

ICCTA ACTION ALERT

November 1, 2011

LAWMAKERS CONCLUDE 1ST WEEK OF VETO SESSION

The Illinois General Assembly conducted the first week of the 2011 fall veto session in Springfield on October 25-27. The final week of the veto session is scheduled for November 8-10. While several significant issues were under consideration, action was limited as much of the attention was focused on utility industry bills, including "Smart-Grid" modernization, clean-coal power plant initiatives, and a gaming bill compromise (Senate Bill 747).

A controversial bill vetoed by the Governor and dealing with the utility industry was overridden by the General Assembly and will become law. A compromise gaming bill is still awaiting action in the full Senate; discussions are expected to continue between Gov. Quinn and legislative leaders during the one-week break. Discussions also continue on reallocating state budget funds to avoid state facility closures and additional state employee layoffs. A measure to fund regional school superintendent salaries (House Bill 3828) failed to receive enough votes to pass in the House; however, another vote may occur next week when the legislature returns.

Other issues of interest to community colleges that may be considered next week include:

Pension Reform

The House conducted workgroup meetings in September and October addressing public pension reform. Discussions continue and focus on the provisions of SB 512 (sponsored by Rep. Tom Cross) that would require current employees to make a choice:

- 1) Keep their current retirement plan but pay a higher contribution rate;
- 2) Move to the reduced "Tier 2" retirement plan passed last year for newly hired employees; or
- 3) Enroll exclusively in a 401K program.

The language contained in the final version of the bill has not been made public. The sponsor could call for a vote in the House next week.

Community College Insurance Program (CIP)

Retired employees of Illinois community colleges may receive health insurance benefits through the College Insurance Program, which is partially subsidized and administered through the state of Illinois. The program by any measurement is insolvent. Several proposals to address this insolvency have been presented and have not yet been publically discussed during the veto session. ICCTA will continue to work for a solution to this issue.

Property Tax Caps Change

HB 3793 (sponsored by Rep. Jack Franks) passed out of the House Revenue Committee this week and could be considered before the full House. The bill amends the Property Tax Extension Limitation Law providing that, if the total equalized assessed value of all taxable property in the taxing district for the current levy year (with some exceptions) is less than the total equalized assessed value of all taxable property in the taxing district for the previous levy year, then the extension limitation is (a) 0% or (b) the rate of increase approved by voters (instead of the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year or (b) the rate of increase approved by voters). HB 3793 passed out of the House Revenue Committee this week and awaits consideration before the full House. The Trustees Association will discuss taking a position on HB 3793 during its November 11-12 meetings in Chicago.

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ILLINOIS COMMUNITY COLLEGE TRUSTEES ASSOCIATION
401 E. Capitol Ave., Suite 200 ■ Springfield, IL 62701-1711
217/528-2858 ■ 217/528-8662 (fax) ■ ICCTA@communitycolleges.org
www.communitycolleges.org