



2022 End of Session Report

The General Assembly adjourned on April 8th this year. This abbreviated session was due to legislative fatigue after several momentous years. Also playing a large part, a changed election calendar that pushed the primary elections back to June. This notably increased political desire to return to their districts in a year when every member of the General Assembly is up for election and facing a brand-new district. The 2022 Session was the shortest in decades- but that does not mean it was without impact to the business community.

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Illinois Chamber of Commerce Victories

UI Trust Fund Receives ARPA Infusion...but the can has been kicked down the road

On partisan roll calls, the House and Senate Democrats sent Gov. Pritzker SB 2803 which infuses \$2.7 billion American Rescue Plan (ARPA) funds towards the \$4.5 billion Unemployment Insurance Trust Fund deficit. The governor has signed the appropriation bill as [PA 102-696](#). The Illinois Chamber appreciated the action of the Governor and members of

the General Assembly for the positive step in addressing the massive \$4.5 billion in outstanding debt.

However, as the General Assembly adjourned the spring session, business and labor were unable to come to terms on a solution to the remaining \$1.8 billion deficit in the Trust Fund as well as changes to bring greater stability for employer UI taxes in the future. There was agreement to move the July “speed bumps” that increased employer taxes by \$410 million and reduced benefits by \$318 million to January 1, 2023. The Illinois Department of Employment Security also has a couple of technical issues regarding the transfer of ARPA funds and allowing the Department to look back 5 years on misreported earnings by an individual. These changes were incorporated into [**SB 157**](#). SB 157 was a tax credit omnibus bill. The UI changes were added to the legislation to entice republican votes for the measure. Republicans in both chambers were reluctant to vote for the UI changes as a stand-alone measure. They expressed concerns that the issue needed additional work and criticized the Governor and legislative democrats for failing to use ARPA funds to eliminate the UI Trust Fund deficit.

The Illinois Chamber is encouraging all parties to reconvene the negotiations well before the fall veto session to reach solutions in eliminating the \$1.8 billion debt and bringing stability to the Illinois unemployment insurance system. See [**House amendment 2**](#) (the UI changes are found at pages 815-842)

Chamber Helps Stop 11th hour Network Adequacy and Transparency Bill

During the last week of session Representative Scherer introduced [**HB 1463**](#) as an initiative of the Department of Insurance (DOI) regarding network adequacy and transparency. This legislation stemmed from a contractual dispute between BCBS and Springfield Clinic. The Chamber remains neutral regarding the dispute. The bill was opposed by the insurance industry based on the network adequacy requirements, emergency rulemaking language, and the 11th hour introduction of the bill with no time for stakeholder input. In 2017, the General Assembly passed a network adequacy bill after months of negotiations and stakeholder input. The 2017 bill required the DOI to implement rules; however, the Department did not file the rules with JCAR until March 31, 2022. The Chamber filed in opposition to this bill in Committee. The bill failed to pass the House.

IDOT Finally Gains “Design-Build” Authority

[**SB 2981**](#) (DeWitte/Evans) is on its way into law. This legislation will provide IDOT with the much-needed design-build authority. Illinois lags almost every other state in this area and the Chamber is very supportive of this bill. Other state practice has shown design build to be much faster and much cheaper than the traditional design-bid-build. This process won’t be used for every project, of course. It works best on bigger, more complex projects but it’s definitely a tool that the state should be utilizing. We applaud the General Assembly for its passage.

So Called “Right to Repair” Fails to Gain Traction

Right to Repair legislation was introduced in both the House ([**HB 3061**](#)) and the Senate ([**SB 2088**](#)) this year. Right to Repair has been introduced in nearly every state and in Illinois numerous times but has yet to become law in any state. The Illinois Chamber has consistently opposed any so-called right to repair legislation.

Advocates initially claimed momentum and hoped to see passage this year. However, opposition from the Chamber and other business groups limited the issue to one marathon subject matter hearing. You can view our written testimony for more on our objections [here](#).

Chamber Continues Working with Key Stakeholders to Stop Pharmacy Benefit Management bill

[SB 2008](#) as an initiative of independent pharmacies. It is estimated this bill would have increased health care costs by \$1 billion. This cost would be passed on by insurers in the form of increased premiums for employers and the State of Illinois. The Department of Healthcare and Family Services' (HSF) estimated the changes to Medicaid drug pricing, reimbursement, rebate, and dispensing fees could increase annual Department liability between \$110.9 million and \$272.2 million annually. The Chamber opposes this legislation.

Data Privacy Laws Stopped for Another Year.

Early into the legislative session, a flurry of data privacy bills were introduced. Many of them included business killing private rights of action which would allow any individual to sue for damages. This would lead the state down another BIPA style disaster.

Even the bills without the private right of action, contained numerous red tape provisions that would have added compliance nightmares to companies. The Chamber was able to prevent the passage of any of these bills, but we have been warned to expect them to be reintroduced with a vengeance next year. For more details on the specifics of these bills, go to the Technology section below.

Illinois House Unanimously Passes Chamber-IERG Permitting Improvement Bill

[HB 5555](#), A joint initiative of the Chamber and IERG, is a bipartisan bill aimed at improving the permitting process. The bill does two things. First, it builds an online permit tracking database. Second, it requires coordination among agencies during the environmental permit process for businesses looking to build or expand on projects over \$20 million. The Chamber looks forward to pushing this initiative in the Senate during this fall's veto session.

Harmful Environmental Justice Stopped for Another Year

Expectations lingered all session regarding a desire to adopt legislation dealing with Environmental Justice (EJ). Numerous bills were filed, but none gained real traction. The Chamber and IERG took the lead in organizing the business community in framing the discussion of the issue as a crucial economic development issue. While the Chamber and IERG opposed much of the legislation on the topic this year, we are not opposed to EJ discussions more broadly. The Chamber will continue to advocate for the introduction of an Environmental Justice bill that prioritizes the economic health of a region, its businesses, and residents.

Chamber Supports Reforms to 340B

The Chamber supports the reforms to 340B. The stakeholders negotiated language related to 340B and the bill passed both houses. Please see details below for additional information ([HB 4595](#)).

Chamber Part of Stakeholder Group Related to White Bagging Bill

Senator Castro introduced [SB 3924](#) related to specialty pharmacy drug expenditures. Senator Castro agreed to hold this bill and work with stakeholders this summer.

Third Party Litigation Funding Law Passes Both Chambers

[SB 1099](#) passed the General Assembly on the final day of session. The Illinois Chamber opposes SB 1099 and has asked the Governor for an amendatory veto. Illinois' judicial climate is a frequent source of concern of the business community and this legislation only worsens that challenge. The Chamber is not opposed to third party litigation funding per se; rather, we seek basic protections found in the statutes of other nearby states.

This bill creates the Consumer Legal Funding Act. Sets forth provisions concerning consumer legal funding contract requirements, right of rescission, and consumer legal funding company prohibitions. The Chamber has concerns with this legislation regarding a lack of required disclosure of contract to defendants so that all parties are dealing with same information and a cap on interest rates.

You can read our letter to the Governor [here](#).

Energy

In a very condensed session immediately following the passage of a market altering omnibus energy package, the conventional wisdom suggested that there would not be a lot to track in the energy space. In some respects that is exactly what happened. There was an energy trailer bill, purportedly to address only minor technical fixes, that didn't really materialize until the middle of the legislative session. But there were a number of other proposals that were either introduced but never called for a vote, and others that were floated in committees or in discussions amongst stakeholders but were never filed, that will live on into the summer and fall, as proponents engage in legislative outreach and positioning for either veto session or next spring's session. Failed proposals dealing with power plant demolition and coal ash impoundments will likely see another push towards adoption, while a handful of proposals dealing with the regulation of alternative retail energy suppliers flew through both chambers.

Omnibus Energy Legislation

Energy discussions continued after Illinois' 2021 legislative session closed, eventually culminating in a 1,000-page omnibus energy proposal that was signed by the Governor in September. The Climate and Equitable Jobs Act (CEJA) sought to transition Illinois' energy sector into a 100% clean energy future by 2045, guaranteeing continued operation of several nuclear facilities via a second significant subsidy in 5 years, expansion of Illinois' renewable energy incentives, an aggressive decarbonization schedule that would phase out all generation powered by coal and gas, a host of programs dedicated to expanding electric vehicles and charging stations, a coal to solar program that would partially subsidize the transition of certain coal-fueled sites to solar, and a host of other environmental programs. But even as CEJA was being called for a vote in each chamber, some proponents acknowledged that there would be additional work to clean up the inevitable drafting errors, and to ensure that the transition envisioned by its proponents would be, in fact, a transition and not a cliff that would lead to price hikes and reliability concerns.

The Chamber tracked a host of individual legislative efforts to address many of those concerns. [Senate Bill 3866](#) ended up becoming a vehicle for a number of changes to CEJA, ultimately leading to it being commonly referred to as “the CEJA trailer bill.” Initially proposed in a multitude of bills in the House and Senate by various stakeholder groups, a handful of proposals – a new supplier diversity reporting requirement for a number of different entities, including both utilities and certain non-utilities; a funding expansion of the universe of ratepayers that will pay increased energy costs to fund many of the programs created by CEJA; various photovoltaic pilot program changes; a small technical fix that would address copollutant emissions at facilities ordered to run for reliability purposes; changes regarding the DG rebate; and an agreement on who may offer broadband services to customers – were folded into the CEJA trailer bill in the last month or so of session, where it passed out of the Senate largely along a party line vote, and then sat in House committee while other groups sought to develop their own amendments in an effort to attach them to what appeared to be the inevitable. Some of those proposals were eventually filed in the House but were never called for a vote, including: a “Rust Belt to Green Belt” program that would result in yet another rate hike in order to fund a particular off-shore wind project in Lake Michigan, a CCS proposal that would allow for the severance of the ownership of pore space from the surface land for sequestration purposes, and language that would reinstitute language ultimately stricken from initial CEJA drafts that would incentivize the use of cogeneration. **SB 3866 passed both houses.**

Other proposals were discussed in hearings or in state house hallways, but did not end up being filed. They likely will be the focus of various stakeholders as they try to generate enough support to move them after the election. These are likely to include language dealing with self-direct renewable energy projects, standardization of siting requirements from county to county, modifications to the decarbonization plan to ensure reliability, and a slew of others.

Reliability Task Force

Another proposal which sought to address reliability concerns raised by CEJA was found in [SB 1104](#), a proposal which would create the Illinois Regional Generation Reliability Task Force. The bill would create a task force to study Illinois reliability issues, but opponents argued its composition seemed tilted towards fossil fuel interests. It flew out of the Senate shortly after it was introduced, but its progress stalled in the House until an ardent CEJA supporter filed an amendment in the last days of session, entirely transforming the duties and responsibilities of the task force, focusing on the transition to renewable energy, development of green hydrogen technologies, and progress on reducing emissions. The amendment would also revamp the task force’s composition, slashing five appointments and adding additional representation for environmental groups. **While neither the bill nor the amendment were ultimately called in the House, it will be worth tracking over the summer to see if either version becomes a part of additional energy discussions.**

Power Plant Demolition

The Chamber provided testimony in opposition to [HB 2767](#), which would impose new requirements covering the demolition of stacks at power plants, including enhanced notice requirements before demolition and new technical requirements including extensive air modeling. The need for this proposal was never clear, given that enhanced notice requirements were adopted just last summer, and there are already a number of federal, state,

and local requirements addressing these demolitions. **It did not make it out of the House but will likely remain a priority of the environmental community.**

Coal Ash Impoundments

The Chamber worked closely with its partners to oppose both [HB 4358](#) and [SB 3073](#), identical proposals that would supersede Senate Bill 9, legislation adopted just two years ago to regulate the closure of coal ash impoundments. While SB 9 created a process by which an impoundment owner would seek IEPA approval to close the impoundment, both proposals single out a single impoundment owned by a particular company, and would mandate closure by removing the coal ash instead of capping the ash in place. Capping was one of several alternatives contemplated by the General Assembly when it adopted the original law. These proposals created a very dangerous precedent in two distinct ways: first, they undercut the scientific approach initially adopted by the General Assembly in favor of a political decision; second, both proposals were introduced not even two years after a highly negotiated agreement was reached by a diverse group of stakeholders, undercutting the very agreement reached; and three, while it only would apply to one ash pond in a particular location, it certainly opened the door to other impoundments receiving this special review outside of the scientific review process. **Both proposals made it out of their respective chambers, but the Senate version – which ultimately became the vehicle for the proposal – died in the second to last day of session despite strong support earlier in the House.**

ARES Regulation

There were a number of legislative proposals addressing some of the public concerns related to ARES marketing efforts. [HB 4973](#), which made a number of changes to the way in which these alternative retail suppliers are regulated, **passed both chambers and will be signed by the Governor**. Other proposals advanced to various stages of the legislative process and may continue to be pushed by proponents this fall.

