

AGENDA ITEM 4.

STATE LEGISLATIVE UPDATE

Submitted for: Information

Summary: This item highlights actions taken by the Illinois General Assembly during an abbreviated special legislative session held in late May. Twenty-two bills passed both chambers during approximately four days, notably including a state budget for FY 2021 and measures to allow the continued functioning of government despite the ongoing coronavirus threat.

With respect to ISAC, the session produced an essentially level budget and made changes that had been sought by public universities for the AIM HIGH grant pilot program. Changes to the Open Meetings Act, once signed into law, will codify prior Executive Orders that laid out conditions under which public bodies may meet during a pandemic without a physical quorum.

Currently, the General Assembly is next scheduled to meet on November 17th for the annual fall Veto Session. However, several members of Illinois Legislative Black Caucus have requested that a special legislative session be convened sooner to take up policy issues that that one representative describes as “related to the unrest in the Black community, specifically community-police relations, law enforcement accountability, and economic development.” Other initiatives related to combatting systemic racism could be addressed in such a session as well.

Action requested: None.

ILLINOIS STUDENT ASSISTANCE COMMISSION

STATE LEGISLATIVE UPDATE

The 101st General Assembly and its 2020 Spring Session will go down in history as being among the most unusual, thanks to the on-going coronavirus pandemic and public health measures to contain it.

On March 5th, legislators left Springfield to embark on a scheduled spring break, fully expecting to reconvene soon thereafter. Four days later, Governor JB Pritzker declared the entire State of Illinois to be a disaster area in response to the spread of COVID-19, a disease that has put older people and those with pre-existing conditions—categories into which many legislators fall—at elevated risk for serious complications and death. For weeks, consistent with public health guidance, the General Assembly cancelled session days and took no formal action despite thousands of bills on the legislative calendar.

Finally, on May 20th, the General Assembly reconvened for a special session. To maintain the physical distances that public health officials advised, members of the Illinois House met off-site in a Springfield venue better known for hosting the Harlem Globetrotters, Willie Nelson, and giant swap meets. The Illinois Senate convened in its normal State House location but instituted such strict limits on building access that the state’s Director of Public Health was briefly denied entry. Members were asked to test for COVID-19 before coming to Springfield; wear face coverings; limit interaction both on and off the floor; and self-isolate upon their return home.

While these steps—and the lengthy absence from Springfield that preceded them—were arguably reasonable safety measures during a pandemic, one result was a dramatic decrease in legislators’ availability to reporters, lobbyists, liaisons, and the general public. No testimony was heard during committee hearings, and many people who are usually active participants in the process became observers. The four-day session also followed weeks of conference calls among legislative working groups, none of which were subject to the Open Meetings Act.

For better or worse, these closed negotiations allowed legislators to set a narrow agenda for a shortened session and even resolve some issues before arriving in Springfield. Originally conceived as three days to address “must-pass” items, respond to the novel coronavirus pandemic, and approve a state budget for FY 2021, the session stretched well into a fourth day and night. When the Senate adjourned shortly before 2:00 a.m. on the Sunday before Memorial Day, the General Assembly had passed 22 bills, all of which are expected to be signed by the Governor.

Members approved a number of proposals that specifically responded to COVID-19, whether to ensure continued government functions or to support individuals or businesses whose lives were disrupted by the pandemic. These included omnibus bills on elections (providing an enhanced vote-by-mail program, among other changes) and worker protections (such as extending disability payments for employees with COVID-19 and establishing new criminal penalties for assault of retail workers who are conveying public health guidance). Other measures extend myriad regulations and authorizations that were due to expire if legislators didn't renew them. Changes were made for emergency governmental operations, healthcare, gaming, liquor sales, and more. Critical for the majority's budget plan, the General Assembly also authorized borrowing up to \$5 billion through a federal credit facility to keep services afloat as state coffers are affected by the pandemic and the reduced economic activity that has resulted from the pandemic response.

PROGRAM UPDATES & POLICY CHANGES

An education omnibus bill, SB 1569 (Bertino-Tarrant/W. Davis) focuses primarily on adjustments made for K-12 schools and students, especially to adjust to the shift to remote learning this spring. At the postsecondary level, the bill relaxes requirements for student teachers, and it requires Illinois universities to accept transferred credits for coursework that was converted from graded to pass/fail, credit/no credit, or satisfactory/unsatisfactory as a result of the pandemic. IBHE is authorized to administer a program of completion grants and competitive grants for public university student support services, although the budget does not fund the program and no other detail is provided.

With respect to ISAC programs, the education omnibus will make one minor change to the AIM HIGH grant pilot program that ISAC administers: It will allow a student to meet the grant's income qualifications just once, when first awarded a grant, and not apply the income test to recipients when they renew the grant in subsequent years. This was a request of the University of Illinois, which indicated that a small number of AIM HIGH recipients experienced income changes in their sophomore year that put them just above the legal threshold and would have disqualified them from renewing their grants. Unfortunately, this means that ISAC may not be able to collect recipients' income data other than for their first year.

