





Illinois Fertilizer & Chemical Association's "News Under the Dome"



Calendar Info

- IFCA Golf Outing, Pontiac, July 29.
- IFCA Golf Outing, Auburn, Aug 5.
- 2021 MAGIE Show, Aug 25-26, 2021.
- IFCA NH3 Schools, Sep 7-13 & Oct 4.
- IFCA Convention and Trade Show Jan 18-20, 2022

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IFCA's Recap of 2021 Spring Session in Springfield

The spring session ended as the House adjourned around 2:30 a.m. Tuesday morning June 1st, the Senate followed thirty minutes later and adjourned at 3:00 a.m. Some observers in Springfield called the adjournment May 32nd as the late adjournment went into the June 1st deadline. An array of ground was covered during the spring session with some bills passing, some dead-on arrival while others finally reaching a deal but later fell apart all within the last few hours of the 2021 spring legislative session. Just another wild end-of-session in Springfield. The House is currently in recess until the chair brings them back in session while the Senate will be back in session for at least a couple more days. Although, it is not over just yet...

Below is a recap of the FY 2022 state budget, new legislative district maps and all legislative issues IFCA has been monitoring this spring session. IFCA was actively involved in helping pass legislative issues that would benefit the ag input sector or stalling legislation that would adversely affect the ag input sector. If you have any questions on any piece of legislation, please do not hesitate to reach out to KJ Johnson at KJ@IFCA.com.

\$42.3B Budget Passes both Senate and House Chambers

Illinois lawmakers blew past their May 31 adjournment deadline working into early Tuesday morning to approve a \$42.3 billion budget. The FY 2022 budget came in the waning hours of the spring legislative session and ultimately spilled into overtime, with the House adjourning just before 2:40 a.m. and the Senate following just after 3 a.m. Tuesday morning.



The budget came up for a vote just a few minutes before midnight in the House, where it passed 72-44-1 with only Democrats voting in favor. The Senate approved the budget just before 2:30 a.m. Tuesday with a 37-21 vote. All Republicans and three Democrats opposed the budget, it now heads to Gov. JB Pritzker's desk.

With a brighter financial picture, the proposal includes an additional \$350 million for K-12 education funding as called for under the state's evidence-based funding formula, bringing total funding to \$9.2 billion. The budget also allocates \$7.5 billion in general revenues for Medicaid, \$7.4 billion for human services, \$1.9 billion for higher education, \$1.9 billion for public safety and \$1.4 billion for general services.

The budget utilizes about \$2.5 billion of the state's \$8.1 billion allocation of ARPA funds (federal funds), with about \$1 billion going towards the Rebuild Illinois Capital Construction Program.

Agriculture Related FY 2022 Budget Items.

Listed below are line items for the last few years and the FY 2022 budget that was just passed for the Illinois Department of Agriculture.

(In \$ Thousands)	FY 2020 Actual Expenditure	FY 2021 Enacted Appropriation	FY 2022 Enacted Budget
General Funds	\$14,519,000	\$17,820,000	\$18,180,000
Other State Funds	\$63,186,000	\$84,724,000	\$93,073,000
Federal Funds	\$9,471,000	\$13,407,000	\$13,900,000
Total Expenditures	\$87,176,000	\$115,951,000	\$125,153,000

Listed below are line items in the agriculture budget which are important to the ag input industry.