Further questions relating to energy, please contact Alec Messina at amessina@ilchamber.org

Environment

Environmental Justice

[HB 4093](#) (Harper), the bill would impose numerous new requirements on environmentally permitted facilities both in and out of EJ communities. The Chamber opposed the bill's numerous significant concerning provisions. **This bill narrowly passed the House but was held in Senate Assignments.**

Permitting Improvements

[HB 5555](#) (Yednock/Villivalam), A joint initiative of the Chamber and IERG, a bipartisan bill that builds an online permit tracking database within an existing department at DCEO to help coordinate among agencies the environmental permit process for a new or existing business

looking to build or expand on projects over \$20 million. **The bill unanimously passed the House but was held in Senate Assignments.**

PFAS Incineration

HB 4818 (Greenwood/Belt), this bill provides that the disposal by incineration of any Toxic Release Inventory Perfluoroalkyl and Polyfluoroalkyl Substances including, but not limited to, aqueous film forming foam, is prohibited. Provides the Illinois Environmental Protection Agency with rulemaking authority. Provides that nothing in the amendatory provisions applies to (i) the combustion of landfill gas from the decomposition of waste that may contain PFAS at a permitted sanitary landfill or (ii) the combustion of landfill gas in a landfill gas recovery facility that is located at a sanitary landfill (rather than providing that, if a rule or regulation is published by the USEPA in the Federal Register regarding all or part of the subjects of the amendatory provisions, one year after its publication the rule or regulation shall be controlling over the provisions of the amendatory provisions and any part of the amendatory provisions conflicting therewith shall be inoperative). Provides that "incineration" does not include thermal oxidizers when they are operated as a pollution control or resource recovery device at a facility that is using perfluoroalkyl or polyfluoroalkyl substances or chemicals containing perfluoroalkyl or polyfluoroalkyl substances. Specifies that the prohibition on the disposal of TRI-PFAS by incineration does not apply to the incineration of waste at a permitted hospital, medical, and infectious waste incinerator that meets the requirements of specified federal provisions or the Board-adopted State Plan requirements for hospital, medical, and infectious waste incinerators, as applicable, or to the incineration of sludges, biosolids, or other solids or by-products generated at or by a municipal wastewater treatment plant or facility. **The bill passed both Houses.**

Further questions relating to environment, please contact Alec Davis at ADavis@ierg.org

Employment Law

New limits On Employer Drug Testing for Cannabis

HB 4116, sponsored by Rep. Bob Morgan (D-Highwood)/Sen. Robert Peters (D-Chicago), seeks to protect workers who test positive for THC. Several amendments were adopted that provide employers to generally continue their workplace drug policies unless an employer has a zero-tolerance policy. We expect additional discussions on the legislation over the summer. The Chamber is neutral. **Engrossed version**. Due to numerous questions regarding the legislation's impact on zero-tolerance the bill was held on the Senate floor.

Mandated Leave Changes

Bereavement Leave: **SB 3120**, sponsored by Sen. Melinda Bush (D-Grayslake)/Rep. Anna Moeller (D-Elgin) has passed both houses. The bill will expand the Child Bereavement Act to include family members. The proposal also will expand up to 10 workdays of unpaid leave to pregnancy loss; unsuccessful round of intrauterine insemination or of an assisted reproductive technology procedure; a failed adoption match or an adoption that is not finalized because it is contested by another party; a failed surrogacy agreement; a diagnosis that impacts pregnancy

or fertility; or a stillbirth. The Chamber is neutral. [Enrolled version](#). This bill passed both houses.

Employee Sick Leave Act- Amendment will Establish Act as Minimum for CBAs: [SB 645](#) sponsored by Sen. Mike Hastings (D-Frankfort) and Rep. Jay Hoffman (D-Swansea) amends the Employee Sick Leave Act. As approved by both chambers, the measure will establish the Act as the minimum standard in a negotiated collective bargaining agreement. The Chamber is opposed. [Enrolled version](#). This bill passed both houses.

Victims' Economic Security & Safety Act (VESSA) changes held: [HB 4215](#), sponsored by Rep. Maurice West (D-Rockford) and Sen. Karina Villa (D-West Chicago) would add to VESSA leave:

- attending the funeral or alternative to a funeral of a family or household member who is killed in a crime of violence;
- making arrangements necessitated by the death of a family or household member who is killed in a crime of violence; or
- grieving the death of a family or household member who is killed in a crime of violence.

The leave provided by these circumstances is limited to total of 2 workweeks (10 work days) of unpaid leave and must be taken within 60 days of death of the victim. This leave is not in addition to VESSA leave or leave provided in the Child Bereavement Leave Act. [See Senate Amendment 1](#) and [Amendment 2](#). It was not called on concurrence before the House adjourned.

One Day Rest in Seven Act Changes

[SB 3146](#), sponsored by Sen. Celina Villanueva (D-Chicago)/Rep. Lakesia Collins (D-Chicago) increases civil penalties for violation of the law. An employer with fewer than 25 employees, the civil penalty shall not exceed \$250 per offense, payable to the Department of Labor, and damages of up to \$250 per offense, payable to the employee or employees affected. For an employer with 25 or more employees, the civil penalty shall not exceed \$500 per offense, payable to the Department, and damages of up to \$500 per offense, payable to the employee or employees affected. Provides that an offense under the Act shall be determined on an individual basis for each employee whose rights are violated. The bill also changes “calendar week” to “consecutive seven-day period”. An employee who works more than $7\frac{1}{2}$ continuous hours will be entitled to an additional 20-minute meal period for every additional $4\frac{1}{2}$ continuous hours worked. Employers covered by the Act must post and keep posted, in one or more conspicuous places on the premises of the employer where notices to employees are customarily posted, a notice, to be provided by the Director of Labor, summarizing the requirements of the Act and information pertaining to the filing of a complaint. The legislation will be going to the Governor. The Chamber is neutral. [Enrolled version](#). This bill passed both houses.

[SB 3416](#), sponsored by Sen. Emil Jones, Jr. (D-Chicago) and Rep. Marcus Evans, Jr. (D-Chicago), as passed by both chambers provides that specified provisions of the One Day Rest in Seven Act do not apply to employees for whom work hours, days of work, and rest periods are established through the collective bargaining process. The Chamber is neutral. [Enrolled version](#). This bill passed both houses.

Shifting Unpaid Wage Liability

[**HB 5412**](#), sponsored by Rep. Marcus Evans (D-Chicago) and Sen. Cristina Castro (D-Elgin) will be heading to the Governor after a partisan vote of 38 democrats supporting and 18 republicans opposing. HB 5412, under the Illinois Wage Payment and Collection Act, shifts liability for unpaid wages by a lower tiered construction contractor to the primary/general contractor. Illinois Chamber is opposed. [**Engrossed version**](#). **This bill passed the Senate but still awaits House action.**

The Illinois Chamber joined other opponents in offering a number of compromises to HB 5412. Ultimately, Sen. Castro, who also is the sponsor of [**HB 4600**](#), advanced an amendment to HB 4600 that contained modest changes to HB 5412. Those modest changes included:

- a threshold of application of the law to projects with a total cost of more than \$20,000;
- a task force to study innovative ways to reduce bonding and insurance costs for construction contractors;
- exempts primary contractors party to a collective bargaining agreement;
- exempts primary contractors making alteration or repair of an existing single-family dwelling or a single residential unit in an existing multi-unit structure; and
- limits claims to those filed with the Illinois Department of Labor or with the circuit court within 3 years after the wages were due. [**Senate amendment 2.**](#) **This bill passed both houses.**

Workers' Compensation

[**HB 1208**](#), sponsored by Rep. Jay Hoffman (D-Swansea) and Sen. Bill Cunningham (D-Chicago), replaces language regarding the qualifications of Commissioners of the Illinois Workers' Compensation Commission with language requiring each Commissioner appointed on or after the effective date of the amendatory Act to be authorized to practice law in this State. Requires the performance of arbitrators to be reviewed by the Chairman every other year, or more often at the discretion of the Chairman (rather than on an annual basis). Prohibits any arbitrator from hearing cases in any county, other than Cook County, for more than 4 years consecutively (rather than 2 years in each 3-year term). Dissolves the Self-Insurers Administration Fund and transfers of the moneys in that fund to the Self-Insurers Security Fund. Authorizes expenditures from the Self-Insurers Security Fund for the purposes that were authorized for the Self-Insurers Administration Fund. Illinois Chamber supports. [**Enrolled version.**](#) **This bill passed both houses.**

Other Employment Law Legislation

Constitutional Question to Prevent Right to Work Laws: The General Assembly advanced [**SJR 55**](#), sponsored by Sen. Ram Villivalam (D-Chicago) and Rep. Marcus Evans, Jr. (D-Chicago). SJR 55 sets forth an explanation of the amendment to Article I of the Illinois Constitution that is proposed by Senate Joint Resolution Constitutional Amendment 11 (Workers' Rights). It describes brief arguments in favor of and against the proposed amendment. Describes the form in which the amendment will appear on the ballot at the general election to be held on November 8, 2022. The Illinois Chamber contributed to the brief arguments in opposition to the proposed Constitutional question. [**Adopted in both houses.**](#)

Federal Preemption of Certain Illinois Labor Acts: Included in the state government omnibus bill, [HB 5186](#), sponsored by Rep. Will Davis (D-Hazel Crest) and Sen. Napoleon Harris III (D-Harvey) are the following Acts that will be inoperative until and unless certain federal occupational safety and health standards cease to be in effect.

- Employee Washroom Act
- Work Under Compressed Air Act
- Underground Sewer Employee Safety Act, and
- Toxic Substances Disclosure to Employees Act.

