



Bridgett Heinrich &lt;bheinrich@panaschools.com&gt;

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## Fwd: Capitol Watch: Clean-Up Legislation Being Drafted to Ensure State, Not Schools, Covers Unemployment Benefits Costs

1 message

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Jason Bauer <jbauer@panaschools.com>  
To: Bridgett Heinrich <bheinrich@panaschools.com>

Wed, Aug 25, 2021 at 12:11 PM

September Board meeting

----- Forwarded message -----

From: IASA &lt;iasa@iasaedu.org&gt;

Date: Wed, Aug 25, 2021 at 11:19 AM

Subject: Capitol Watch: Clean-Up Legislation Being Drafted to Ensure State, Not Schools, Covers Unemployment Benefits Costs

To: &lt;jbauer@panaschools.com&gt;



### Clean-Up Legislation Being Drafted to Ensure State, Not Schools, Cover Unemployment Benefits Costs

We're pleased to share some good news for school districts related to unemployment benefits.

On Tuesday, Sen. Linda Holmes, D-Aurora, and Rep. Jay Hoffman, D-Belleville, reached out to IASA, IASBO and IASB about their intent to pass clean-up legislation arising from a drafting error in a law passed last spring that will ensure the state — rather than local school districts — cover costs associated with legislation ([Public Act 102-0026](#)) that temporarily extended unemployment benefits.

During the spring session, the General Assembly extended benefits to non-instructional, non-research and non-administrative educational staff until federal benefits expire on Sept. 4, 2021.

The intent of the legislation was for the state to cover the cost of those benefits for voluntary reimbursable educational employers that are not covered by the federal government. As such, there would be no financial impact on school districts that are reimbursable employers in the state's unemployment system.

However, the drafting error did not account for the state's coverage of those benefits, even though funds were appropriated for that purpose in the fiscal year's budget.

According to Sen. Holmes and Rep. Hoffman, the state plans to use federal dollars it received to fund the \$100 million appropriation. The legislation, being crafted with the help of the Illinois Department of Employment Security (IDES), would apply retroactively so that no voluntary reimbursable employer, such as a school, will be on the hook for the applicable benefit costs.

At this time, Sen. Holmes and Rep. Hoffman indicated they plan to try and pass clean-up legislation on the same day as the one-day special session on August 31. However, the measure may be pushed until the fall veto session in November.

In the meantime, school districts may start to receive bills in the mail this month from IDES for benefits that have been paid this year.

Until the proposed legislation is signed into law, any educational institution that does not pay these bills within 30 days will be charged interest. While IDES is statutorily obligated to send the bills at this time, any benefit will be cleared under the proposed legislation. If an educational institution decides to pay the charges included in the bills it receives before the proposed bill is signed into law, it will be reimbursed or credited the amount paid after the new law goes into effect.

We appreciate Sen. Holmes and Rep. Hoffman for their efforts to fix this error and support school districts. IASA will be closely monitoring the one-day special session and will provide an update on the status of the legislation. Have a great day!

Sincerely,

Diane Hendren  
Director of Governmental Relations  
Illinois Association of School Administrators

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