Line Item	FY 2020 Actual Expenditure	FY 2021 Enacted Appropriation	FY 2022 Enacted Budget
Cover Crop	300,000	\$300,000	\$660,000
Cook County Extension	\$2,448,700	\$2,449,200	\$2,449,200
State Cooperative Extension Service Trust Fund	\$10,993,500	\$10,994,700	\$10,994,700
Ag Extension - 4-H	\$786,400	\$786,400	\$786,400
SWCD Cost Share	\$3,000,000	\$3,000,000	\$3,000,000
SWCD Operations	\$4,500,000	\$4,500,000	\$8,500,000
SWCD - NLRS	\$0	\$0	\$3,500,000
Co. Fair and Exposition Authorities	\$900,000	\$900,000	\$900,000
Co. Fair Rehabilitation	\$1,301,000	\$1,301,000	\$1,314,300
Co. Fair & Agriculture Societies	\$1,798,600	\$1,798,600	\$1,818,600
Viticulture/Enologist	\$150,000	\$150,000	\$150,000
Administration of the Pesticide Act	\$6,737,400	\$7,400,000	\$7,700,000
Pesticide Control Act	\$650,900	\$670,000	\$697,000
Animal Disease Labs Act	\$1,300	40,000	\$40,000
Livestock Management Facilities Act Administration	\$352,500	\$352,500	\$352,500
Agricultural Education	\$4,983,000	\$5,000,000	\$5,000,000
Food Safety Modernization Initiative	\$171,800	\$200,000	\$200,000

Two major funding increases to line items are to the cover crop program which more than doubled. Also, Soil and Water Conservation Districts operations budget almost doubled in size. The FY 2022 budget created a new funding source for the Nutrient Loss Reduction Strategy at \$3.5 million.

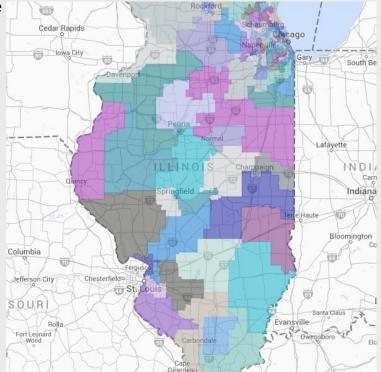


Legislative District Maps Legislation Moves Through Both Chambers.

The redistricting process has unsurprisingly evolved into another partisan debate and Illinois Democrats are feeling the pressure to finalize the maps by June 30 — or the task will be delegated to a bipartisan commission.

According to the state constitution, lawmakers have until June 30 to complete the legislative remapping. After that date, an eight-member commission is formed, consisting of two members chosen by each of the four party leaders of the Senate and the House. If a new map is not drawn by Aug. 10, a ninth partisan tiebreaking member is chosen by Sept. 5 and a map must be redrawn by Oct. 5.

Last week Illinois Democrats released their first draft of legislative maps which has since drawn staunch opposition from the Republican Party, which says the data used to redraw the maps is flawed. Just 24 hours after introduction the new Senate and House legislative districts legislation were called for a vote, the Senate passed HB 2777



on a party-line vote of 41-18. A few hours later, it came up in the House, where the debate became even more partisan and acrimonious before it passed 71-45 on partisan lines. HB 2777 now moves to Gov. Pritzker's desk for his signature.

Since Illinois has not yet received data from the census, Democrats are using American Community Survey data to draw the maps. The use of this data has garnered significant criticism.

The new maps did not include the state's congressional districts. Democrats currently have a 13-5 majority in the state's congressional delegation and, as a result of the census data, the total number of delegates will fall to 17. It is likely that Democrats will aim to redraw the districts to preserve their number of delegates while getting rid of a Republican seat.

Illinois' primary date next year is moving, from March 15 to June 28 – a move that gives candidates for the U.S. House time to organize their campaigns and petition drives, given that legislators will not finalize a new map of Congressional districts until fall.

Energy Bill will Need Overtime Session to get Across the Finish Line.

Illinois lawmakers are staying open for business as they await a possible deal on a sweeping energy proposal that would keep the state's fleet of nuclear power plants online while providing incentives for development of more wind and solar generation.

On Wednesday, Gov. J.B. Pritzker and Exelon, the parent company of ComEd and the owner of six nuclear power plants in Illinois, had come to an agreement. This came less than 24 hours after the House and Senate passed a \$42.3 billion budget plan for the upcoming fiscal year, which begins July 1. Passage of a budget is typically one of the last things lawmakers do before adjourning a legislative session.

