

The Illinois General Assembly started 2023 with a bang. In the first week of January, they convened in “Lame Duck” session to take action on several high profile and controversial items such as the “Protect Illinois Communities Act” banning the sale and distribution of assault weapons and high-capacity magazines (now held up in court); a plan designed to safeguard Illinois abortion providers and patients from lawsuits; and a supplemental budget for the current fiscal year which, among many things, allows for a \$400 million business incentive fund sought by the governor to help keep the state competitive, and pay increases for lawmakers and agency directors.

After the “Lame Duck” session adjourned, the new 103rd General Assembly was inaugurated, with a record 78 Democrats in the House, compared with 40 Republicans, while a 40-19 Democratic majority was sworn into the Senate. There are 34 new legislators out of a total of 118 legislators in the General Assembly. One notable departure includes House Minority Leader Jim Durkin, who retired after deciding not to seek the top leadership role for his caucus. Representative Tony McCombie was selected by her fellow House Republicans to be the new House Minority Leader – the first woman to lead a caucus in the House. The Republicans in the Senate will also be led by a new Leader. Senator John Curran was selected by his caucus to be their Leader, instead of former Leader Dan McConchie. Democrats in the House will continue to be led by Speaker Emanuel “Chris” Welch, and the Senate will continue to be led by President Don Harmon.

It is anticipated the 2023 session will be robust. In Governor JB Pritzker’s inauguration speech, he laid out proposals for free college, preschool, and childcare as his top priorities. He said he wants to make college tuition free for “working class” families. He discussed plans to make healthcare coverage more affordable, mentioning life-saving prescriptions and procedures. Pritzker also proposed property tax relief but didn’t lay out any details. He will present a budget to the General Assembly on February 15 which may provide more specifics. Lawmakers will then take that proposal and craft a plan to be approved during spring session.

The General Assembly has until the end of the spring session, scheduled for May 19, to approve a budget set to begin July 1. One of the issues lawmakers are working to address is the state’s unfunded pension debts and ensuring the actuarially required pension contribution is met. Illinois’ five statewide pension systems had a total unfunded liability of \$140 billion in fiscal year 2022. This amounts to a funded ratio of 44%. The funded ratio reflects the difference in the market value of the funds’ assets and the amount of money the funds would need to immediately pay all members the full amounts of benefits they are owed for the rest of time. Although that’s an important measure of the systems’ long-term financial health, it does not reflect their current ability to pay out benefits that are owed. All five of the pension funds continue to pay out benefits to eligible retirees on a timely basis. Democratic state Sen. Robert Martwick recently proposed a graduated income tax to increase revenue as one way for the state to avoid budget cuts and meet its obligations. This proposal was defeated by voters in 2020. The ISEA-R will actively monitor all proposals that could potentially impact retirees and proactively advocate on your behalf.