



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB1654

Introduced 1/28/2025, by Rep. Jawaharial Williams

#### SYNOPSIS AS INTRODUCED:

820 ILCS 405/503 new

820 ILCS 405/504 new

820 ILCS 405/612

from Ch. 48, par. 442

Amends the Unemployment Insurance Act. Provides that, subject to appropriation, school districts and public institutions of higher education are eligible to receive unemployment insurance aid. Sets forth provisions concerning the calculation of the amount of unemployment insurance aid to be given to each school district and public institutions of higher education. Provides that, if the total unemployment insurance aid for a fiscal year is greater than the annual appropriation for that year, the State Board of Education or the Board of Higher Education shall proportionately reduce the aid payment to each school district and public institution of higher education. Sets forth reporting requirements. Makes conforming changes. Effective January 1, 2026.

LRB104 02998 SPS 13016 b

1 AN ACT concerning employment.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Unemployment Insurance Act is amended by  
5 changing Section 612 and by adding Sections 503 and 504 as  
6 follows:

7 (820 ILCS 405/503 new)

8 Sec. 503. School districts; unemployment insurance  
9 benefits.

10 (a) As used in this Section, "school district" has the  
11 meaning given to that term in Section 2-3.25a of the School  
12 Code.

13 (b) Subject to appropriation, school districts are  
14 eligible to receive unemployment insurance aid under this  
15 Section. For each fiscal year, a school district's aid is the  
16 difference between:

17 (1) the net audited unemployment costs for the prior  
18 fiscal year; and

19 (2) the base period net audited unemployment costs  
20 described in subsection (c).

21 (c) The base period net audited unemployment costs equals  
22 the school district's fiscal year 2024 net audited  
23 unemployment costs.

1       (d) If the total unemployment insurance aid for a fiscal  
2       year is greater than the annual appropriation for that year,  
3       the State Board of Education shall proportionately reduce the  
4       aid payment to each school district.

5       (e) By January 15 of each year, the State Board of  
6       Education, in consultation with the Department of Employment  
7       Security, shall report to the General Assembly the balances in  
8       unemployment insurance aid accounts and information about the  
9       annual changes in reimbursable costs for school workers  
10       receiving unemployment insurance benefits. To the extent  
11       possible, the report shall break out the costs by district and  
12       major job classes.

13       (820 ILCS 405/504 new)

14       Sec. 504. Institutions of higher education; unemployment  
15       insurance aid.

16       (a) As used in this Section, "public institution of higher  
17       education" has the meaning given to that term in Section 1 of  
18       the Board of Higher Education Act.

19       (b) Subject to appropriation, public institutions of  
20       higher education are eligible to receive unemployment  
21       insurance aid under this Section. For each fiscal year, a  
22       public institution of higher education's aid is the difference  
23       between:

24               (1) the net audited unemployment costs for the prior  
25               fiscal year; and

1           (2) the base period net audited unemployment costs  
2           described in subsection (c).

3           (c) The base period net audited unemployment costs equals  
4           the public institution of higher education's fiscal year 2024  
5           net audited unemployment costs.

6           (d) If the total eligible unemployment insurance aid for a  
7           fiscal year is greater than the annual appropriation for that  
8           year, the Board of Higher Education shall proportionately  
9           reduce the aid payment to each

10           (e) By January 15 of each year, the Board of Higher  
11           Education, in consultation with the Department of Employment  
12           Security, shall report to the General Assembly the balances in  
13           unemployment insurance aid accounts and information about the  
14           annual changes in reimbursable costs for school workers  
15           receiving unemployment insurance benefits. To the extent  
16           possible, the report shall break out the costs by campus and  
17           major job classes.

18           (820 ILCS 405/612) (from Ch. 48, par. 442)

19           Sec. 612. Academic personnel; ineligibility between  
20           academic years or terms.

21           A. Benefits based on wages for services which are  
22           employment under the provisions of Sections 211.1, 211.2, and  
23           302C shall be payable in the same amount, on the same terms,  
24           and subject to the same conditions as benefits payable on the  
25           basis of wages for other services which are employment under

1 this Act; except that:

2 1. An individual shall be ineligible for benefits, on  
3 the basis of wages for employment in an instructional,  
4 research, or principal administrative capacity performed  
5 for an institution of higher education, for any week which  
6 begins during the period between two successive academic  
7 years, or during a similar period between two regular  
8 terms, whether or not successive, or during a period of  
9 paid sabbatical leave provided for in the individual's  
10 contract, if the individual has a contract or contracts to  
11 perform services in any such capacity for any institution  
12 or institutions of higher education for both such academic  
13 years or both such terms.