This year, though, discussions on an energy package were continuing behind closed doors even as lawmakers were working into the wee hours of the morning Tuesday to push through the budget package. After it passed, the House adjourned "until the call of the chair," meaning it could be called back into session at any time, while the Senate scheduled another day of session for Tuesday.

Pritzker campaigned in 2018 on a pledge to shift Illinois' electric energy industry more toward renewable and zero-emission sources, and he has set a goal of achieving a 100 percent non-carbon power system by 2050.

Achieving that goal, however, relies on keeping the state's nuclear power fleet online, and Exelon has threatened to close two or more nuclear plants that it says are unprofitable unless it receives subsidies to make them economically viable.



But many lawmakers have been skeptical of Exelon's claims, in large part because of the company's connection with ComEd. Last year, ComEd entered a deferred prosecution agreement with federal authorities in which the company admitted to engaging in a years long bribery scheme that involved awarding jobs and contracts to close associates of former Illinois House Speaker Michael Madigan to gain his support for legislation favorable to the company. Madigan has not been charged and has denied any wrongdoing.

When discussing the energy package, major issues remain regarding how much of a subsidy the nuclear plants need, how long the subsidies should last and how to phase out the state's remaining coal- and gas-fired power plants while creating new energy-related jobs for the workers who would be displaced.

Other Noteworthy Legislation This Spring Session

<u>Ethics Legislation.</u> SB539 makes a variety of reforms to both state and local ethics guidelines. It passed largely with bipartisan support, with some Republicans criticizing the bill for missing proposals they put forward. The bill would create a six month "revolving door" ban on former lawmakers becoming lobbyists.

It prevents lawmakers from holding fundraisers the day of and the day before a session day. It also makes significant changes to financial disclosures candidates must provide, including all assets and debts valued over \$10,000 and all income over \$7,500 per year. Campaign donations over \$500 must also be disclosed. Finally, it incorporates recommendations and legislation proposed that prevents a legislator who only serves a partial term from receiving a full paycheck.

<u>Cannabis Licensure:</u> HB1443 would help re-start the Illinois cannabis licensure system, awarding 110 new cannabis distributor licenses through two successive lotteries that prioritize Black, Hispanic, and other minority communities in Illinois. Those would be in addition to the 75 licenses that have been held up due to legal suits filed regarding the award process for business licenses. Some Republicans opposed the bill,



saying it would not stop parties from outside the state seeking licenses or help address problems with the licensure lottery system.

<u>FOID Card Legislation Fails to Pass this Session:</u> Illinois lawmakers have passed a bill that aims to modernize the Firearm Owners' Identification (FOID) card system. The Illinois Senate passed HB562. However, in this legislative session, the House failed to pass the bill. The legislation would enhance existing background checks.

Those who own firearms lawfully and responsibly could apply for a FOID card that automatically renews, as long as they voluntarily submit their fingerprints. In addition, FOID cards and concealed carry licenses would be condensed into one document.



Under this bill, Illinois State Police would establish a portal that includes reports of people whose FOID cards have been revoked or suspended. This portal could be accessed for law enforcement purposes by local, state, or federal law enforcement agencies, including State's Attorneys' Offices and the Office of the Attorney General.

Legislation IFCA Tracked this Spring Session in Springfield.

California Diesel Emission Standards.

Sen. Bush introduced SB 2563 (amendment 1) which started as a fairly conservative bill to make diesel emission testing in parts of Illinois more convenient by allowing portable onsite testing equipment. It has been amended to inject current California Clean Air Standards for diesel engines into Illinois regulations. The California Air Resources Board (CARB) language used in



this legislation would require all model year 2007 and later vehicles registered in the federal clean air non-attainment areas of Illinois to pass 5% opacity testing standards. This includes Cook, DuPage, Lake, Kane, Will, McHenry, portions of Grundy & Kendall, St. Clair, Madison, and Monroe Counties. If this would pass this session, it would not be long before all trucks would have to meet this standard. IFCA was neutral SB 2563. IFCA and allied interests met with the bill's sponsor and others to remove the California standard language in exchange for a study to be conducted by IDOT. The study will review current vehicle emissions data and include comparisons to other states and air quality conditions in other federal Clean Air non-attainment.

