currently written, this proposal has a series of questionable provisions that, in the aggregate, would stall economic development in the very areas that need it the most. Additionally, the Chamber worked with City Council and the Mayor’s Office in 2021 to negotiate and pass the City’s Air Quality Ordinance, which contains many similar requirements to those contained in HB 4093. HB 4093 made no attempt to align with local requirements or those being developed by the federal government, which would have resulted in a confusing and complicated maze of regulations. The Chamber is committed to addressing environmental justice issues, but, in its current form, the Chamber remained opposed to the proposal and will continue to advocate for more practical and long-term standards to be implemented on this issue—especially in the face of incredibly robust checks already enacted in the City of Chicago on this topic.

**Standalone EJ Public Notice Bill Passes Committee, Does Not Move Further**  
[HB 2767](#) (Mah) imposed a series of new requirements surrounding environmental permits in environmental justice communities. Specifically, the bill would:

- Clarify that the IEPA fully considers any adverse impacts to EJC's prior approving or renewing a permit;
- Require an applicant to submit information to the IEPA demonstrating the adverse impacts the facility would pose to EJC residents
- Require a public comment period to be held with community participation, including a community meeting to be held prior application decisions; and
- Require an applicant to enter into a community benefits agreement

The bill passed out of the House Energy and Environment Committee, however, the proposal did not advance any further. This proposal is largely going to be discussed as the greater attempt to enact EJC legislation continues. The Chamber is opposed to the bill as was passed from Committee.

## Miscellaneous

In addition to many of the issues that have been discussed, the following proposals were items that we watched and weighed in on closely during this legislative session.

### Pharmacy Benefit Manager Legislation Stalls in Both House and Senate

[SB 2008](#) (Koehler) and [HB 3630](#) (Harris) were initiatives of independent pharmacies to change the cost and manner in which PBM's provide consumers access to prescription drugs.

Specifically, the proposal would increase the dispensing fees on most medication, require substitutions of brand name drugs when generics become available, require PBMs to expand pharmacy networks, restrict use of certain accreditation standards, makes certain prohibitions on marketing ability to patients, and makes other changes. The proposal received much opposition from various industry groups, and the proposals failed to move this year. The Chamber opposed both bills.

### White Bagging Bills Fail to Move

[HB 4774](#) (Lilly) and [SB 3924](#) (Castro) would have effectively barred health insurers from implementing a pharmacy policy known as "white bagging." The proposals would restrict the ability of health plans and PBMs to manage patients' medical specialty pharmacy costs—thereby causing for significant costs to be passed on to employers and their employees. Estimates of enacting the provisions of these legislative measures predicted an increase of over \$1.7 billion over the next ten years. Neither proposal was given substantive consideration and they remained in Committee. The Chamber opposed both bills.

### Design-Build Bills Pass Both Houses

[SB 2981](#) (Villivalam/Evans) created the Innovations for Transportation Infrastructure Act that would allow for the State to maximize the authority to utilize design-build infrastructure delivery models. Under the Act, IDOT or the Tollway would be allowed to use the design-build project delivery method for transportation facilities if the capital costs for transportation facilities delivered utilizing the design-build project delivery method or Construction Manager/GC project delivery method or alternative technical concepts in a design-bid-build project delivery method do not (i) exceed \$400 million of contracts awarded during IDOT's multi-year highway improvement plan for any 5-year period or (ii) exceed 20% of the Tollway's annual improvement program. The new Act outlines the procedure by which an agency may determine which building model works best; outlines requirements for selection; prescribes specific requirements and reporting for applicants; and contains provisions concerning diversity goals and project labor agreements. Makes conforming changes, including incorporating the provisions of the new Act to the Prevailing Wage Act. The proposal passed both house and is expected to be signed by the Governor.

Similarly, favorable action was taken on [HB 4772](#) (McLaughlin/McConchie), which will allow for counties to enter into Design-Build contracts for public works projects. The proposal will, similar to SB 2981, allow counties to develop the RFP processes, prescribe requirements that must be met and reports submitted, in addition to various other provisions. The bill has passed both Houses and will be sent to the Governor. The Chamber strongly supported SB 2981 and looks forward to the benefits it will provide on significant infrastructure projects across Chicago, particularly as federal infrastructure funds flow through IDOT.

## **CMAQ Study on Regional Transportation Viability Passes Both Chambers**

[SB 3848](#) (Villivalam/Delgado) will require that by January 1, 2024, CMAQ and its MPO policy Committee, in coordination with the RTA, develop and submit a report of legislative recommendations to the Governor and GA regarding changes to the recovery ratio, sale tax formula, governance structure, regional fare systems, and any other changes to State statute or rules, or funding that will ensure long-term financial viability of a regional transportation system. The bill was strongly supported by the Chamber. The bill passed both houses and will be on its way to the Governor.