The bill has been approved by the General Assembly. The Chamber supports. [Senate amendment 5](#). **Passed both houses.**

Child Labor: [SB 3161](#) sponsored by Sen. Ram Villivalam (D-Chicago) and Rep. Michelle Mussman (D-Schaumburg) provides that minors under 16 years of age working as models, performers or other entertainment-related performances shall be permitted to work until 10 p.m. A waiver request for a minor to work between 12:30 a.m. and 5 a.m. may be granted if the Director of Labor, or his or her authorized representative, is satisfied that the performance by the minor during that time is critical to the success of the production, as demonstrated by true and accurate statements by the employer that filming cannot be completed at any other time of day; the filming primarily requires exterior footage of sunset, nighttime, or dawn; the filming is scheduled on the most optimal day of the week for the minor's schooling; the employer provides a schedule to the Department of Labor of schooling and rest periods on the day before, the day of, and the day after the overnight hours to be worked; and the age of the minor is taken into account as provided by the Act or any rules adopted under the Act. A waiver request must be received by the Department at least 72 hours prior to the overnight hours to be worked. The measure was approved by the legislature. The Chamber is neutral. [Enrolled version](#). **This bill passed both houses.**

Human Rights Act-Hair: [SB 3616](#), sponsored by Sen. Mattie Hunter (D-Chicago) and Rep. Jehan Gordon-Booth) amends the Illinois Human Rights Act providing that "race", as used in the Employment Article, includes traits historically associated with race, including, but not limited to, hair texture and protective hairstyles such as braids, locks, and twists. The Chamber is neutral. [House amendment](#). **This bill passed both houses.**

Chamber ELC Successes

We were successful in stopping the following measures we opposed this session:

[HB 700](#)- Expanded the Illinois Department of Human Rights to intervene in civil actions before State or federal courts. Status: **Rereferred to House Rules Committee**

[HB 3418](#): limited settlements relating to claims of sexual harassment or sexual assault in the workplace. Status: **Amended in the Senate removing the underlying bill.**

[HB 3530](#): replaces Illinois' employment at will standard with a just cause standard for disciplining employees by employers. Status: **Rereferred to House Rules Committee**

[HB 3898](#): mandated paid sick leave. Status: **Rereferred to House Rules Committee.**

[**HB 4179**](#): added family responsibilities to protections under the Illinois Human Rights Act. Status: **Rereferred to House Rules Committee**

[**HB 4850**](#): Expands employer liability for gender violence. Status: **Senate Assignments Committee**

[**HB 4931/SB 3127**](#): we successfully had removed from the bills language that added medical dispatchers to the workers' composition provisions regarding a rebuttable presumption for COVID.

[**HB 5574**](#): limited settlements relating to claims of sexual harassment or sexual assault in the workplace. Status: **Rereferred to House Rules Committee**

[**SB 660**](#): expanded liability for repetitive injuries under the Workers' Compensation Act. Status: **Rereferred to Senate Assignments Committee**

[**SB 3709**](#): we successfully had removed from the bill language that added demotion of an employee as retaliation under the Workers' Compensation Act.

Further Questions please contact Aaron Harris at adharris@michaelbeststrategies.com

Healthcare

[**HB 0836**](#) (Sen. Ellman D-Naperville, Sen. Harris D-Dolton, Sen. Fine D-Glenview, Sen. Van Pelt D-Chicago/Rep. Morgan D-Highwood, Rep. Williams D-Chicago, Rep. Yednock D-Ottawa). Creates the **Health Insurance Coverage Premium Misalignment Study Act**. Sets forth provisions concerning the purpose of the Act and findings. Provides that the Department of Insurance shall oversee a study to explore rate setting approaches that may yield a misalignment of premiums across different tiers of coverage in Illinois' individual health insurance market. Provides that the study shall produce cost estimates for Illinois residents addressing metal-level premium misalignment policy along with the impact of the policy on health insurance affordability and access and the uninsured rates for low-income and middle-income residents, with break-out data by geography, race, ethnicity, and income level. Provides that the study shall evaluate how premium realignment if implemented would affect costs and outcomes for Illinoisans. Provides that the Department shall develop and submit, no later than January 1, 2024, a report to the General Assembly and the Governor concerning the design, costs, benefits, and implementation of premium realignment to increase affordability and access to health care coverage that leverages existing State infrastructure. **This bill passed both houses.**

[**HB 1780**](#), (Rep. Gong-Gershowitz D-Glenview, Rep. Demmer R-Dixon, Rep. Avelar D-Bolingbrook) **Drug Takeback** This bill provides that the Act may be cited as the Drug Take-Back Act. Provides that each covered manufacturer must, beginning January 1, 2024 (rather than no later than July 1, 2022) or 6 months after becoming a covered manufacturer, individually or collectively implement (rather than participate in) an approved drug take-back program. Requires a drug take-back program to provide for the collection, transportation, and disposal of covered drugs. Provides that specified requirements shall be undertaken by a drug take-back program or a covered manufacturer (rather than a manufacturer program

operator). Requires the Environmental Protection Agency to provide a 30-day public comment period on drug take-back program proposals and revised proposals during specified 90-day periods. Provides that the reason for the Agency's rejection of a drug take-back program proposal must be provided in the written notification to the manufacturer program operator.

This bill passed both houses.

HB 1950, (Rep Harris D-Chicago, Rep. Ammons D-Urbana, Rep. Lily D-Oak Park) **Hospital Assessment** passed out of the Senate 56-0-0 and the House on concurrence by a vote of 113-0-0. In a provision concerning safety-net hospitals, provides that beginning July 1, 2020 and ending on December 31, 2026, a hospital that would have qualified for the rate year beginning October 1, 2020 and was designated a federal rural referral center on October 1, 2020 shall be a Safety-Net Hospital. In provisions concerning hospital provider funding, provides that certain annual assessments on inpatient services and outpatient services shall be imposed on each hospital provider for calendar years 2021 through 2026. Extends the period during which certain transfers shall be made from the Hospital Provider Fund. Contains provisions concerning: (i) the applicable reimbursement factor from July 1, 2020 through December 31, 2022 and January 1, 2023 through December 31, 2026; and (ii) fee for-service supplemental payments beginning January 1, 2023. In a provision concerning the classification of Illinois hospitals for the purpose of allocating the funds included in capitation payments to managed care organizations, defines "critical access hospital" and "public hospital". Provides that, beginning January 1, 2023 and each calendar year thereafter, assignment to the safety-net class shall be based on the annual safety-net rate year beginning 15 months before the beginning of the first Payout Quarter of the calendar year. Makes changes to provisions concerning high Medicaid hospitals and defines "regional high volume hospital". Provides that, from January 1, 2023 through December 31, 2023, the Department of Healthcare and Family Services shall establish the amounts that shall be allocated to the hospital class directed payment fixed pools identified under a specified provision of the Code for the quarterly development of a uniform per unit add-on. Requires the Department to ensure that hospitals assigned to the fixed pools are paid no less than 95% of the annual initial rate for each 6-month period of each annual payout period. Contains provisions concerning directed payment amounts established by the Department for the Payout Quarter beginning January 1, 2023; pass-through payments for calendar year 2023; the sum of the total estimated annual payments to each hospital class for calendar year 2023; and other matters. Amends the Medical Assistance Article of the Illinois Public Aid Code. Provides that a general acute care hospital is authorized to file a notice with the Department of Public Health and the Health Facilities and Services Review Board to establish an acute mental illness category of service in accordance with the Illinois Health Facilities Planning Act and add authorized acute mental illness beds if the following conditions are met: (i) the general acute care hospital qualifies as a safety-net hospital as determined by the Department of Healthcare and Family Services at the time of filing the notice or for the year immediately prior to the date of filing the notice; (ii) the notice seeks to establish no more than 24 authorized acute mental illness beds; and (iii) the notice seeks to reduce the number of authorized beds in another category of service to offset the number of authorized acute mental illness beds. In provisions requiring the Department of Healthcare and Family Services to pay certain amounts to the human poison control center designated under the Poison Control System Act, provides that not less than \$3,750,000 shall be paid for State fiscal years 2021 through 2026 (rather than for State fiscal year 2021 and 2022) and not less than \$1,875,000 shall be paid for the period July 1, 2026 through December 31, 2026 (rather than for the period July 1, 2022 through December 31, 2022). Amends the Department of Public Health Powers and Duties Law. Provides that, by February 1, 2023, the Department of Public Health and the Department of Healthcare and Family Services shall provide a joint report to the General

Assembly on options and recommendations for the establishment of a permanent Safety-Net Hospital Health Equity and Access Leadership (HEAL) Grant Program. Provides that the Departments of Public Health and Healthcare and Family Services may consult with the statewide association representing a majority of hospitals and safety-net hospitals on the report. Sets forth information that may be included in the report, including, but not limited to: (1) criteria for a safety-net hospital to be eligible for the program; (2) potential projects eligible for grant funds, which may include projects to reduce health disparities, advance health equity, or improve access to or the quality of healthcare services; and (3) potential strategies to generate federal Medicaid matching funds for expenditures under the program. Amends the Medical Assistance Article of the Illinois Public Aid Code. In provisions requiring the Department of Healthcare and Family Services to make adjustment payments for inpatient services to hospitals that meet certain requirements, provides that such adjustment payments shall be made to a hospital that reopens a previously closed hospital facility within 4 (rather than 3) calendar years of the hospital facility's closure. Extends the income tax credit for certain hospitals through taxable years ending on or before December 31, 2027 (currently, December 31, 2022). Effective immediately. **This bill passed both houses.**

[**HB 4271**](#), (Rep. Cassidy D-Chicago, Rep. Kifowit D-Aurora, Rep. Mason D-Gurnee/Sen. Fine D-Glenview) **INS Coverage** This bill provides that a group or individual policy of accident and health insurance or a managed care plan that is amended, delivered, issued, or renewed on or after January 1, 2024 (rather than January 1, 2023) shall provide coverage for medically necessary breast reduction surgery. **This bill passed both houses.**

[**HB 4338**](#), (Rep. Hernandez D-Aurora, Rep. Avelar D-Bolingbrook, Rep. Guzzardi D-Chicago) **INS Coverage** This bill provides that a group or individual policy of accident and health insurance that is amended, delivered, issued, or renewed on or after January 1, 2024 that provides coverage for prescription drugs shall provide coverage for prenatal vitamins when prescribed by a physician licensed to practice medicine in all of its branches or an advanced practice registered nurse licensed under the Nurse Practice Act (rather than only a physician). **This bill passed both houses.**

[**HB 4433**](#), (Rep. Morgan D-Highwood, Rep. Walker D-Arlington Heights/Sen. Harris D-Dolton). **Insurance** This bill amends the Managed Care Reform and Patient Rights Act. In provisions concerning a requirement that a health care plan shall apply any third-party payments, financial assistance, discount, product vouchers, or any other reduction in out-of-pocket expenses made by or on behalf of an insured for prescription drugs toward a covered individual's deductible, copay, cost-sharing responsibility, or out-of-pocket maximum associated with the individual's health insurance, provides that if application of that requirement would result in ineligibility of a health savings account under federal law, the requirement applies to health savings account-qualified high deductible health plans with respect to the deductible of a plan after the enrollee has satisfied a specified minimum deductible, except with respect to specified items or services, in which case the requirement applies regardless of whether the minimum deductible has been satisfied. **This bill passed both houses.**

[**HB 4595**](#), (Rep. Harris D-Chicago, Rep. Manley D-Romeoville, Rep. West D-Rockford) **340B/PBM** This bill provides that a contract between a pharmacy benefit manager or third-party payer and a 340B entity or 340B pharmacy shall not contain specified provisions. Provides that a violation by a pharmacy benefit manager constitutes an unfair or deceptive act or practice in the business of insurance, and that a provision that violates the prohibition on

certain provisions in a contract between a pharmacy benefit manager or a third-party payer and a 340B entity that is entered into, amended, or renewed after July 1, 2022 shall be void and unenforceable. In provisions concerning pharmacy benefit managers, provides that the provisions apply to contracts entered into or renewed on or after July 1, 2022 (rather than July 1, 2020). In provisions concerning pharmacy benefits, provides that a Medicaid managed care organization or pharmacy benefit manager administering or managing benefits on behalf of a Medicaid managed organization shall not include specified provisions in a contract with a 340B entity or 340B pharmacy. Provides that a provision that violates the prohibition on certain provisions in a contract between a Medicaid managed care organization or its pharmacy benefit manager and a 340B entity entered into, amended, or renewed after July 1, 2022 shall be void and unenforceable. **This bill passed both houses.**