Both the Senate and House passed SB 2563. It moves now to Gov Pritzker Desk for his signature.

<u>Trailer Weight Tax.</u> Senator Munoz introduced HB 58 which Provides for a flat weight trailer tax of \$36 for utility trailers. Decreases the flat weight tax for Class TA trailers from \$118 to \$36. Increases the certificate of title fee for vehicles other than all-terrain vehicles, off-highway motorcycles, motor homes, mini motor homes, and van campers from \$150 to \$155 and provides that the additional fee amount shall be deposited into the Road Fund. IFCA supported SB 58. Both the Senate and House passed SB 58. It moves now to Gov. Pritzker Desk for his signature.

<u>Neonicotinoid Ban On Public Lands.</u> Rep. Guzzardi introduced HB 3429 which makes it unlawful to apply neonicotinoid insecticides on public lands owned or maintained by the state (including university ground). It would also ban applications of neonicotinoid insecticides in other outdoor residential settings, including



landscaping, ornamental, or other outdoor applications in the state. The bill also requires the Illinois Dept of Agriculture, within one year after the effective date of the Act, to issue a draft report evaluating whether clear, peer-reviewed, published scientific evidence exists that outdoor applications of these insecticides are safe for monarch butterflies, other pollinators, other beneficial insects, the broader environment,

6

and human health. IFCA was opposed to HB 3429. HB 3429 was never called in House Environment Committee.

Pesticide Penalties Bill. Sen. Villa has SB 2108 which amends the Illinois Pesticide Act. The bill both add and changes monetary penalties for specified amounts of violation points. Provides that beginning on January 1, 2022, and every January 1 thereafter, the monetary penalties shall automatically be increased or decreased by a percentage equal to the percentage change in a specified document during the preceding 12-month calendar year. Provides that the updated monetary penalties resulting from each annual adjustment shall be made available to the public via the Department of Agriculture's official website on or before January 1 of the calendar year for which the new monetary penalties apply. Defines "herbaceous plant" and "woody perennial plant". IFCA was Opposed to SB 2108. IFCA and the commodity groups have had many meetings with Sen. Villa and the environmental groups regarding SB 2108. No agreement could be reached. Discussions will continue this summer regarding pesticide penalties with all groups. SB 2108 was never called in State Government Committee in the Senate.

<u>Glyphosate Ban.</u> Rep. Didech introduced HB 3370 which provides that no person shall distribute, sell, offer for sale, or use glyphosate or any products containing glyphosate within Illinois. IFCA was Opposed HB 3370. HB 3370 never called in House Consumer Protection Committee.



Pyrethroid Pesticides to be Applied by Only Commercial Applicators.

Rep. Gabel introduced HB 3118 which provides that a pyrethroid pesticide may only be applied by a commercial applicator for commercial or residential use if evidence-based model of application complying with specified requirements is used. Requires IDOA to adopt rules creating a process meeting specified requirements for the licensure of commercial applicators for residential treatment of pyrethroid pesticides. IFCA was Opposed to HB 3118. HB 3118 was passed out of House Environmental Committee, but it was never called on the House floor.

<u>Pollinator Protection.</u> Rep. Meier introduced HB 3357 which provides that between 8 a.m. and 6 p.m., a commercial applicator shall not apply to blooming crops pesticides labeled as toxic to bees when the commercial applicator is located within one mile of a registered apiary. Provides that a commercial applicator shall be responsible for maintaining the one-mile distance from apiaries that are registered and listed on the sensitive crop registry on the first day of each month. Provides that: a commercial applicator must notify the registrant in writing at least 24 hours prior to application as to date and time of application in case there is a need to move the hives; the commercial applicator shall provide upon request a copy of the label for the products being applied; and this same type of protection should be applied to all specialty crops. IFCA was Opposed to HB 3357. HB 3357 never called in House Environment Committee.