## **Attempt to Force Automobile Manufacturers Replacement Sales Taxes Stalls**

[HB 5395](#) (Greenwood) was a controversial proposal to have auto manufacturers make whole local units of government for a period of 20 years when a dealership was terminated under rights of first refusal and that dealership's sales tax remittance made up to the municipality or county at least 10% of its sales tax base. The proposal was strongly opposed by business organizations, including the Chamber. In working with the Sponsor, however, the industry offered House Amendment #1 in order to alleviate the concerns of the industry. Under HAM #1, DCEO, subject to appropriations, would be charged with establishing a "tax equivalent" grant program meant to help local units of government impacted by a dealership termination receive some State funding to help stabilize their sales tax base. The proposal did not move, yet, Rep. Greenwood has shown interest in pursuing this issue further.

## **CTE Education Curriculum Proposal Advances**

[HB 3296](#) (Ness/Bush) would try to directly take on the existing skills gap and labor shortage in certain vocational industries by enacting "college and career readiness" systems to be adopted by school districts throughout the State. Under the bill, school districts would be required to adopt and commence implementation of career exploration and career development activities that are in line with the Postsecondary and Workforce Readiness Act. The ultimate goal of the legislation would be to offer schoolchildren and young adults in grades 6-12 tools to make informed plans and decisions regarding their future career and education goals, and, at the same time, expose them to exciting and in-demand fields, such as voc-tech. In order to ensure the expedited implementation of the provisions of the bill, the legislation contains certain deadlines by which school districts must adopt these curricula, e.g., July 1, 2025. The bill passed both houses.

## **State Doubles Down on Pension Buyout Plan**

[HB 4292](#) (Martwick/Morgan) is a proposal that will bolster the funding for the State's Accelerated Pension Benefit Payment program that was put in place under the Rauner Administration with bipartisan support. The Program currently has two options for state employees to voluntarily participate in to the benefit of the State: for either Tier 1 or 2 TRS, SERS, and SURS pensioners, the Program allows individuals to elect a one-time lump sum payment equal to 60% of their accrued benefit; the second component of the Program, available only to active Tier 1 state employees, would reduce by 50% the compounded COLA (currently 3% per year) otherwise owed to a pensioner in exchange for a one-time lump sum payment due to the state employee upon retirement. HB 4292 would specifically authorize the State to bond out an additional \$1 billion to back additional Program participation and extends the life of the Program through June 30, 2026 (which is set to expire on June 30, 2024). HB 4292 has passed both houses and has been sent to the Governor. The Chamber supported this measure as a small but significant step forward in addressing Illinois' unfunded pension liabilities.

## Legislation Removing For-Profit Schools from MAP Successfully Stalled

Last year, two similarly harmful proposals were filed targeting for-profit institutions of higher education.

- [SB 3676](#) (Rose) would have outright removed for-profit institutions of higher education from being eligible to participate in the Monetary Award Program (otherwise known as MAP), while expanding the Program to include public community colleges offering a vocational certificate program in collaboration with local employers.
- [HB 49](#) (West), similarly, would prohibit IBHE from awarding any grant fund to private for-profit institutions of higher education.

While the Chamber helped ensure that SB 3676 was held in Senate Assignments Committee, HB 49 was released from the Rules Committee and assigned to the Higher Education Committee. Due to the efforts of the Chamber, and other stakeholders in the industry, no piece of legislation that would have removed for-profit schools from the MAP grant advanced this year. However, this is hardly the last we can expect to see of these proposals. At the beginning of Session, a Higher Education Working Group delved into a number of topics, including the issue of the MAP grant and the funding eligibility of for-profits. Ultimately, the Working Group did not make any indication that this issue would move forward, given the fact that there was significant opposition from the industry—especially given the non-traditional student population that depends on the MAP grants received at private, for-profit institutions.

## Issues to Watch – Veto Session and Beyond

At the onset of this legislative session, both Senate President Harmon and Speaker Welch expressed an intention to not address many “controversial” issues. For one, the Leaders did not want their members taking controversial votes in advance of the June 28th primary election. Additionally, after two pandemic-laden legislative sessions, coupled with a historic 2019 Session that saw many significant issues tackled, both Leaders expressed a desire to take the foot off the gas and monitor the progress of the significant legislative actions of the past several years. And, to their credit, that early promise of only non-controversial issues being considered was largely kept.

What that means for the Chamber, its members, and others in the business community is that while problematic issues were shelved this Session, we can fully expect the issues to be revisited, in some cases as early as the Fall Veto Session, in the 2023 spring legislative session. While many of the issues raised below have been discussed throughout this document, below outlines a number of the issues we know will continue to be looked at by the General Assembly and the Governor’s Office.

