

IBTA End of Session Report May 29, 2024

The Illinois General Assembly adjourned the Spring Legislative Session shortly after the Illinois House of Representatives approved the state budget and revenue increases just past 4:30 a.m., May 29th. The Senate had already completed its work for the spring Sunday, May 26th when they passed the \$53.1 Billion spending plan for the state, including \$1.1 Billion in new revenue to balance the budget. The revenue measures include:

- \$526 million will come from extending the expiring cap on corporate net operating losses.
- \$25 million will be raised by subjecting "re-renters" of hotel rooms to an existing state hotel tax.
- \$200 million in revenue will come from increasing the current 15% tax on Sportsbooks. The new graduated structure will tax Sportsbooks between 20% and 40%, based on profits.
- \$35 million from a one percentage point increase to the tax on the state's video gambling industry
- The revenue plan also caps a tax discount claimed by retailers at \$1,000 monthly, generating \$101 million for state coffers and about \$85 million for municipalities the measure also prohibits financial institutions and credit card companies from charging fees on the sales tax and gratuity portion of electronic transactions beginning July 1, 2025.

The following bills that directly affect the broadband and telecommunications industry passed both Houses and will be sent to the Governor for review. As there was no opposition to the final bills, we expect the Governor to sign the bills into law. Also following is the list of bills we tracked and their status at the end of session.

<u>HB 4615</u> extended the sunset dates for the Small Wireless Facilities Deployment Act, The Cable & Video Competition Act, and the Telecommunications Act to December 31, 2030. The Small Wireless Facilities Deployment Act was set to expire this year, while the other two Acts were scheduled to sunset December 31, 2026. The legislation also made changes to the Small Wireless Facilities Deployment Act:

- Provides that an authority may charge an application fee of \$1,000 for each small wireless
 facility addressed in an application that includes the installation of a new utility pole (rather
 than a new utility) for collocation.
- Provides that an authority may charge recurring rates and application fees up to the amount permitted by the Federal Communication Commission in a specified ruling or in subsequent rulings, orders, or guidance issued by the Federal Communication Commission regarding fees and recurring rates.
- Provides that an authority may charge an annual recurring rate to collocate a small wireless
 facility on an authority utility pole located in a right-of-way that equals (i) \$270 (rather than
 \$200) per year or (ii) the actual, direct, and reasonable costs related to the wireless provider's
 use of space on the authority utility pole and makes conforming changes.

<u>HB 4634</u>, repealing the Universal Telephone Service Assistance Program that supported new landline connections, passed both Houses. The ICC initiated the legislation to end the program due to lack of applications from eligible low-income consumers.

<u>HB 5546</u> is a comprehensive update to the Underground Utility Facilities Damage Prevention Act, including these changes:

- Advance Notice Refined to 2 days, NOT including the day of the call, but no more than 10 days, NOT including the day of the call
- **Positive Response** The use of a positive response system, offered through JULIE, would be required by excavators and facility owners or operators no later than January 1, 2026.
- Extended Ticket Life The validity period of a locate request, known as "ticket life," would be extended to 25 days from the current 20 days.
- Reasonable Control Measures Up to 2 additional days advance notice could be granted to
 facility owners or operators to complete a locate request when call volume in a particular place
 exceeds the reasonable control measurement. This advance notice ONLY applies to excavations
 where the project owner is a JULIE member facility owner or operator and their contractors or
 sub-contractors.
- Pre-Marking All locate requests would require pre-marking, by physically marking the
 proposed excavation or route, electronic white lining (when available) or with verbal premarking when the description provided is explicit enough to limit markings to the actual
 excavation area.

HB 4661 allows an electric utility (ComEd) in a county with a population of 3,000,000 or more (Cook Co.) to authorize or grant another person the right to access or use the electric utility's infrastructure, facilities, or assets, including, but not limited to, middle mile infrastructure, to facilitate the delivery of broadband services to Illinois residential and commercial customers on the condition that the access to and use of that electric utility's infrastructure, facilities, and assets be granted on a non-discriminatory, non-exclusive, and competitively neutral basis and comply with all other State and federal laws, rules, and regulations, provides for non-discriminatory, competitively neutral, and non-exclusive access of an electric utility's infrastructure.

SB 3173 allows a county to lease, license, or otherwise grant access to and use of infrastructure, including fiber optic cables, that the county owns or controls to public or private entities to facilitate the delivery of broadband services on the condition that the lease, license, access, or use be granted on a nondiscriminatory, nonexclusive, and competitively neutral basis and comply with all other State and federal laws, rules, and regulations.

Bills that Passed Both Chambers:

<u>HB 4615</u> (Rep. Walsh, Jr./Sen. Hastings) – Sunset Extension Omnibus (including extensions to Jan. 1, 2030, for the Telecommunications Act, Cable and Video Competition Act, and Small Wireless Facilities Deployment Act)

HB 4634 (Rep. Eva-Dina Delgado/Sen. Stadelman) Repeal Telephone Assist Prog

HB 4661 (Rep. Hoffman/Sen. Cunningham) Public Utilities-Infrastructure

HB 4875 (Rep. Gong-Gershowitz/Sen. Edley-Allen) Publicity Act-Use of Al

HB 5546 (Rep. Walsh, Jr./Sen. Hastings) JULIE-Positive Response System

SB 2764 (Sen. Doris Turner/Rep. Gill) Auto Contract Renewal-Notice

SB 2979 (Sen. Cunningham/Rep. Ann Williams) BIPA-Procedure-Damage

SB 3173 (Sen. DeWitte/Rep. Moeller) County/Muni Broadband Projects

Budget & Administrative Bills

- SB 251 SA 3 State Budget
- HB 4959 HA2 Budget Implementation Bill (BIMP)
- HB 4951 SA 2 Revenue Bill
- HB 4582 SA 1- Bond Authorization Act
- **HB 5511 Engrossed Procurement Omnibus**

Dead Bills:

- HB 2470 (Rep. Ortiz) Low-Income Broadband Program
- HB 4071 (Rep. Guzzardi) Revenue-Vendor Discount
- HB 4093 (Rep. Ann Williams) Health Data Privacy Act
- HB 4629 (Rep. Morgan) Consumer Fraud-Fee Disclosure "Junk Fees"
- HB 4659 (Rep. Walsh Jr.) DCEO-Data Centers
- **HB 4685** (Rep. Elik) Cable-Contract Dispute
- **HB 4732** (Rep. Avelar) Utilities-Cable Equip Rental
- HB 5214 (Rep. Lilian Jimenez) Utility-Broadband Adoption
- HB 5566 (Rep. Hanson) Telephone Marketing-Register
- **SB 2307** (Sen. Villanueva) Commercial Data Collector Tax
- **SB 2587** (Sen. DeWitte) County/Muni-Broadband Projects
- SB 2603 (Sen. Plummer) Electric Cooperative-Easements
- SB 2631 (Sen. Morrison) Century Network-Dist Access
- SB 3080 (Sen. Villanueva) Health Data Privacy Act
- SB 3101 (Sen. Curran) Muni Code-Use of Utility Poles
- SB 3167 (Sen. Joyce) DCEO-Data Centers
- SB 3223 (Sen. Porfirio) Cyber Auxiliary Force
- SB 3240 (Sen. Porfirio) IEMA-OHS (SA2 creates Cyber Auxiliary Force)
- SB 3331 (Sen. Aquino) Consumer Fraud-Mandatory Fees "Junk Fees"
- SB 3377 (Sen. McClure) 9-1-1 Systems-Direct Dispatch
- SB 3747 (Sen. Plummer) Secure Telecommunications Act