[**HB 4703**](#), (Rep. Morgan D-Highwood, Rep. Kelly D-Chicago, Rep. Flowers D-Chicago/Sen. Gillespie D-Arlington Heights). **Insurance/Billing** This bill provides that when an insured receives emergency services or covered ancillary services from a nonparticipating provider or a nonparticipating facility, the health insurance issuer shall ensure that cost-sharing requirements are applied as though the services had been received from a participating provider or facility, and that the insured or any group policyholder or plan sponsor shall not be liable to or billed by the health insurance issuer, the nonparticipating provider, or the facility beyond the cost-sharing amount. Provides that a beneficiary who receives care at a participating health care facility shall not be required to search for participating providers under certain circumstances. Amends the Managed Care Reform and Patient Rights Act. Provides that prior authorization or approval by the plan shall not be required for post-stabilization services that constitute emergency services. Amends the Health Maintenance Organization Act and the Voluntary Health Services Plans Act to provide that health maintenance organizations and voluntary health services plans are subject to provisions of the Illinois Insurance Code concerning billing and cost sharing. In provisions concerning cost sharing for emergency services and cost sharing for non-emergency services, provides that if the cost sharing for the same item or service furnished by a participating provider would have been a flat-dollar copayment, that amount shall be the cost-sharing amount unless the provider has billed a lesser total amount. Provides that upon receipt of the provider's bill or facility's bill, the health insurance issuer shall provide the nonparticipating provider or the facility with a written explanation of benefits (rather than the health insurance issuer shall provide the nonparticipating provider or the facility with a written explanation of benefits). **This bill passed both houses.**

[**HB 5012**](#), (Rep. Flowers D-Chicago, Rep. Mayfield D-Waukegan, Rep. Greenwood D-East St. Louis, Rep. Ammons D-Urbana, Rep. Lily D-Oak Park, Rep. Andrade D-Chicago/Sen. Castro D-Elgin, Sen. Belt D-East St. Louis) **Midwife Practice** passed out of the House on concurrence by a vote of 109-2-0. This bill amends the Licensed Certified Professional Midwife Practice Act. Provides that a "licensed certified professional midwife" means a person who has successfully met the requirements in the provisions concerning licensure and has been licensed by the Department of Financial and Professional Regulation. Provides that the Illinois Midwifery Board shall have one member who is an Illinois licensed advanced practice registered nurse who is a certified nurse midwife who provides home birth services. Removes a provision providing that applicants for licensure have 3 years from the date of application to complete the application process. Removes provisions providing that the Board shall maintain the confidentiality of annual reports. Removes a provision providing that exhibits shall be certified without cost. Removes a provision providing that the Board shall have 60 days after

receipt of the report to review the report from the hearing office. Repeals a provision concerning the certification of records by the Department. **This bill passed both houses.**

HB 5585, (Rep. Lilly D-Oak Park, Rep. Stuart D-Collinsville, Rep. Gordon-Booth D-Peoria/Sen. Harris D-Dolton) **INS Coverage** This bill provides that a group or individual policy of accident and health insurance or a managed care plan that is amended, delivered, issued, or renewed on or after January 1, 2024 shall provide coverage for access to home health services for the duration of medically necessary care. **This bill passed both houses.**

SB 145, (Sen. Murphy D-Des Plaines, Sen. Bryan D-Murphysboro, Sen. Feigenholtz D-Chicago). **Physician Assistants** passed out of the House by a vote of 103-0-0 and has now passed both houses. This bill amends the Physician Assistant Practice Act of 1987. Provides that the collaborating physician shall file with the Department of Financial and Professional Regulation notice of employment, discharge, or collaboration with a physician assistant within 60 days (rather than at the time) of employment, discharge, or assumption of collaboration with a physician assistant. Provides that nothing in the provisions shall prevent a physician assistant from beginning his or her employment before the notice of employment or collaboration has been filed. **This bill passed both houses.**

SB 2963, (Sen. Syverson R-Rockford, Sen. Munoz D-Chicago/Rep. Keicher R-Sycamore) **Life Insurance** passed the House by a vote of 103-0-0 and has now passed both chambers. This bill amends the Illinois Insurance Code. Provides that if active employment is a condition of a policy of group life insurance, in order to be delivered in the State the policy must contain provisions that state that continued coverage for specified active employees will remain in effect until the earliest of specified dates, and specified obligations of the replacing carrier may be limited to the amount for which the employee was covered under the prior carrier's group life insurance policy and may be reduced by any amounts payable under the prior carrier's group life insurance policy. **This bill passed both houses.**

SB 3819, (Sen. Fine D-Glenview, Sen. Harris D-Dolton, Sen. Morrison D-Highwood). **Pediatric Palliative Care** passed out of the House by a vote of 109-0-0 and has now passed both chambers. This bill provides that a group or individual policy of accident and health insurance or a managed care plan amended, delivered, issued, or renewed on or after January 1, 2024 (rather than after the effective date of the amendatory Act) shall provide coverage for community-based pediatric palliative care and hospice care and that the care shall be delivered to any qualifying child with a serious illness by a trained interdisciplinary team that allows a child to receive community-based pediatric palliative and hospice care while continuing to pursue curative treatment and disease-directed therapies for the qualifying illness. **This bill passed both houses.**

SB 3910 (Sen. Fine D-Glenview, Rep. Jones D-Calumet City, Rep. Morgan D-Highwood) Amends the **Uniform Prescription Drug Information Card Act**. Provides that a uniform prescription drug information card issued by a health benefit plan shall display on the card the regulatory entity that holds authority over the plan, whether the plan is fully insured or self-insured, the issuer's National Association of Insurance Commissioners company code, any deductible applicable to the plan, any out-of-pocket maximum limitation applicable to the plan, and a toll-free telephone number and Internet website address through which the cardholder may seek consumer assistance information. Provides that a discounted health care services plan administrator shall issue to its beneficiaries a card that contains information about the regulatory entity that holds authority over the plan and whether the plan is fully

insured or self-insured. Amends the Uniform Health Care Service Benefits Information Card Act. Provides that a health care benefit information card or other technology containing uniform health care benefit information issued by a health benefit plan or a dental plan shall specifically identify and display on the card the regulatory entity that holds authority over the plan, whether the plan is fully insured or self-insured, the issuer's National Association of Insurance Commissioners company code, any deductible applicable to the plan, any out-of-pocket maximum limitation applicable to the plan, and a toll-free telephone number and Internet website address through which the cardholder may seek consumer assistance information. Makes other changes. Effective January 1, 2023. **This bill passed both houses.**

Other Key Issues That Failed to Advance This Session

HB 1462 (Rep. Yang Rohr D-Naperville, Rep. Stava-Murray D-Downers Grove, Rep. Hirschauer D-West Chicago). Creates the **Prescription Drug Affordability Act**. Defines terms. Establishes the Prescription Drug Affordability Board and provides that the Board's purpose is to protect State residents, State and local governments, commercial health plans, health care providers, pharmacies licensed in the State, and other stakeholders within the health care system from the high costs of prescription drug products. Contains other provisions about the Board, including: members of the Board; conflicts of interest; terms of members; the hiring of an executive director, general counsel, and staff for the Board; staff salary; meetings of the Board; and powers and duties of the Board. Creates the Prescription Drug Affordability Stakeholder Council with the purpose to provide stakeholder input to assist the Prescription Drug Affordability Board in making decisions as required under the Act. Contains other provisions about the Council, including: members of the Council; terms of members; and reimbursement of member travel expenses. Provides that the Board shall identify specified prescription drug products and determine whether each prescription drug product should be subject to a cost review. Provides that if the Board finds that spending on a prescription drug product has led or will lead to an affordability challenge, the Board shall establish an upper payment limit after considering: (i) the cost of administering the drug; (ii) the cost of delivering the drug to consumers; and (iii) other relevant administrative costs related to the drug. Includes provisions regarding remedies and an appeal process. Creates the Prescription Drug Affordability Fund to be used only to provide funding for the Board and for the purposes authorized under the Act. Provides that the Board shall submit a report to the General Assembly including specified information. Provides that the Board shall conduct a study of the operation of the generic drug market that includes specified information on or before June 1, 2023. Includes a provision on term expiration for Board and Council members. Makes conforming changes in the State Finance Act. Effective January 1, 2023. **This bill stalled in the House.**

HB 1463, (Rep. Scherer D-Decatur, Rep. Flowers D-Chicago, Rep. Ramirez D-Chicago) **Network Adequacy Changes**. This bill amends the Illinois Insurance Code. Adds provisions concerning market analysis and market conduct actions. Makes changes to provisions concerning market conduct and non-financial examinations, examination reports, insurance compliance self-evaluative privilege, confidentiality, fees and charges, examination, and fiduciary and bonding requirements. Amends the Network Adequacy and Transparency Act. Adds definitions. Establishes minimum ratios of providers to beneficiaries for network plans issued, delivered, amended, or renewed during 2023. Makes changes to provisions concerning network adequacy, notice of nonrenewal or termination, transition of services, network transparency, administration and enforcement, and provider requirements. Amends the

Managed Care Reform and Patient Rights Act. Makes changes to provisions concerning notice of nonrenewal or termination and transition of services. Amends the Illinois Administrative Procedure Act to authorize the Department of Insurance to adopt emergency rules implementing federal standards for provider ratios, time and distance, or appointment wait times when such standards apply to health insurance coverage regulated by the Department of Insurance and are more stringent than the State standards extant at the time the final federal standards are published. Effective immediately. **This bill failed in the House by a vote of 40-21-7.**

HB1465 (Rep. Morgan D-Highwood, Rep. Stuart D-Collinsville, Rep. Walker D-Arlington Heights). Creates the **Health Insurance Coverage Premium Misalignment Study Act**. Sets forth provisions concerning the purpose of the Act and findings. Provides that the Department of Insurance shall oversee a study to explore rate setting approaches that may yield a misalignment of premiums across different tiers of coverage in Illinois' individual health insurance market. Provides that the study shall produce cost estimates for Illinois residents addressing metal-level premium misalignment policy along with the impact of the policy on health insurance affordability and access and the uninsured rates for low-income and middle-income residents, with break-out data by geography, race, ethnicity, and income level. Provides that the study shall evaluate how premium realignment if implemented would affect costs and outcomes for Illinoisans. Provides that the Department shall develop and submit, no later than January 1, 2024, a report to the General Assembly and the Governor concerning the design, costs, benefits, and implementation of premium realignment to increase affordability and access to health care coverage that leverages existing State infrastructure. Amends the Illinois Insurance Code and the Health Maintenance Organization Act. Provides that all individual and small group accident and health policies written in compliance with the Patient Protection and Affordable Care Act must file rates with the Department for approval. Provides that rate increases found to be unreasonable rate increases in relation to benefits under the policy provided shall be disapproved. Requires the Department to provide a report to the General Assembly after January 1, 2023 regarding both on and off exchange individual and small group rates in the Illinois market. Requires that the Department approve or deny rate increases within 60 calendar days after the rate increase is filed with the Department and that a rate increase that is not approved or denied by the Department on the 61st calendar day shall be automatically approved. Provides that no less than 30 days after the federal Centers for Medicare and Medicaid Services has certified the plans described for the upcoming plan year, the Department shall publish on its website a report explaining the rates for the subsequent calendar year's certified policies. **This bill passed the House and was referred to Senate Assignments.**

