

LEGISLATIVE REPORT

May 2021

Hot Topics

Federal Issues

- o Senator Duckworth ICUL Town Hall Meeting Summary
- o CU Café to Feature Advocacy Session – May 13, 2021

State Issues

- o ICUL Priority Legislation
- o Other Bills of Interest

CUPAC & Political Advocacy

- o Honor Roll Credit Unions and Chapters Requested
- o Upcoming Events
 - Aug. 23 – CUPAC golf outing
 - Sept 22-23 – Hike-the-Hill Washington D.C.

Federal Update

Senator Duckworth ICUL Town Hall Meeting A Great Success

Many thanks to the nearly 100 attendees that joined us for the Town Hall meeting with US Senator Tammy Duckworth on April 29, 2021. Senator Duckworth expressed her strong support for credit unions and the valuable services that credit unions provide to their members. Among the topics covered at the town hall meeting included: credit unions serving members during the pandemic; pending federal issues (including: PPP lending by credit unions, the need for a national data security standard and the SAFE Act regarding cannabis banking.) ICUL looks forward to continuing to work with Senator Duckworth and her staff on issues important to credit unions.

CU Café To Feature Advocacy Session On May 13, 2021

"The "A" in CU Café stands for ADVOCACY! Be sure to join us for this informative session moderated by ICUL's Pat Huffman, Ashley Sharp, and Keith Sias. The session will feature our newly retained lobbying firm, GR Consulting, as well as CUNA'S Chief Political Officer, Richard Gose. Attend this session to learn about our CUPAC Chapter Competition award winners; hear the latest legislative and political action developments; and discover your role in CU Advocacy!" You can register for CU Café [here](#).

State Update



Spring Session Update

On May 6, ICUL's Legislative Committee met to formalize positions on bills of interest in consideration of amendments being offered since the committee last met. Friday, May 14 marks the deadline for House and Senate bills to be out of committee in the second chamber. As the spring session wraps up in May, priority items for the legislature to consider involve the state budget and redistricting. ICUL continues to attend hearings to represent the interests of Illinois credit unions and move our priority measures through the legislative process.

ICUL Priority Legislation

- **Amendments to the Illinois Credit Union Act (HB 3698 /SB 1534)** - carry over ICUA provisions include: new language pertaining to associate directors; a repeal of the director compensation rulemaking requirement; an increase from 3% to 6% in CUSO loan and investment limits; language clarifying the use of brand references in a merger context; and a requirement that advisory board members of network credit unions sign and adhere to confidentiality agreements. New provisions incorporated into the bill for 2021 include: expanding Sections 51 and 59 to expand service to the economically disadvantaged through loans to and investments in CDFIs and MDIs; amending Section 19 to allow for virtual meetings; and clarifying the timeline for audits in Section 34.
- **Amendments to the Illinois Community Reinvestment Act (HB 3694)** - following the passage of the state-based CRA during the lame duck session, ICUL's Legislative Committee voted to amend the Act, assuming it receives approval from Governor Pritzker, to remove credit unions as covered financial institutions subject to the Act. ICUL has outlined many concerns with [Article 35 of SB 1608](#) and has been working diligently to convey these issues to legislators this spring. In addition to the creation of the new Act, the legislation authorizes the Treasurer's Office to give preference to financial institutions with an outstanding rating under the federal CRA when evaluating where to deposit state money and make investments. Since credit unions do not receive a federal CRA rating, this unfairly disadvantages our industry and we will pursue changes to that provision of SB 1608. It is unlikely that legislators will reconsider these components of the Legislative Black Caucus Agenda at this time. Since SB 1608 has been signed into law,

ICUL will monitor and provide feedback during the rulemaking process. We will keep you apprised as this issue moves forward.

- **Amendments to the Revised Uniform Unclaimed Property Act (HB 851)** will bring relief to credit unions as holders of unclaimed property, specifically clarifying the abandonment period for time deposits and modernizing the consolidated statement rule. This legislation is agreed upon with the State Treasurer's Office and is likely to be combined with other proposed legislation amending RUUPA moving forward.
- **Amendment to the Personal Information Protection Act (SB 2353)** will require data users, such as merchants, to submit data breach reports to the Attorney General. SB 2353 has been assigned to the Senate Judiciary Committee and is being held while conversations continue and more information on the data breach reports is gathered.
- **Amendment to the Illinois Vehicle Code (HB 2432)** extends the statutory deadline for implementation of a statewide Electronic Lien and Title system to July 1, 2022 to account for delays in the Secretary of State's implementation process. This legislation passed out of the House unanimously and has moved to the Senate for consideration.