Also related to ISAC, SB 1857 (Martinez/K. Burke) extended the repeal dates of various provisions of state law, including Section 218 of the Illinois Income Tax Act: A tax credit for employers who match their employees' contributions to Bright Start or College Illinois! will now expire December 30, 2021, rather than 2020.

EMERGENCY GOVERNMENT ADMINISTRATION ACT

The Emergency Government Administration Act (SB 2135 – Sims/K. Burke) makes numerous changes to allow continued government functioning during a pandemic, including but not limited to:

- temporarily modifying the Open Meetings Act to provide a framework for public bodies to meet remotely. Meetings held on audio or videoconference must be recorded, and the verbatim recordings must be made available to the public.
- temporarily providing exceptions to in-person requirements for notarizing & witnessing official documents.
- extending the deadline for filing Statements of Economic Interest until August 1, 2020.
- creating the Restore Illinois Collaborative Commission to advise the Department of Commerce and Economic Opportunity on how to revitalize various economic sectors.
- directing the state's Broadband Advisory Council to study how the state could ensure universal access to free or affordable broadband. (The shift to remote learning has drawn attention to deficiencies in Internet connectivity and their impact on access to education.)

BUDGET AND BIMP

The most significant development for ISAC out of this session is the passage of the budget and the accompanying piece of legislation known as the budget implementation bill, or BIMP. While the budget bill authorizes spending levels, the BIMP makes substantive changes to state law that are needed to effectuate that budget plan.

For FY21, ISAC programs and operations will be funded essentially at FY20 levels, with approximately \$451.3 million for the Monetary Award Program (MAP), \$35 million for AIM HIGH, and flat funding for our other grant and loan repayment programs, as well as flat funding for operations and outreach. Staff currently projects that the MAP grant funding in this budget should enable the agency to serve more than 135,000 students in the coming academic year after allowing up to 2% of the appropriation to be used for agency operations.

The budget also removes unnecessary structural constraints from the FY20 appropriation for the AIM HIGH grant pilot program. These restrictions broke the current year (FY20) appropriation for the AIM HIGH pilot program into two cohorts that did not align with universities' needs and would have left most institutions lapsing funds rather than using their full appropriations to help attract and retain Illinois students. Other budget highlights for higher education include:

- essentially flat funding for public universities and community colleges.
- flat funding for Illinois Veteran Grant and Illinois National Guard Grant reimbursements to be paid to community colleges through the Illinois Community College Board.
- Governor's Emergency Education Relief Fund dollars for public universities (\$31 million) and community colleges (\$19 million), authorized under the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act and to be distributed on a formula basis. (\$108.5 million is directed to K-12 schools.)

Staff had felt optimistic and energized by the Governor’s original FY21 recommendation, with its increases for MAP, operations, and outreach, as well as the major step of beginning to honor the state’s moral obligation to pay down the unfunded liability in the College Illinois! Prepaid Tuition Program. That proposal would have devoted \$27 million in FY21—contingent on voter approval of the graduated income tax this November—with a plan to continue payments annually for about 14 years. Unfortunately, that budget recommendation was set aside once it became clear that the pandemic and the efforts to contain it would drive up state costs and reduce revenues.

In this context, a level budget is among the better scenarios that we could have reasonably hoped for.

It’s worth noting that this budget bill **may not** be the final word for FY21 spending. Unexpected shortfalls and surprise costs for the state could still occur. In tough times, past governors have frozen spending or directed agencies to reserve a portion of their appropriations, and past General Assemblies have authorized mid-year budgetary rescissions. To provide oversight of any budget management measures the executive branch may take, and to provide a venue for collaboration with the Administration, the BIMP establishes a new Legislative Budget Oversight Commission to which the Governor’s Office of Management and Budget will be required to report regularly.

Among other items, the BIMP also creates a new Commission on Poverty Elimination and Economic Security, to be staffed by the Department of Human Services. ISAC is not an official part of this new body, but staff will stand ready to work with its members as they learn about and make recommendations regarding policies and programs that can help stop the cycle of intergenerational poverty. Access to affordable, high-quality post-secondary education options can be a key component in these efforts, as the bill language recognizes.

NEXT MEETING

Currently, the General Assembly is next scheduled to meet November 17th. While the fall Veto Session could be especially active due to the limitations that prevented bills from moving this spring, the number of scheduled days has not been extended, and both the agenda and manner of meeting could be affected by any future resurgence of the virus. Plans may adapt as conditions and guidance continue to change.

Adding to this uncertainty have been the events of recent days and weeks. Following the recent, violent killings of George Floyd, Breonna Taylor, and Ahmaud Arbery, Illinoisans and other Americans have engaged in both peaceful protests and greater unrest. Some areas, particularly in and around Chicago, saw property damage and looting. Members of the House Black Caucus (Representatives Kam Buckner, Curtis Tarver, and Lamont Robinson as of this writing) have requested that a special legislative session be convened to take up policy issues that Representative Buckner describes as “related to the unrest in the Black community, specifically community-police

relations, law enforcement accountability, and economic development.” Other members of the Caucus, including State Senator Kimberly Lightford, have also called for such a session in public addresses. Policymakers are now working to determine what measures would be considered if such a session is convened, and Black Caucus members are working to build public support for the group’s efforts.