HB1466 (Rep. Guzzardi D-Chicago, Rep. Collins D-Chicago, Rep. Willis D-Northlake) Creates the **Access to Affordable Insulin Act**. Sets forth provisions concerning an insulin urgent-need program. Provides that by July 1, 2022, each manufacturer shall establish procedures to make insulin available to eligible individuals who are in urgent need of insulin or who are in need of access to an affordable insulin supply. Sets forth provisions concerning insulin urgent-need program exceptions, eligibility, forms, applications, claims and reimbursement, copayments, information sheets, navigators, and penalties. Defines terms. Amends the Illinois Insurance Code. In provisions concerning cost sharing in prescription insulin drugs, provides that an insurer that provides coverage for prescription insulin drugs under the terms of a health coverage plan the insurer offers shall limit the total amount that an insured is required to pay for a 30-day supply of covered prescription insulin drugs at an amount not to exceed

\$35 (rather than \$100). Effective immediately. **This bill passed the House and was referred to Senate Assignments.**

HB 4175 (Rep. Jones D-Calumet City) **INS-HEALTH BENEFIT EXCHANGE** Amends the Illinois Health Benefits Exchange Law. Provides that the Department of Insurance has the authority to operate the Illinois Health Benefits Exchange. Provides that the Director of Insurance may require plans in the individual market to be made available for comparison on the exchange, but may not require all plans be purchased exclusively on the exchange. Provides that the Director may require that plans offered on the exchange conform with standardized plan designs. Provides that the Director may apply a monthly assessment to each health benefits plan sold in the Illinois Health Benefits Exchange according to specified rates. Provides that the Director shall establish an advisory committee to provide advice to the Director concerning the operation of the exchange and that the advisory committee shall include specified members. Provides that the Department shall also have the authority to coordinate the operations of the exchange with the operations of the State Medicaid program and the FamilyCare Program to determine eligibility for those programs as soon as practicable. Provides that the Department shall adopt rules. Removes provisions concerning small employer health insurance coverage and markets. Makes other changes. Effective January 1, 2023. **This bill was assigned to Appropriations-Human Services Committee but did not make it out of Committee.**

HB 4430 (Rep. Cassidy D-Chicago, Rep. Croke D-Chicago, Rep. Harris D-Chicago) The bill amends the **Pharmacy Practice Act**. Provides that in accordance with a standing order by a physician licensed to practice medicine in all its branches or the medical director of a county or local health department, a pharmacist may provide patients with prophylaxis drugs for human immunodeficiency virus pre-exposure prophylaxis or post-exposure prophylaxis. Provides that a pharmacist may provide initial assessment and dispensing of prophylaxis drugs for human immunodeficiency virus pre-exposure prophylaxis or post-exposure prophylaxis. Contains requirements for the standing order. Provides that a pharmacist must communicate the services provided under the provisions to the patient and the patient's primary health care provider or other health care professional or clinic, if known. Provides that if there is no primary health care provider provided by the patient, then the pharmacist must give a list of primary health care providers or clinics in the area. Provides that a pharmacist shall complete an educational training program accredited by the Accreditation Council for Pharmacy Education or Department of Financial and Professional Regulation related to human immunodeficiency virus pre-exposure prophylaxis and human immunodeficiency virus post-exposure prophylaxis. Makes conforming and other changes. Makes corresponding changes in the Illinois Clinical Laboratory and Blood Bank Act. Amends the Illinois Insurance Code. Provides that an insurance carrier or third-party payor shall reimburse a pharmacist or other health care professional for dispensing HIV prophylaxis medications and providing other services to a covered person in accordance with the current version of the guidelines of the Centers for Disease Control and Prevention and the United States Preventive Services Task Force. Provides that reimbursement shall provide an adequate consultation fee or, if medical billing is not available, an enhanced dispensing fee that is equivalent to 85% of the fees for services provided by an advanced practice registered nurse or physician. Amends the Illinois Public Aid Code. Provides that services provided by the pharmacist under the provisions concerning HIV prophylaxis in the Pharmacy Practice Act shall be covered and reimbursed at no less than 85% of the rate that the services are reimbursed when provided by a physician. Makes other changes. Effective January 1, 2023. **This bill passed both houses, but Rep Croke filed a motion to reconsider. The bill remains in the House.**

[HB 4844](#) (Rep. Moeller D-Elgin) Vision Care Plan Regulation Act. Provides that no vision care organization may issue a contract that requires an eye care provider to provide services or materials to an enrollee at a fee set by the vision care plan unless the services or materials are covered under the vision care plan. Requires fees for covered services and materials to be reasonable and clearly listed on a fee schedule provided to the eye care provider. Prohibits a vision care organization from misrepresenting the benefits of a vision care plan as a means of selling coverage or communicating the benefit coverage to enrollees. Provides that the Act applies to any subcontractors used by a vision care organization to supply materials or services to an eye care provider or an enrollee under a vision care plan. Prohibits a vision care organization from restricting an eye care provider's freedom to choose suppliers, materials, or labs or from requiring an eye care provider to purchase materials from a source owned by the entity that issued the vision care plan. Provides that the terms, fees, discounts, or reimbursement rates in a vision care plan may not be changed unless mutually agreed to in writing by the eye care provider and the vision care organization. Provides that a person or entity adversely affected by a violation of the Act by the vision care organization may seek injunctive relief and shall recover attorney's fees and costs from the vision care organization upon prevailing. Amends the Consumer Fraud and Deceptive Business Practices Act to provide that any person who violates the Vision Care Plan Regulation Act commits an unlawful practice. **This bill was re-referred to House Rules.**

[HB 5300](#) (Rep. Guzzardi D-Chicago, Rep. Carroll D-Northbrook, Rep. Willis D-Northlake) Creates the **Insulin for All Act**. Provides that the Department of Public Health shall offer a discount program that allows participants to purchase insulin at a discounted, post-rebate price. Sets forth provisions concerning an insulin urgent-need program. Provides that by July 1, 2022, each manufacturer shall establish procedures to make insulin available to eligible individuals who are in urgent need of insulin or who are in need of access to an affordable insulin supply. Sets forth provisions concerning insulin urgent-need program exceptions, eligibility, forms, applications, claims and reimbursement, copayments, information sheets, navigators, and penalties. Sets forth provisions concerning an insulin patient assistance program and manufacturer responsibilities and process of the patient assistance program. Sets forth provisions concerning dispute resolution, reports, and penalties for insulin programs. Creates the Insulin Assistance Fund. Defines terms. Amends the Illinois Insurance Code. In provisions concerning cost sharing in prescription insulin drugs, provides that an insurer that provides coverage for prescription insulin drugs under the terms of a health coverage plan the insurer offers shall limit the total amount that an insured is required to pay for a 30-day supply of covered prescription insulin drugs at an amount not to exceed \$35 (rather than \$100). Makes a conforming change in the State Finance Act. Makes other changes. Effective immediately. **This bill was re-referred to House Rules.**

[HB 5534](#) (Rep. Jones D-Calumet City, Rep. Morgan D-Highwood, Rep. Brady R-Bloomington) Creates the **Insurance Business Transfer Act**. Provides that notwithstanding any other provision of law, a court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this Act. Sets forth provisions concerning notice requirements, application procedure, application to a court for approval of a plan, approval and denial of insurance business transfer plans, and fees and costs. Provides that the Department of Insurance shall adopt rules that are consistent with the provisions and that no insurance business transfer plan shall be approved in the State unless and until such rules are adopted. Provides that the portion of the application for an insurance business transfer that would otherwise be confidential, including any documents, materials, communications, or

other information submitted to the Director of Insurance in contemplation of an application, shall not lose such confidentiality. Provides that insurers consent to the jurisdiction of the Director with regard to ongoing oversight of operations, management, and solvency relating to the transferred business. Defines terms. **This bill passed the House and was referred to Senate Assignments.**

SB 3924 (Sen. Castro D-Elgin) Amends the Illinois Insurance Code. Provides that a health benefit plan amended, delivered, issued, or renewed on or after January 1, 2023 that provides prescription drug coverage or its contracted pharmacy benefit manager shall not engage in or require an enrollee to engage in specified prohibited acts. Provides that a clinician-administered drug supplied shall meet the supply chain security controls and chain of distribution set by the federal Drug Supply Chain Security Act. Provides that the Department of Insurance may adopt rules as necessary to implement the provisions. Defines terms. Makes conforming changes in the State Employees Group Insurance Act of 1971, the Counties Code, the Illinois Municipal Code, the School Code, the Health Maintenance Organization, and the Voluntary Health Services Plans Act. **This bill was re-referred to Assignments in the Senate.**

SB 3926 (Sen. Fine D-Glenview, Sen. Gillespie D-Arlington Heights, Sen. Simmons D-Chicago) Provides that any failure to make a disclosure or obtain a signed confirmation required under specified provisions of the Short-Term, Limited-Duration Health Insurance Coverage Act is an unfair method of competition and an unfair and deceptive act or practice in the business of insurance. Provides that the Director of Insurance shall have the power to examine and investigate into the affairs of every person subject to specified provisions of the Short-Term, Limited-Duration Health Insurance Coverage Act. Provides that the Director may place on probation, suspend, revoke, or refuse to issue or renew an insurance producer's license or may levy a civil penalty or take any combination of actions for any failure to make a disclosure or obtain a signed confirmation required or any unlawful practice described under specified provisions of the Short-Term, Limited-Duration Health Insurance Coverage Act. Amends the Short-Term, Limited-Duration Health Insurance Coverage Act. Sets forth provisions concerning the purpose and scope of the Act. Provides that the Act applies to health insurance issuers that offer short-term, limited-duration health insurance coverage to groups and individuals (rather than only individuals) in the State. Sets forth provisions concerning duration of coverage; cancellation; and disclosure, filing, and coverage requirements of short term, limited-duration health insurance coverage. Sets forth provisions concerning unfair or deceptive practices relating to the sale of supplemental or short-term, limited-duration health insurance coverage. Provides that the Department of Insurance may adopt any rules necessary to carry out the provisions of the Act. Defines terms. Makes other changes. Effective January 1, 2023. **This bill passed the Senate and was held on second reading in the House.**

Any further questions relating to healthcare, please contact Lori Cowdrey Benso at lbenso@ilchamber.org

Infrastructure

CDL Hiring Tax Incentives

SB 3719 (DeWitte)- Creates an income tax credit for a taxpayer that hires a new employee for a position as a driver for which a commercial driver's license is required and an individual

taxpayer who is employed as a driver in a position in which a commercial driver's license is required. **This is an Illinois Chamber of Commerce initiative. This bill did not move out of the Senate Executive Committee and was re-referred to Senate Assignments.**

Construction

[**HB 4251**](#) This bill provides that any purchase by a township for services, materials, equipment, or supplies in excess of \$30,000 (rather than \$20,000) shall be contracted in specified ways. Provides that contracts for construction work whose estimated cost will exceed \$30,000 (rather than \$20,000) for township waterworks and sewerage systems shall be let to the lowest responsible bidder. **This bill passed both houses.**

[**HB 4393**](#) This bill provides that specified contracts may be let to the lowest responsible bidder or the best value bidder (rather than to the lowest responsible bidder). As amended, provides that, if an entity is eligible to be paid for or reimbursed, in whole or in part, with federal-aid funds, grants, or loans, and the letting of a contract to the best value bidder under the provisions would result in the loss of those federal-aid funds, grants, or loans, then the contract shall be let to the lowest responsible bidder (rather than the contract is exempt from the provisions). **This bill passed the House but did not advance past Senate Assignments.**

[**HB 5035**](#) This bill provides that the Department of Transportation may implement a 5-year pilot program to allow a contractor to provide a non-diminishing irrevocable bank letter of credit in lieu of specified bond requirements on contracts under \$500,000. Provides that projects selected by the Department of Transportation for the pilot program must be classified by the Department as low-risk scope of work contracts. Provides for the adoption of rules concerning the criteria for pilot project selection and implementation of the pilot program. **This bill passed both houses.**

[**HB 5412**](#) This bill as amended, provides that, for all contracts entered into on or after July 1, 2022, a primary contractor making or taking a contract in the State for the erection, construction, alteration, or repair of a building, structure, or other private work in the State, shall assume, and is liable for, any debt owed to a claimant incurred pursuant to the Act by a subcontractor at any tier acting under, by, or for the primary contractor for the wage claimant's performance of labor included in the subject of the contract between the primary contractor and the owner. **This bill passed the Senate but still awaits House action.**

[**HB 5538**](#) (Halpin) - Amends the Prevailing Wage Act. Provides that the provisions of the Act apply to the construction or demolition of public works performed by an employee of a public body engaged in the construction or demolition of public works on behalf of another public body. **This bill passed out of the House but was re-referred to Assignments Committee in the Senate.**

[**HB 5550**](#) (Slaughter) - Amends the Prevailing Wage Act. Provides that the transportation of ready-mixed concrete and the transportation of aggregate or excavated materials shall be deemed to be employment upon public works. Provides that all laborers, workers, and mechanics performing transportation of ready-mixed concrete and transportation of aggregate or excavated materials shall be deemed to be employed in actual construction work upon public works. **This bill was assigned to the Labor & Commerce Committee but re-referred to House Rules.**

Design Build

[SB 2981](#) - See narrative section above for further details on this bill.

