

2023 SPRING SESSION SUMMARY

After three years of virtual hearings, remote voting, and severely truncated session schedules caused by the COVID-19 pandemic, the Illinois General Assembly wrapped up a relatively “normal” 2023 spring session at 3:00 am today. Following a two-week lame duck session in early January, the 103rd General Assembly was sworn in and began its work in earnest, filing a staggering 7,910 bills (compared to 2,830 in 2022). A total of 565 bills ultimately made it to the Governor’s desk, reflecting a passage rate of 7%.

Key Budget Items

On May 24, Governor Pritzker held a joint press conference with Senate President Harmon and House Speaker Welch to announce a deal on the FY24 budget to appropriate \$50.4 billion in state spending against the estimate of \$50.6 billion in state revenue generation for the upcoming fiscal year (a revenue estimate that was reduced due to a significant decline in state revenues in April 2023). Three days later, that budget passed – on partisan roll call votes in both chambers. The FY24 budget consists of five bills, each of which has been approved by both chambers and will be signed by the Governor no later than June 1, 2023.

A brief summary of each bill is as follows:

- [SB 250](#) (Sims/Booth) – FY24 state operations and capital project spending.
 - \$50.4 billion in total state operations spending.
 - \$200 million additional pension payment beyond the \$14 billion currently required.
 - \$250 million for Governor’s Smart Start IL to fund preschool, early childhood and childcare initiatives.
 - \$350 million for K-12 evidence-based funding formula.
 - \$100 million in additional MAP grant funding targeted toward those at-or-below the median income to receive free community college.
 - \$22.8 million in funding to begin implementing the new Children’s Behavioral Health Transformation Initiative.
 - \$24 million for a rate increase for home workers who assist the elderly, increased outreach to the elderly, and an increase for Adult Day Service.
 - Continued funding for the \$250 million Reimagine Public Safety Act to prevent gun violence and expanded funding for youth employment programs.
 - \$400 million fund for use by DCEO/Governor’s office to close major economic development deals and attract businesses and jobs to the state.
 - \$40 million for forgivable loans to launch more social equity cannabis businesses.
 - \$236 million in new capital project grants.

- [HB 3817](#) (Booth/Sims) – FY24 budget implementation bill
 - Provides various substantive law changes to implement new programs, or changes to existing programs, based upon appropriations approved in SB 250.
 - Increases Local Government Distribution Fund share of state income taxes to 6.47% (from 6.16%).
 - Establishes a veterans property tax relief reimbursement pilot program.

- [HB 3551](#) (Hoffman/Harmon) – increase in state bonding authorization.
 - Increases state general obligation bonding authority by \$184 million (from \$79.25 billion to \$79.44 billion) to be used for various capital purposes.
 - Increases the amount of bond proceeds authorized to be used by the Illinois Environmental Protection Agency for grants or loans to units of local government for planning, financing, and constructing sewage treatment works and solid waste disposal facilities.
 - Increases the total amount of authorized Build Illinois Act bonds by \$535 million (from \$9.48 billion to \$10.02 billion) to be used for various purposes.

- [SB 1963](#) (Villanueva/Tarver) – FY24 revenue package.
 - Modifies and extends existing sales tax exemptions for biofuels, ethanol production, aviation fuel, farm machinery, and the manufacturing of airline parts/components.
 - Modifies imposition of hotel/motel tax.
 - Modifies distribution of state cigarette taxes.
 - Makes changes to certain investment credits.
 - Creates tax credit for volunteer first responders.
 - Extends authority of local governments to impose the Non-Home Rule Municipal Use Tax Act and the Non-Home Rule Municipal Service Occupation Tax Act until Dec. 31, 2030.

- [SB 1298](#) (Gillespie/Gabel) – 2023 Medicaid omnibus.
 - Includes a 10% across-the-board increase to hospital Medicaid base rates, effective Jan. 1, 2024.
 - Increases the current Safety Net Hospital add-on payment from \$57.50 to \$210 per day and extends it to psychiatric inpatient days of care, effective Jan. 1, 2024.
 - Reduces the disparity in current inpatient psych rates, effective Jan. 1, 2024:
 - 10% increase to all current inpatient psych rates for Safety Net Hospitals and increases the rate floor from \$630 to \$693 per day.
 - 10% increase to all other hospitals' current inpatient psych rates and sets the rate floor at 90% of the Safety Net Hospital floor, or \$624 per day.
 - Supports rural Critical Access Hospitals (CAHs) by creating a \$3.5 million pool for public CAHs. Simultaneously, the previous CAH OB pool will remain at \$10 million annually, but will be limited to non-public CAHs.
 - Provides \$41 million in grants to Safety Net Hospitals to assure access to equitable health care.

- Provides \$13.5 million in grants to Psychiatric Hospitals and Long-Term Acute Care Hospitals to fully fund the January pandemic relief stabilization payments for these hospitals.
- Provides ARPA phase-out funding to Safety Net Hospitals; however, the legislature appropriated \$75 million in one-time grants to Safety Net Hospitals for workforce development.

General Substantive Legislation

Broader legislative highlights of the 2023 spring session include:

- [HB 3811](#) (Burke/Cunningham) – Senate proposed “reforms” to Biometric Information Protection Act (BIPA).
 - IL Trial Lawyers Association, ACLU, and business groups met for months in an attempt to negotiate BIPA reforms that would balance employer concerns with employee protections.
 - Senate amendments 2, 3 & 4 would: (a) increased fines from \$1,000 to \$1,500 per occurrence; (b) added “electronic signature” as an eligible type of violation; and (c) clarified circumstances in which the same action only counts as a single violation. None of the amendments provided language to clarify that a violation only occurs when actual harm is proven.
 - Amendments did not reflect negotiations and were strongly opposed by the business community.
 - HB 3811, and all Senate amendments, were held and did not advance out of Senate committee.
- [HB 579](#) (Gabel/Gillespie) – creates state-run health insurance exchange.
 - Provides that the Department of Insurance shall operate the Illinois Health Benefits Exchange using the federal platform by plan year 2025 and on its own platform by plan year 2026.
 - Provides that the Department shall enforce health plan coverage requirements under the federal Patient Protection and Affordable Care Act that apply to the individual and small group markets.
 - Allows the Director of Insurance to add a small business health options program to the Illinois Health Benefits Exchange.
 - Provides that the General Assembly shall appropriate funds to establish the Illinois Health Benefits Exchange.
 - Creates the Illinois Health Benefits Exchange Advisory Committee.
 - HB 579 was approved by both chambers and is expected to be signed into law.
- [SB 1913](#) (Fine/Douglass) – provides Medicaid coverage for mental/behavioral health services provided via telehealth. SB 1913 was approved by both chambers and is expected to be signed into law.
- [HB 2396](#) (Canty/Lightford) – requires schools to provide full-day kindergarten by the 2027-2028 school year. HB 2396 has been approved by both chambers and is expected to be signed into law.

- [HB 2531](#) (Davis/Harris) – provides for the creation of a public-private partnership to establish a cargo-oriented development for the proposed south suburban airport in Peotone, Illinois. HB 2531 was approved by both chambers and is expected to be signed into law.
- [SB 76](#) (Rezin/Yednock) – lifts ban on constructing new nuclear power plants; limits new plants to modular “advanced nuclear reactors.” SB 76 was approved by both chambers and is expected to be signed into law.
- [HB 3129](#) (Canty/Pacione-Zayas) – requires employers with 15 or more employees to include a salary or salary range in job listings posted to third-party employment platforms. HB 3129 was approved by both chambers and is expected to be signed into law.