Pesticide Application Around Schools. Sen. Morrison has SB 2245 which amends the Illinois Pesticide Act. Provides that, no later than January 1, 2022, the Department of Agriculture shall develop a drift monitoring study to evaluate pesticide drift at 3 schools within the State and shall submit a report of its findings and recommendations to the General Assembly no later than January 1, 2023. Repeals the provisions regarding the drift monitoring study on January 1, 2024. Provides that it is unlawful to apply a restricted use pesticide on or within 500 feet of a school property during normal hours, except for whole structure fumigation, unless the pesticide application information listed on the pesticide label is more restrictive, in which case the more restrictive provision shall apply. Directs the Department to adopt rules necessary to implement the restriction. Defines "normal school hours". IFCA was Monitoring SB 2245. Both the Senate and House passed SB 2245. It moves now to Gov Pritzker Desk for his signature.

<u>Pretreated Seed Ban in Ethanol Production.</u> Rep. Guzzardi has HB 1847 which bans the use of pretreated seeds in the production of ethanol. IFCA was Monitoring HB 1847. HB 1847 passed out of House Environment Committee but was never call on the House floor for a vote.

Nutrient Loss Reduction Funding SB 2474 / HB 1792 creates the Illinois Partners for Nutrient Loss

<u>Reduction Act.</u> Provides legislative findings. Amends the State Finance Act. Provides that moneys in the

Partners for Conservation Fund and the Partners for Conservation Projects Fund may be used to implement the State's Nutrient Loss Reduction Strategy, including funding for specified needs. Provides that the State Comptroller shall automatically transfer moneys to the Partners for Conservation Fund through June 30, 2027 (currently, 2021). Specifies the amount of moneys transferred to the Fund from 2022 through 2027 (currently, only for 2021). Specifies



amounts and uses for moneys to be used by the Fund through specified years. Provides specified amounts to be transferred from the General Revenue Fund into the Partners for Conservation Fund for each year of 2022 through 2027. Provides that for years 2022 through 2027 funding from the Partners for Conservation Fund shall be provided to the Environmental Protection Agency, the Department of Agriculture, and the Department of Natural Resources annually in specified amounts and for specified uses.

IFCA Supported SB 2474 / HB 1792. SB2474 funding language was included in the end of the year FY 2022 budget.

<u>Property Taxes on Commercial Property.</u> Rep. Davis has HB 860. The bill forces commercial property owners to disclose certain financial information to the county assessor's office about a building's income. This would enable the county assessor to get more information to help accurately calculate its value for the tax assessment purposes. **IFCA was Opposed HB 860.** *HB 860 never was called in House Property Tax Subcommittee.*

Repealing the Estate Tax. Rep Spain introduced HB 1921 which amends the Illinois Estate and Generation-Skipping Transfer Tax Act. Provides that no tax shall be imposed under the Act for persons dying on or after the effective date of the amendatory Act or for transfers made on or after the effective date of the amendatory Act.



IFCA SupportedHB 1921. HB 1921 was never called in House Revenue Committee.



<u>Freight Train Length.</u> Rep. Hoffman introduced HB 2524 which amends the Illinois Commercial Transportation Law of the Illinois Vehicle Code. Provides that no railroad operating within this State on any main line or any other line shall operate, or permit to be operated, any train that exceeds 8,500 feet in length. <u>IFCA was Monitoring HB 2524.</u>

HB 2524 was never called in Roadways, Rail & Aviation Subcommittee.

If you have any questions regarding national or state legislation, please do not hesitate to email or call KJ Johnson at *KJ@IFCA.COM* or *217-369-1669*.