[SB 3625](#), **Design Build Procurement Act Extension** passed out of the Senate by a vote of 36-16-0. This bill amends the Design-Build Procurement Act. Extends the repeal of the Act from July 1, 2022 to July 1, 2027. Opposition to the bill was due to earlier patronage allegations at the Capital Development Board. Note that this bill applies to vertical construction (e.g. buildings) and not horizontal (e.g. roads and bridges). **This bill passed both houses.**

[SB 3795 \(Morrison\)](#)/ [HB 4772 \(McLaughlin\)](#) - Creates the County Design-Build Authorization Division in the Counties Code. Provides that a county may enter into design-build contracts. **SB3795 passed the Senate but did not advance in the House. HB 4772 passed both houses.**

Electric Vehicles

[HB 3125](#) (Gabel) which creates the Electric Vehicle Charging Act. Sets forth requirements for parking spaces that are electrical vehicle ready applicable to new or renovated residential or nonresidential buildings. Additionally outlines provisions concerning electric vehicle charging station policies for unit owners and renters. Creates the Electric Vehicle Access for All Program to maximize opportunities for carbon-free transportation across the State, particularly targeting environmental justice and low-income communities and to provide grants to pilot programs with the purpose of bridging public transportation gaps between residences and employment locations. **This bill passed the House but did not move out of the Senate Energy and Public Utilities Committee.**

[HB 4389](#) (Moylan) - Requires the Environmental Protection Agency to establish a fleet electrification voucher program to promote the use of electric trucks by fleet owners by offering a voucher of \$200,000 per electric Class 7 truck or electric Class 8 truck purchased or leased for a fleet by the fleet's owner or operator. Provides that an applicant shall submit a proof of purchase, lease, or other binding contract regarding the electric Class 7 truck or electric Class 8 truck in order to be awarded the voucher. Provides that, upon approval of the initial application, an applicant must scrap a diesel Class 7 truck or diesel Class 8 truck from the applicant's existing fleet. Requires an applicant who is awarded a voucher to agree to participate in annual surveys on specified metrics. **This bill did not move out of Rules Committee.**

[HB 4963 \(Vella\)](#) - Amends the Reimagining Electric Vehicles in Illinois Act. Provides that the application approval as a REV project must be by formal application (currently, formal written letter of request or formal application). Provides that each application shall state the minimum number of jobs created or retained at the facility and, for all proposed classifications, commitments to salaries, wages, benefits, investment in training, including commitments to pre-apprenticeship and apprenticeship programs, specific protections for worker health and safety, and hiring plans. Provides that each applicant shall state whether it is party to a bona fide labor peace agreement. Provides that applications shall be considered public records subject to disclosure under the Freedom of Information Act. Provides that applicants that are issued credit certificates must report the number, occupation, wages, and benefits of new

employees. **This bill was assigned to the House Revenue Committee but later re-referred to Rules.**

SB 2940 (Koehler/Hoffman) This bill amends the Electric Vehicle Act and the Electric Vehicle Rebate Act to delete language providing that "electric vehicle" does not include electric motorcycles. Provides that, beginning July 1, 2022, each person shall be eligible to apply for a \$1,500 rebate for the purchase of an electric vehicle that is an electric motorcycle.

HB 5507 (LaPointe) - Removes the \$100 surcharge in lieu of the payment of motor fuel taxes added to the registration fee for electric vehicles. Removes the \$100 additional fee to identify a vehicle as an electric vehicle. **This bill was assigned to House Revenue but re-referred to Rules.**

HB 5571 (Lewis) - Provides that the Capital Development Board shall adopt rules to require that each newly constructed residential building in the State that includes a garage shall provide for sufficient electric generating capacity in the garage to charge an electric vehicle. **This bill was assigned to Energy & Environment Committee and re-referred to House Rules.**

SB 3051 (Fine) Creates the In-home Electric Vehicle Charging Infrastructure Act. Provides that if the construction of one or more new housing units or major renovations will include at least one garage, carport, or driveway for each housing unit, the builder or the builder's agent shall provide each buyer, prospective buyer, or homeowner with the option to include either an electric vehicle charging station capable of at least level 2 charging or equipment to support the later addition of a such a charging station in or on the garage, carport, or driveway. Requires a builder to give a buyer or homeowner notice of this requirement along with information on available rebate programs for installing an electric charging station. Requires the buyer or homeowner to provide notice of receipt. Provides a private right of action for persons aggrieved by a violation of the Act. Effective July 1, 2022. **This bill was assigned to Energy and Public Utilities and re-referred to Assignments.**

SB 3171 (Murphy) – Identical to HB 4389, above. **This bill was rereferred to Assignments Committee.**

IDOT

HB 4431 (Zalewski) - Provides that the Department of Transportation shall establish the local government revenue reimbursement program to reimburse a county, municipal, township, or village government for revenue lost due to a road, highway, or interstate construction project initiated by the Department of Transportation. Provides that, to receive reimbursement, within 90 days after the completion of a construction project, the county, municipality, township, or village shall submit to the Department of Transportation a reimbursement request on a form prescribed by the Department of Transportation and supported by a report by an independent auditor verifying the estimated amount of revenue lost over the duration of the construction project. Provides that the Department shall reimburse a local government entity within 90 days of receiving a reimbursement request. Effective July 1, 2022. **This bill was assigned to Appropriations – Public Safety but Re-referred to Rules Committee.**

HB 5262 This bill creates the Infrastructure Delivery and Program Transparency Act. Provides for the creation of an Infrastructure Implementation Coordinator within the Office of the Secretary of Transportation to administer the Rebuild Illinois Program. Provides that the

Office of the Secretary of Transportation shall develop a publicly available project information website that includes detailed information about each infrastructure project. Provides that the Coordinator shall track and make publicly available a master program, budget, and construction schedule and program metrics. Provides that after a review of the program metrics, the Coordinator shall implement improvements to the Rebuild Illinois Program in accordance with the established overall program budget and project schedule. Provides that the Department of Transportation and the Coordinator shall implement certain initiatives to assist the Department with meeting program goals. **This bill passed the House but did not advance out of Senate Assignments.**

SB 1233. This bill creates a task force to study future transportation funding. Provides that the Commission shall report a summary of its activities and produce a final report of its data, findings, and recommendations to the General Assembly by January 31, 2023. The Chamber supports this bill. **This bill passed both houses.**

Mass Transit

SB 3082 This bill amends the High-Speed Railway Commission Act so that the following positions are now appointed by the Governor: a representative of a labor organization representing rail workers; a representative of a trade organization related to the rail industry; a representative of the Metropolitan Mayors and Managers Association; a representative from the Illinois Railroad Association; a representative from the University of Illinois System; a representative from the Chicago Metropolitan Agency for Planning; a representative of the Illinois Municipal League; a representative of the Champaign-Urbana Mass Transit District; a representative of the Region 1 Planning Council; a representative of the McLean County Regional Planning Commission; and a representative of the East-West Gateway Council of Governments. Also, appointments must be made by January 1, 2023 rather than January 1, 2022. **This bill passed both houses.**

SB 3848 (Villivalam) - Amends the Regional Transportation Authority Act. Provides that, by January 1, 2023, the Chicago Metropolitan Agency for Planning and its MPO Policy Committee, in coordination with the Authority, shall develop and submit a report of legislative recommendations to the Governor and General Assembly regarding changes to the recovery ratio, sales tax formula and distributions, governance structures, regional fare systems, and any other changes to State statute, Authority, or Service Board enabling legislation, policy, rules, or funding that will ensure the long-term financial viability of a comprehensive and coordinated regional public transportation system that moves people safely, securely, cleanly, and efficiently and supports and fosters efficient land use. **This bill passed both houses.**

Railroads

HB 5233 (Gabel) - Provides that, for fiscal year 2022 and each fiscal year thereafter, \$5,500,000 shall be transferred from the Grade Crossing Protection Fund to the Transportation Regulatory Fund (currently, \$3,000,000). **This bill was rereferred to House Rules Committee**

[**SB 3421**](#) (Murphy) - Amends the Property Tax Code. Provides that railroad property shall be assessed based on the location of the property (rather than as a unit). **This bill was rereferred to Assignments.**

[**SB 3661**](#) This bill amends the Motor Fuel Tax Law. Repeals provisions concerning reports by railroad companies, and street, suburban, or interurban railroad companies. **This bill passed both houses.**

Vehicle Manufacturers and Dealers

[**HB 5395**](#) (Greenwood). [**HB 5395**](#) seeks to charge a motor vehicle manufacturer in the event of an auto dealer closure. In the unfortunate event of a dealership closure, this legislation would make manufacturers liable for payments to municipalities for over 20 years! This would be unprecedented in Illinois law. It interferes with the private right of contract; it discourages right sizing of businesses, and it will hinder further expansion- companies will be forced to reassess before opening a new location thus harming the small towns the sponsor seeks to help. Chamber President Todd Maisch testified against this bill in committee. **This bill passed out of the House Transportation: Vehicles & Safety Committee but did not advance on the floor.**

Vehicle Registration/Driver's License

[**SB 3096**](#) This bill creates a path for digital drivers' licenses in the state. It would allow drivers to operate a motor vehicle without a physical copy of their license. The bill also provides that a person shall not be issued a citation for driving a motor vehicle without a physical driver's license if the person presents a digitized driver's license to a law enforcement officer in connection with a traffic stop. **This bill passed both houses.**

[**SB 3609**](#) This bill provides that the registration fee for cars and small trucks shall be reduced by \$25 if vehicle is manufactured in this State and the application for registration is made no more than one year after the month in which the vehicle was manufactured. **This bill passed both houses.**

Any further questions please contact Clark Kaericher at ckaericher@ilchamber.org.