- 1) **Environmental Justice:** As described in the E&E section, [HB 4093](#) (Harper/Villanueva) passed the House to provide for significant regulations and requirements on projects seeking IEPA permitting in environmental justice communities. The business community expressed throughout the HB 4093 negotiations a desire to tackle the issue, but also noted the fact that our willingness to work on EJ issues would not come at the cost of harming economic development in the very areas that need it most. The environmentalist community, disappointed by not seeing legislation move this Session, has identified EJ legislation as a top priority moving forward. No timetable yet has been set for further conversations, but we can expect the negotiations to resume as early as this summer.
- 2) **Workplace Cannabis Policies:** [HB 4116](#) (Morgan/Peters), which seeks to impose a new framework for presence of cannabis in the workplace, passed the House and the Senate Executive Committee, but was ultimately held to address the remaining concerns of several industries with the bill that were not properly addressed in the later versions of legislation. This includes airlines, rail, and energy, particularly nuclear, facilities. Both the House and Senate Sponsor indicated an intent to continue conversations and potentially move a bill as early as the fall 2022 Veto Session.
- 3) **Data Center Tax Credit LPA Negotiations:** Throughout Session, the Chamber and our partners in the data center industry led the effort to push back against attempts by labor to insert labor peace agreement provisions into the Data Center Tax Incentive statutes. While we were successful in ensuring that legislation did not advance this Spring, the data center industry remains a top priority for one specific union, and we can anticipate that labor organization to continue to push the issue into next Session. Without an election on the horizon, we are concerned that the Democratic majorities will be more likely to move legislation despite the harmful impact the concept would have on a burgeoning industry in Illinois.
- 4) **BIPA Reform:** While it was no surprise that our BIPA legislation did not advance this Session, Senate leadership expressed a strong desire to convene stakeholder meetings as early as this summer in order to tee up legislation for the 2023 spring session. The challenge will be, and has always been, in the House where opponents of BIPA reform



have been successful in lobbying the Speaker's Office to block any BIPA legislation from advancing—given the tremendous pushback from the trial lawyer lobby.

- 5) **Anti-Tech Bills:** As happens every year, we can expect legislation related to Right to Repair, Data Privacy, App store regulations, Geolocation Tracking, among other tech-related issues, to be introduced. Without the specter of an election on the horizon and a willingness to tackle tougher issues, next year's spring session will likely be more challenging on the tech front than this year.
- 6) **Paid Leave:** In addition to being a topic likely to be included in the Future of Work Task Force final report, we know social justice advocacy groups and many in the majority party intend to push the issue once more in the 2023 legislative session. You may remember that in 2021, business groups proposed the most expansive paid leave legislation in the country. The legislation did not advance, however, due to opposition from Labor over an insistence that the legislation not preempt Home Rule. Coming out of the pandemic, we know legislators are eager to do something on the paid leave issue.
- 7) **PBM Legislation:** While [SB 2008](#) (Koehler) and the overall PBM concept was too large a topic to tackle this session, legislators have indicated they intend to continue working on the issue knowing full well the scope of opposition that exists. Again, without an election on the horizon, it is likely legislators will be more willing to have an easier appetite for supporting efforts to increase health care costs on businesses next year.
- 8) **CEJA Trailer:** [SB 3866](#) (Hastings/Walsh) passed this Session as a “minibus” labor-requested trailer to the 2021 Clean Energy Jobs Act. However, that bill only included one of the handful of amendments that were introduced in the waning days of session and those amendments only contained a fraction of the changes being sought by various stakeholders. Key legislators have indicated there will likely be another trailer bill in the 2023 Spring Session. The Chamber, along with our partner business groups, will continue to push for greater energy savings for businesses, with a particular focus on clarifying the intent of the RPS self-direct provisions contained under CEJA.
- 9) **Future of Work Task Force Issues:** The Chicagoland Chamber was appointed and has served on the Future of Work Task Force, which was enacted by [HB 645 \(P.A. 102-407\)](#). The final report is due June 1. Initial drafts of the report, which is coming in at 70 pages, and, at the time of this writing, includes 63 policy recommendations indicate that the report will include some recommendations that the Chamber support, such as, investing in workforce development, building talent pipelines, and increasing business assistance. Unfortunately, the report will also likely contain more controversial recommendations regarding worker classification, paid leave, and “job quality measurements,” which may be used to determine state funding. The Chamber and other business groups participating on the Task Force will have the opportunity to delineate specific concerns, but it is increasingly likely that many of the more controversial recommendations will be pushed by advocates in 2023 legislative session.
- 10) **Corporate Board Diversity:** In 2019, legislation passed requiring Illinois headquartered companies to report to the Secretary of State annually the racial and gender makeup of their Board. An attempt to impose fines of at least \$100,000 for failure to report this information was introduced late this Spring, under [HB 989](#) (Delgado). The Chamber negotiated with the Sponsor to require a 30-day notice and cure process among other safeguards. The Sponsor, however, decided to not advance the bill this session in order to allow for a larger conversation to take place on the issue of corporate board diversity and plans to engage members of the Chicagoland Chamber on this topic.