Other Bills of Interest:

ICUL's Legislative Committee recently took action to approve positions on additional bills of interest that will likely be acted upon by legislators in coming weeks:

ICUL is in support of **SB 58**, which would repeal the \$10,000 cap on trade in vehicle values for purposes of calculating sales tax on a new vehicle transaction. The bill proposes to replace the revenue with an increase in sales tax on private party vehicle sales transactions. ICUL also supports **SB 2664**, which permanently authorizes remote online notarization in Illinois. We are pleased to report that ICUL has moved to a neutral position on the following bills, after a series of negotiations and amendments:

HB 117/ SB 208: Secure Choice Savings Program - The legislation has been amended to carve out the smallest affected employers as well as phasing in the program for the smallest employers to be in compliance by 2023.

SB 573: Secretary of State initiative - This bill has been amended to remove an objectionable provision that would have invalidated a lienholder's interest in a vehicle if a fraudulent lien release letter was issued and a subsequent purchaser was unaware of the preexisting lien. It also was amended to mirror language initiated by ICUL to extend the implementation date of electronic lien and title by one year.

HB 3746/ SB 2291: Know Before You Owe - This legislation creates a reporting requirement for private educational lenders. It has been amended to include an exemption for lenders who fund less than 10 educational loans per calendar year.

State Legislative Summit Summary

The State Legislative Summit (SLS) serves as a platform to make our united voices heard and promote the powerful credit union cause to the Illinois General Assembly. This year, the virtual SLS provided updates from regulators and ICUL staff, and contained sessions on the Bank On program and importance of Diversity,

Equity and Inclusion in Advocacy. We were joined by House Speaker Welch, House Leader Durkin, Senate President Harmon, Senate Leader McConchie, and key leaders from the House and Senate Financial Institutions Committees. The event was well attended and we appreciate all those who participated!



POLITICAL ADVOCACY

Better for Illinois Website

ICUL, in coordination with CUNA, launched the [Better For Illinois](#) website last year. We encourage credit unions to request members upload videos or stories that explain how their financial lives have benefited from services received from their credit union. Legislators are directed to the website to see the difference credit unions can make for their constituents.

Hike-the-Hill (D.C.) tentatively scheduled

Illinois' Washington D.C. Hike-the-Hill is tentatively scheduled for Sept. 22-23, if Congress is open to visitors and the pandemic metrics decrease. Additional information will be available in the near future.

Project Zip Code (PZC)

- Seventy-five (75) Illinois credit unions are "active" (ran/updated in 2020 or 2021)
 • 31 in 2021; 44 in 2020
- Credit unions are reminded to update or run [PZC](#).

CUPAC

CUPAC Summer Golf Outing Scheduled (mark your calendar) Naperville area-Don Edwards Memorial Golf Outing

For more information [click here](#).

Monday, August 23, 2021 Bloomington Golf Club, Bloomington 22 miles Northeast of League Office	
Registration	8:00 am-8:45 am
Shotgun Start	9:00 am
Dinner	approximately 2:30pm
\$195 Cont. Breakfast/Golf/Dinner (\$10 pp discount: 4 or more players from same credit union) \$145 Cont. Breakfast & golf \$ 65 Dinner only	

Honor Roll - 2021 Credit Union and Chapter

Enrollment forms soliciting membership for the 2021 Honor Roll program were sent to chapter chairman and all credit unions. [Honor roll credit unions and chapters](#) are those in which the entire board of directors, as well as the CEO, enroll as members of CUPAC. Honor Roll credit unions & chapters will be recognized during the Celebration Luncheon held in conjunction with the League's annual convention scheduled to be held this fall. It's not too late to enroll and be recognized.

The number of Honor Roll chapters and credit unions are trailing behind the 2019 level:

	2019	2021 (as of 5/4/21)
Honor Roll Credit Unions	21	9
Honor Roll Chapters	11	5

Congratulations and thanks are extended to the credit unions and chapters that have earned Honor Roll status so far in 2021.

Individual Donations: CUPAC's individual membership program kicked off January 1. Renewals will be mailed to all current members of CUPAC. If you do not receive a mailing, and would like to enroll, please [Click here for suggested giving levels and donation form.](#)

Corporate Donation Campaign

State-chartered credit unions (federal credit unions are prohibited by law) are asked to contribute to CUPAC's annual corporate fundraising campaign. In these uncertain times, CUPAC continues to provide support to help elect and re-elect legislators sympathetic to our cause.

There are 167 state-chartered credit unions in Illinois. [As of May 4, sixty-two \(62\) credit unions have contributed.](#) This equates to 37% of credit unions contributing their fair share, benefiting the other 63%. We truly appreciate all donations and hope credit unions will maintain support and continue to recognize the importance of donating to CUPAC. [Click for donor levels and additional information.](#)

Although federal credit unions are prohibited by law from making contributions to political action committees, their employees and volunteers face no such restrictions. A number of programs are available to assist federally-chartered credit unions to contribute their fair share to CUPAC, including the payroll deduction program. A portion of eligible contributions made to CUPAC are transferred to the Credit Union Legislative Action Council (the federal PAC) to be used on behalf of federal legislators. Contact Pat Huffman for additional information on the corporate program or other ways you can contribute.

