



Veto Session Preview Legislative Update – Oct. 23, 2023

The Illinois General Assembly is scheduled to return to Springfield this week to begin the 2023 Fall Veto Session on October 24-26 and November 7-9. It is not yet clear what legislative issues will be considered during these two weeks. However, there is some reasonable expectation that action may be taken on several pieces of legislation that the Governor vetoed following the 2023 Spring Session. The Governor previously issued three (3) amendatory vetoes, three (3) total vetoes and one (1) line-item reduction veto to various appropriations contained in the FY 24 appropriations bill (SB 250). Legislators can override the vetoes, accept the language of the amendatory vetoes, or put the underlying bills, as is or with changes on other vehicle bills.

IMSCA will be paying close attention to anticipated legislative action on **HB 2878 (Rep. Hoffman/Sen. Castro)**. As IMSCA members recall, our legislative initiative seeking retainage reduction on public construction projects was included in HB 2878. In addition to including IMSCA's retainage reduction language, HB 2878 also included significant changes to the Illinois Procurement Code, Public Construction Bond Act and extends the authority to use public private partnerships (P3s) in Illinois from the Illinois Department of Transportation and Tollway to also include counties, municipalities, and any other unit of local government. This summer, Governor Pritzker issued an amendatory veto to HB 2878, citing concerns with the P3 provisions. **It is our understanding that the Illinois General Assembly is likely to accept the amendatory veto language.**

Additional bills that received a gubernatorial veto that will possibly be debated during Veto Session include:

HB 2507 (Rep. Kifowit/Sen. Villanueva): Governor Amendatory Veto – omnibus property tax bill that includes property tax relief supported by the Governor, but also includes property tax breaks to private nursing homes in Cook County; which is the reason the Governor issued an amendatory veto. Governor Pritzker argued that the tax break will shift the tax burden to Suburban Cook County homeowners and small businesses, with the most impact felt in the South Suburbs.

HB 3445 (Rep. Walsh, Jr./Sen. Stadelman): Governor Amendatory Veto – omnibus energy bill that makes changes to the Adjustable Block Grant program to make it more available to public schools, requires IPA to conduct a study evaluating several policy proposals, amends existing law regarding siting for renewable energy projects, requires

the Illinois Commerce Commission to conduct a thermal energy network workshop, and gives incumbent utility providers the right of first refusal over new transmission projects in the MISO region. Governor Pritzker issued an Amendatory Veto due to the right of first refusal language citing that this will result in increased costs for rate payers.

HB 3643 (Rep. Rashid/Sen. Villavalam): Governor Total Veto – requires the Illinois State Board of Education to enter into a statewide education master contract to provide religious dietary options to all Illinois school districts. The Governor vetoed the bill stating that ISBE cannot enter into such a contract because local school districts are responsible for providing these options.

SB 76 (Sen. Rezin/Rep. Yednock): Governor Total Veto – lifts the moratorium on new construction of nuclear power plants to allow for the construction of both advanced and traditional large-scale nuclear reactors in Illinois. The Governor vetoed the bill based on a concern the definitions were overly broad and did not include regulatory protections to address the health and safety of those living around new reactors.

SB 1515 (Sen. Cervantes/Rep. Delgado): Governor Total Veto – adds restrictions and limitations on the use of the E-verify system to ensure privacy for workers and ensure a worker can take unpaid leave if there is an issue with verification. An amendment was filed to SB 508 to address this issue.

In addition to the above list of potential items that will be considered during the upcoming veto session, several items that *could* be considered include ethics reform, the Invest in Kids Tax Credit Extension, legislation aimed at creating a process for legislative staff unionization (HB 4148), election code amendments, cannabis reform, broadband infrastructure, and consideration of various sunset extensions.

While some of the legislative items outlined in this report are not specific to the Illinois construction industry, IMSCA will continue to keep a watchful eye on any issues that might arise that are of importance to IMSCA's members.

If you have questions regarding this information, please don't hesitate to contact Jessica Newbold Hoselton by calling 217.523.4361 or by email at jnewbold@boldnewstrat.com.