

Bridgett Heinrich <bheinrich@panaschools.com>

Thu, Sep 2, 2021 at 11:54 AM

## Fwd: Capitol Watch: Clean-Up Legislation on Unemployment Benefits Costs Headed to Governor

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

September Board Meeting

------Forwarded message -------From: IASA <iasa@iasaedu.org> Date: Thu, Sep 2, 2021 at 10:06 AM Subject: Capitol Watch: Clean-Up Legislation on Unemployment Benefits Costs Headed to Governor To: <jbauer@panaschools.com>



## Clean-Up Legislation that Ensures the State, Not Schools,

## **Cover Unemployment Benefits Costs Headed to Governor**

The Illinois General Assembly unanimously passed clean-up legislation Wednesday that ensures school districts won't be hit with costs associated with the temporary extension of unemployment benefits. The measure now heads to the governor's desk, and we expect it to be signed into law.

Special thanks to Sen. Linda Holmes, D-Aurora, and Rep. Jay Hoffman, D-Belleville, for prioritizing this issue for schools as most of the attention Wednesday was focused on energy, legislative maps and ethics.

As we previously wrote, the need for this clean-up legislation, <u>House Amendment 3 to SB</u> 2065, arose from a drafting error in a law passed last spring that 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 applies retroactively so that no voluntary reimbursable employer, such as a school, is on the hook for the applicable benefit costs.

Some school districts either have received, or soon will receive, bills in the mail from the Illinois Department of Employment Security for benefits that have been paid this year.

Until Gov. JB Pritzker signs the legislation 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 once Gov. Pritzker signs the 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.

Again, thank you to Sen. Holmes and Rep. Hoffman for their efforts to fix this error and support school districts. Every superintendent has a lot on their plate right now and this is

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Pana Community Unit School District #8 Mail - Fwd: Capitol Watch: Clean-Up Legislation on Unemployment Benefits Costs Headed...

one less issue to worry about.

Have a great Labor Day weekend!

Sincerely,

Diane Hendren Director of Governmental Relations Illinois Association of School Administrators

IASA | 2648 Beechler Court, Springfield, IL 62703-7305

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--Mr. Jason Bauer Superintendent - Pana CUSD #8 14 E. Main Street Pana, IL 62557 Phone: (217) 562-1500 Fax: (217) 562-1501