Tax

General Assembly Passes Tax Package on Final Day of Session

The tax-related changes were passed in [**SB 157 amendment 2**](#). The following provisions are included in the tax bill that was passed on the final day of Spring Session 2022:

- The EDGE credit sunset date for new agreements is extended to June 30, 2027 and the credit is expanded to startup businesses. (P. 1 -19 - the page references are to amendment 2)
- The River Edge Redevelopment Zone Act is amended to expand the definition of "undeserved area." (P. 22-23)

- The Film Production Tax Credit is amended. (P. 23)
- The Live Theater Production Tax Credit Act is amended. (P.35)
- The sales taxation of Biodiesel is amended. (P.36 - 64)
- The sunset dates for the Hospital income tax credit available to for-profit hospitals and the sales tax exemption for not-for-profit hospitals are extended to December 31, 2027. (P. 65 - 112)
- Organ Donation income tax credit. (P. 123 - 125)
- Additional property tax income tax credit (P. 130 - 131)
- Individual Income income tax rebates - \$50 for individuals and \$100 for a joint return, and \$100 for each dependent up to 3 dependents. (P. 132)
- Motor Fuel taxes - the 2.2 cents per gallon increase in the motor fuel tax originally scheduled to go into effect on July 1 is delayed. On January 1, 2023, the Motor Fuel Tax will be increased by the increase in the Consumer Price Index for the 12 month period ending in September 2022. On July 1, 2023 there will be another inflation adjustment to the Motor Fuel Tax. The legislation provides that beginning July 1 through December 31, motor fuel retailers are required to post a notice on the pumps announcing that the State of Illinois suspended the inflation adjustment. (P. 145 - 151)
- The Reimagining Electric Vehicles in Illinois Act is amended to expand the definition of electric vehicle component parts manufacturers to include manufacturers of advanced battery components and the definition of electric vehicle power supply equipment to include hydrogen fuel cells or solar refueling infrastructure, In addition, the definition of electric vehicle power supply manufacturer is expanded to include hydrogen fuel cell or solar refueling infrastructure.. (p. 152 - 167)
- The earned income credit is increased to 20% of the federal earned income tax credit and is expanded to include in the Illinois credit the following persons who are ineligible the federal credit - individuals between the age of 18 and 24, individuals aged 65 and older, and individuals filing an individual income tax return using an individual taxpayer identification number. (P. 167 - 172)
- The 1% state sales tax on groceries is suspended from July 1, 2022 until July 1, 2023. (P. 172 - 528)
- School supplies sales tax holiday (P. 528 - 641)
- Sales tax exemption for breast pumps (P. 641 – 725)
- Coal and aggregate mining equipment exemption sunset is extended to July 1, 2028. (P. 725 - 802)

- Income tax credit for teachers for instructional materials and supplies is increased. (P. 806 - 807)
- New income tax credit for agritourism liability insurance. (P. 807 - 811)
- The Parking Excise Tax is amended to eliminate language that defines "charge or fee paid for parking" and the definition of "booking intermediary." (P. 811 - 815)
- The Unemployment Insurance Act is amended. P 815 - 842)

Amendment 3 establishes Manufacturing Illinois Chips for Real Opportunity Act. The legislative findings state in relevant part that "It is the intent of the General Assembly that Illinois should lead the nation in production of semiconductors and microchips as they become even more prevalent in everyday life. The General Assembly finds that, through investments in semiconductors and microchips, Illinois will be on the forefront of reshoring semiconductor and microchip production that fuels modern technologies that are essential to the operation of computers, phones, vehicles and any electric product that have become essential to modern life."

The legislation establishes a series of tax credits for taxpayers that (i) operates a business in Illinois as a semiconductor manufacturer, a microchip manufacturer, or a manufacturer of semiconductor or microchip component parts; or (ii) is planning to locate a business within the State of Illinois as a semiconductor manufacturer, a microchip manufacturer, or a manufacturer of semiconductor or microchip component parts.

Other Legislation of Note

[SB 3917](#) (Halpin) As introduced - Creates the Manufacturing Illinois Chips for Real Opportunity (MICRO) Act. Creates the Manufacturing Illinois Chips for Real Opportunity (MICRO) Program to be administered by the Department of Commerce and Economic Opportunity. Creates various tax incentives for manufacturers of semiconductors, microchips, or semiconductor or microchip component parts, subject to an agreement with the Department of Commerce and Economic Opportunity. Amends the Illinois Income Tax Act, the Retailers' Occupation Tax Act, the Property Tax Code, the Telecommunications Excise Tax Act, the Electricity Excise Tax Law, and the Public Utilities Act. Effective immediately.

As amended - Makes changes to the introduced bill as follows: (1) provides that credits awarded under the Manufacturing Illinois Chips for Real Opportunity (MICRO) Act apply for tax years beginning on or after January 1, 2025 (in the introduced bill, January 1, 2026 in certain places); (2) in the Illinois Income Tax Act, makes changes concerning applicability of the Manufacturing Illinois Chips for Real Opportunity (MICRO) Act to pass-through entities; and (3) makes conforming changes in the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act concerning the building materials exemption for microchip and semiconductor manufacturing created in the Retailers' Occupation Tax Act.

This bill passed Senate Revenue unanimously on 2-10 and passed the Senate unanimously on 2-24. **There was no vote in the House but the provisions of this bill ended up in the final tax package.** We supported this IMA initiative.

SB 1794 - As introduced - Amends the Local Government Taxpayers' Bill of Rights Act.

Provides that the statute of limitations set by a unit of local government for the determination and assessment of taxes covered by the Act may not exceed 10 years (currently, 4 years) after the end of the calendar year for which the return for the period was filed or the end of the calendar year in which the return for the period was due, whichever occurs later. Makes conforming changes concerning the tolling of this 10-year period. Amends the Illinois Municipal Code. In a Section concerning municipal audits of public utilities, provides that municipalities may request information from public utilities no more than annually (currently, no more than once every 2 years). Provides that, if the public utility fails to respond in a timely manner to the request for information with complete information, the public utility shall be liable to the municipality for a penalty of \$1,000 for each day it fails to produce the requested information. Provides that, if a public utility is liable for any error in past tax payments in excess of \$5,000 that were unknown prior to an audit from the municipality, then the public utility shall reimburse the municipality for the cost of the audit. Sets forth conditions under which the public utility may be liable for attorney's fees incurred by the municipality.

As amended in the Senate - Amendment 1 - Replaces everything after the enacting clause. Reinserts the provisions of the introduced bill with the following changes. In provisions amending the Local Government Taxpayers' Bill of Rights Act, creates a 7-year statute of limitations for utility taxes (currently, 4 years). In provisions amending the Illinois Municipal Code, provides that a public utility that is an electric utility may not provide customer-specific information. Provides that penalties for failure to respond to requests for information shall be assessed by the municipality, but may be reduced or vacated by the municipality or a court of competent jurisdiction upon demonstration by the public utility that the public utility's failure to provide the requested information resulted from excusable neglect. In provisions concerning a public utility's liability for premises that have been annexed to the municipality, provides that the utility shall only be liable beginning 60 days after the date that the municipality provided the public utility notice of the annexation. Adds provisions amending the Public Utilities Act. Provides that the Illinois Commerce Commission shall not consider: (i) costs associated with a municipal audit; (ii) any court costs, attorney's fees, or other fees incurred under certain provisions of the Illinois Municipal Code; (iii) unpaid utility taxes owed to a municipality; or (iv) any penalties or interest imposed by a municipality under certain provisions of the Illinois Municipal Code to be expenses for the purpose of determining any rate or charge.

Senate amendment 2 - Makes changes to the bill as amended by Senate Amendment No. 1 to provide that the Illinois Commerce Commission shall not consider: (i) any court costs, attorney's fees, or other fees incurred under certain provisions of the Illinois Municipal Code; or (ii) any penalties or interest imposed by a municipality under certain provisions of the Illinois Municipal Code to be expenses for the purpose of determining any rate or charge (Senate Amendment No. 1 also includes costs associated with a municipal audit and unpaid utility taxes owed to a municipality in the list). Further amends the Public Utilities Act to provide that customer specific billing, usage, or load shape data may be provided to a unit of local government if the unit of local government is requesting the information for the purposes of an audit under specified provisions of the Illinois Municipal Code.

Three amendments to SB 1794 were proposed in the House. The House amendments were tabled and the bill was voted out of committee in the form it passed the Senate. The sponsor, Representative DeLuca advised that it is his intent to continue negotiations with the opponents of the legislation to reach an agreed amendment and promised to bring the amendment back to the committee, rather than taking the amendment directly to the floor. The Chairman advised

that they will seek to have the committee deadline extended for this bill in order to allow negotiations to continue. The bill ended up stalled. Likely back during veto session.

This bill passed the Senate unanimously last year and passed House Revenue on a partisan vote in March of this year. **The bill never moved past second reading.** We opposed original senate version of this bill.

[SB 3477](#), Tax Institute Executive Director Keith Staats represented the Illinois Chamber of Commerce as part of a group of business organizations opposed to **[SB 3477](#)**, Senator Murphy's Vacancy Fraud Act. This bill creates the Vacancy Fraud Act. Allows a taxing body or representative of a taxing body to file a vacancy fraud complaint with the county board of review if property is receiving vacancy relief and the property owner is not actively attempting to lease, sell, or alter the property. Sets forth factors in determining whether or not vacancy fraud has occurred. Sets forth penalties. Effective immediately.

This bill passed out of Senate Judiciary on a partisan roll call vote of 6-2. The Chamber and business groups met with Senator Murphy and explained our opposition. **The bill never progressed past second reading in the Senate.**

Further questions relating to taxes, please contact Keith Staats at kstaats@ilchamber.org

Technology

Applications

[HB 4599](#) (Gonzalez) and **[SB 3417](#)** (Feigenholtz) create the “Freedom to Subscribe Directly Act”. A provider of a digital application distribution platform for which cumulative downloads of software applications from the digital application distribution platform to Illinois users exceed 1,000,000 downloads in the previous or current calendar year may not: (i) require a software application developer that is domiciled in the State to use a particular in-application payment system as the exclusive mode of accepting payments from a user for software application downloads or digital purchases; (ii) require use of a particular in-application payment system for accepting payments from Illinois users to download a software application or purchase a digital or physical copy; or (iii) retaliate against a developer that is domiciled in the State or an Illinois user for using an in-application payment system or digital application distribution platform that is not owned by, operated by, or affiliated with the provider. Exempts special-purpose digital application distribution platforms from the Act. Furthermore, it creates a new cause of action. **HB 4599 was rereferred to House Rules Committee. SB 3417 was rereferred to Senate Assignments.**

The Chamber opposes these bills. They would destroy the existing app ecosystem that has allowed developers to access billions of global users while providing consumers with a safe, secure, and convenient place for users to search for apps. The benefits that app stores provide to developers and consumers include not only immediate access to global users, but also the infrastructure necessary to support regular malware scanning, prevent restricted content like hate speech and sexual content, prevent spamming apps, and manage safe and secure payment activities. Without these resources that are available to all developers, the app market would be balkanized, confusing, and expensive for both developers and users. **These bills were given extensive subject-matter hearings in their assigned committees but a vote was never held.**

[**SB 3447**](#) (Hilton) Amends the Automatic Contract Renewal Act. Provides that the clear and conspicuous disclosure of an automatic renewal clause displayed during the contract formation process must require the consumer to affirmatively consent to the renewal terms. Provides for additional notice requirements concerning contracts that automatically renew for a specified term of more than one month unless the consumer cancels the contract. Provides for additional notice requirements concerning contracts that allow the consumer to accept a free gift or trial as part of an automatic renewal offer before the consumer makes any payment, or where such contract entitles the consumer to an introductory reduced, promotional, or discounted rate before the customer begins paying the full rate. **This bill was rereferred to Senate Assignments.**

BIPA

[**HB 4692**](#) (Wheeler) This bill is a collaboration between the Illinois Chamber, IMA, IRMA and the Chicagoland Chamber. It is a comprehensive BIPA reform bill which addresses both liability reforms and additional security protections.

Here's the bill summary: [**HB 4692**](#) (Wheeler) - Changes the definitions of "biometric identifier" and "written release". Defines "biometric lock", "biometric time clock", "electronic signature", "in writing", and "security purpose". Provides that if the biometric identifier or biometric information is collected or captured for the same repeated process, the private entity is only required to inform the subject or receive consent during the initial collection. Waives certain requirements for collecting, capturing, or otherwise obtaining a person's or a customer's biometric identifier or biometric information under certain circumstances relating to security purposes. Provides that nothing in the Act shall be construed to apply to information captured by a biometric time clock or biometric lock that converts a person's biometric identifier or biometric information to a mathematical representation. Requires the Department of Labor to provide information for employers regarding the requirements of the Act on its website. Amends the Workers' Compensation Act. Provides that nothing in the Act limits, prevents, or preempts a recovery by an employee under the Biometric Information Privacy Act. **This bill was rereferred to House Rules.**

[**HB 5396**](#) (Durkin) - Amends the Biometric Privacy Information Act. Provides that if an employee brings an action against an employer under the Act, the employee's entitlement to relief shall be determined as provided in the Workers' Compensation Act. **This bill was rereferred to House Rules.**

Broadband

[**HB 5218**](#) (Elik) - Creates a credit in an amount equal to 50% of the cost of equipment, materials, and labor paid by the taxpayer during the taxable year in order to incorporate or improve broadband service in the taxpayers' primary residence, which must be located in an underserved or unserved area in a county with a population of less than 300,000 people. **This bill was rereferred to House Rules.**

[**SB 3710**](#) (Koehler)/ [**HB 4918**](#) (Halpin)- Creates credit for the cost of equipment and materials used in the business of providing broadband services in a county in the State with a population of fewer than 40,000 people or a township in the State with a population density of less than 50 households per square mile in a county with a population of less than 300,000 people. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and

the Retailers' Occupation Tax Act to exempt equipment and materials used to provide broadband services in a county in the State with a population of fewer than 40,000 people or a township in the State with a population density of less than 50 households per square mile in a county with a population of less than 300,000 people. **SB3170 did not advance out of Senate Assignments. HB4918 was rereferred to Rules Committee.**

SB 3683 (Joyce) - Provides that the Department of Commerce and Economic Opportunity shall establish and implement a statewide broadband service grant program. Provides that the Department shall use money from the grant program only for the exclusive purpose of awarding grants to applicants for projects that are limited to the construction and deployment of broadband service into unserved areas in the State and for the Department's cost to administer the program. **This bill passed out of Senate Executive Committee but did not advance on the floor.**

SB 3748 (Turner) - Creates the Broadband Truth in Advertising Act. **This bill was rereferred to Senate Assignments Committee.**

Cameras

HB 4359 (Zalewski) – Provides \$100 in compensation to a person who supplies audio or video footage from the person's residential security camera that contributed to the apprehension and prosecution of an assailant. **. This bill was rereferred to Rules Committee.**

Cybersecurity

HB 5165 (Chairman Robinson). This bill received unanimous support. It sets up a cybersecurity liaison within the state's DoIT agency and requires one in municipalities over 35,000 people. That's roughly Illinois' 50 biggest municipalities. Towns under that threshold may opt in. The municipal liaison will coordinate with DoIT in the event of a cyber incident. **This bill passed the House 104-0-0 but did not advance out of Senate Assignments.**

HB 5243 (Wheeler) - Creates the Cybersecurity Compliance Act. Creates an affirmative defense for every covered entity that creates, maintains, and complies with a written cybersecurity program that contains administrative, technical, and physical safeguards for the protection of either personal information or both personal information and restricted information and that reasonably conforms to an industry-recognized cybersecurity framework. **. This bill was rereferred to Rules Committee.**

Cryptocurrency

HB 5287 (Zalewski)- Provides that, the Department of Revenue may adopt rules for payment by cryptocurrency of any amount due under any Act administered by the Department only when the Department is not required to pay a discount fee or charge to convert the cryptocurrency to United States dollars. **This bill was rereferred to Assignments.**

HB 5427 (Mazzochi) - Amends the Blockchain Technology Act. Sets forth provisions concerning the purpose and findings of the Blockchain Technology Act. Provides that a court shall permit discovery of electronic records if the existence or ownership of a digital asset secured by a blockchain is factually in dispute. Sets forth provisions concerning permissible discovery of facts and information concerning digital assets and discovery procedures for

digital assets. Provides that a court may order that the party with ownership or control over an account generate a test transaction in an amount not to exceed \$1 to prove ownership or control over the account. Provides that a party holding a digital asset where the nature and type of the digital asset is at issue in the case may shield the need for disclosure if it posts security with the court for a comparable value for the digital asset in question if the value of the digital asset can be assessed, or for a value that is reasonably correlated to the estimated value of any judgment. Provides that a party seeking to validate or challenge the nature, accuracy, or propriety of a vote taken in connection with a decentralized autonomous organization shall be allowed discovery sufficient to describe the nature and type of vote or votes being taken. Provides that the provisions are repealed 5 years after the effective date of the amendatory Act. Creates the Digital Asset Discovery Task Force to conduct a review of the court-ordered discovery of digital asset procedures. **This bill was referred to Rules Committee.**

SB 3643 (Rezin) – Adds large scale cryptocurrency miners to the data center tax incentive. Does not change any of the requirements of the act (e.g. total investment amounts, job requirements, etc) Modifies "qualifying Illinois Data center" to include data centers engaged in cryptocurrency mining over a 60-month period that may begin no earlier than 60 months prior the effective date of this Act; or data centers engaged in cryptocurrency commencing before the effective date of this Act and ending after the effective date of this Act in the case of a data center. **This is an Illinois Chamber initiative. This bill did not advance out of Assignments Committee**

Delivery Applications

SB 2975 (Feigenholtz) - Creates the Fair Food Delivery Act. Prohibits a third-party delivery service from using the likeness, registered trademark, or intellectual property belonging to a merchant, and from taking or arranging for the pickup or delivery of an order from a merchant through the marketplace, without first obtaining written consent from the merchant. An agreement subject to the Act may not include a provision that requires a merchant to indemnify a third-party delivery service, an independent contractor of the third-party delivery service, or 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, or a registered agent of the third-party delivery service. Authorizes recovery of actual damages or \$5,000, whichever is greater. Imposes a civil penalty of not more than \$1,000 per violation. Each day a violation occurs constitutes a separate violation. **This bill was rereferred to Assignments.**

HB 3205 (SFA 0003) Creates the Fair Food and Retail Delivery Act. Prohibits a third-party delivery service from using the likeness, registered trademark, or intellectual property belonging to a merchant, and from taking or arranging for the pickup or delivery of an order from a merchant through the digital network, without first obtaining written consent from the merchant. An agreement subject to the Act may not include a provision that requires a merchant to indemnify a third-party delivery service, an independent contractor of the third-party delivery service, or 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, or a registered agent of the third-party delivery service. A merchant whose likeness is used, or pickup or delivery is arranged through a third-party delivery service in violation of the Act, may bring an action in the circuit court in the county in which the merchant conducts business to recover actual damages or up

to \$5,000, whichever is greater. The court may, in its discretion, award punitive damages and other equitable relief it deems appropriate. **This bill passed out of both chambers unanimously.**

Email Solicitations

[**HB 5379**](#) (Didech) - Amends the Electronic Mail Act. Provides that initiators of unsolicited electronic mail advertisements must include an unsubscribe button or unsubscribe link within the heading and closing of every unsolicited electronic mail advertisement so that the recipient of the unsolicited electronic mail advertisement may immediately notify the sender of his or her decision to unsubscribe without taking further action. Provides that provisions concerning unsolicited or misleading electronic mail apply when the unsolicited electronic mail advertisement is delivered to an Illinois resident via an electronic mail service provider's service or equipment located in this State or in another state or territory under U.S. jurisdiction (rather than in this State only). **This bill was rereferred to Rules Committee.**

Privacy

[**HB 1811**](#) (Andrade)- Amends the Equal Pay Act and the Consumer Fraud and Deceptive Business Practices Act. Provides that when using predictive data analytics in determining creditworthiness or in making hiring decisions, the use of predictive data analytics may not include information that correlates with the race or zip code of the applicant for credit or employment. Provides that a person or entity that relies either partially or fully on predictive data analytics to determine a consumer's creditworthiness may not allow information about the consumer's preference that correlates with the consumer's race or zip code to influence any conclusion regarding the consumer's creditworthiness. Provides that a person or entity that violates the provision commits an unlawful practice under the Consumer Fraud and Deceptive Business Practices Act. **This bill passed out of the House 104-0-0 but did not advance in the Senate.**

[**HB 3453**](#) creates the Geolocation Privacy Protection Act. A private entity that owns, operates, or controls a location-based application on a user's device may not disclose geolocation information from a location-based application to a third party unless the private entity first receives the user's affirmative express consent after providing a specified notice to the user. A violation of the Act constitutes an unlawful practice for which the Attorney General may take appropriate action under the Consumer Fraud and Deceptive Business Practices Act. It does not limit private rights of action. **This bill was assigned to House Cybersecurity but never received a vote.**

Right to Repair

[**HB 3061**](#) creates the “Digital Fair Repair Act”. The name is misleading as this would apply to every industry except for automobiles. Most colloquially refer to this issue as “Right to Repair”. Right to Repair has been introduced in nearly every state and in Illinois numerous times but has yet to become law in any state. The Illinois Chamber has consistently opposed any so-called right to repair legislation. More on this bill in the introductory session. **This bill was assigned to House Cybersecurity but never received a vote. There was a lengthy subject matter hearing on the issue, however.**

Social Media Speech

[**HR 637**](#) (Welter) - Urges President Joseph Biden and the United States Congress to enact measures to discourage further restraints on speech by tech companies, such as amendments to Section 230 of the Communications Decency Act of 1996, regulation of digital platforms as common carriers, or legislative limits on tech companies' ability to restrict free speech activity on their platforms. **This resolution was assigned to Executive Committee but was never called.**

Telecommunications

[**HB 5037**](#) (Mazzochi) deals with utility easements. The purpose, or at the very least the end result, of the bill is to limit 5G expansion. The Chamber opposes this, and all attempts to limit 5G in Illinois. **Sent to subcommittee without a vote.**

[**HB 4282**](#) (Stava-Murray) which would force telecom carriers to offer higher speeds to consumers that is not economically feasible. **Sent to subcommittee without a vote.**

[**SB 3184**](#), This bill, as amended, provides that the use of unmanned aircraft in the inspection of a public utility facility, tower, or structure or a mobile service facility, tower, or structure by a public utility or a provider of mobile services is not prohibited. **This bill passed both houses.**

Transportation Network Companies (TNC)

[**SB 3752 \(Crowe\)**](#)- Amends the Transportation Network Providers Act. Provides that a TNC vehicle must display a consistent and distinctive signage or emblem, which shall be known as a trade dress, at all times the TNC driver is active on the TNC digital platform or providing TNC services. Provides that the trade dress must be readable during daylight hours at a distance of 50 feet, must include an illuminated TNC-provided sign displaying the company's proprietary trademark or logo that is patently visible so as to be seen in the darkness, and may be magnetic or removable in nature. Additionally, a TNC shall not permit an individual to act as a TNC driver on its digital platform for more than 10 hours out of a 24-hour period. **This bill did not move out of Assignments.**

[**SB 4051 \(Villivalam\)**](#) - Amends the Transportation Network Providers Act. Provides that solely for purposes of provisions concerning 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. Effective immediately. **The Illinois Chamber opposes this bill.** **This bill did not move out of Assignments.**

Any further questions please contact Clark Kaericher at ckaericher@ilchamber.org.