14 This paragraph 1 shall apply with respect to any week  
15 which begins prior to January 1, 1978.

16 2. An individual shall be ineligible for benefits, on  
17 the basis of wages for service in employment in any  
18 capacity other than those referred to in paragraph 1,  
19 performed for an institution of higher learning, for any  
20 week which begins after September 30, 1983, during a  
21 period between two successive academic years or terms, if  
22 the individual performed such service in the first of such  
23 academic years or terms and there is a reasonable  
24 assurance that the individual will perform such service in  
25 the second of such academic years or terms.

26 3. (Blank). ~~An individual shall be ineligible for~~

1 ~~benefits, on the basis of wages for service in employment~~  
2 ~~in any capacity other than those referred to in paragraph~~  
3 ~~1, performed for an institution of higher education, for~~  
4 ~~any week which begins after January 5, 1985, during an~~  
5 ~~established and customary vacation period or holiday~~  
6 ~~recess, if the individual performed such service in the~~  
7 ~~period immediately before such vacation period or holiday~~  
8 ~~recess and there is a reasonable assurance that the~~  
9 ~~individual will perform such service in the period~~  
10 ~~immediately following such vacation period or holiday~~  
11 ~~recess.~~

12 B. Benefits based on wages for services which are  
13 employment under the provisions of Sections 211.1 and 211.2  
14 shall be payable in the same amount, on the same terms, and  
15 subject to the same conditions, as benefits payable on the  
16 basis of wages for other services which are employment under  
17 this Act, except that:

18 1. An individual shall be ineligible for benefits, on  
19 the basis of wages for service in employment in an  
20 instructional, research, or principal administrative  
21 capacity performed for an educational institution, for any  
22 week which begins after December 31, 1977, during a period  
23 between two successive academic years, or during a similar  
24 period between two regular terms, whether or not  
25 successive, or during a period of paid sabbatical leave  
26 provided for in the individual's contract, if the

1 individual performed such service in the first of such  
2 academic years (or terms) and if there is a contract or a  
3 reasonable assurance that the individual will perform  
4 service in any such capacity for any educational  
5 institution in the second of such academic years (or  
6 terms).

7 2. An individual shall be ineligible for benefits, on  
8 the basis of wages for service in employment in any  
9 capacity other than those referred to in paragraph 1,  
10 performed for an educational institution, for any week  
11 which begins after December 31, 1977, during a period  
12 between two successive academic years or terms, if the  
13 individual performed such service in the first of such  
14 academic years or terms and there is a reasonable  
15 assurance that the individual will perform such service in  
16 the second of such academic years or terms.

17 3. (Blank). ~~An individual shall be ineligible for~~  
18 ~~benefits, on the basis of wages for service in employment~~  
19 ~~in any capacity performed for an educational institution,~~  
20 ~~for any week which begins after January 5, 1985, during an~~  
21 ~~established and customary vacation period or holiday~~  
22 ~~recess, if the individual performed such service in the~~  
23 ~~period immediately before such vacation period or holiday~~  
24 ~~recess and there is a reasonable assurance that the~~  
25 ~~individual will perform such service in the period~~  
26 ~~immediately following such vacation period or holiday~~

1       ~~recess.~~

2           4. An individual shall be ineligible for benefits on  
3       the basis of wages for service in employment in any  
4       capacity performed in an educational institution while in  
5       the employ of an educational service agency for any week  
6       which begins after January 5, 1985, (a) during a period  
7       between two successive academic years or terms, if the  
8       individual performed such service in the first of such  
9       academic years or terms and there is a reasonable  
10      assurance that the individual will perform such service in  
11      the second of such academic years or terms; and (b) during  
12      an established and customary vacation period or holiday  
13      recess, if the individual performed such service in the  
14      period immediately before such vacation period or holiday  
15      recess and there is a reasonable assurance that the  
16      individual will perform such service in the period  
17      immediately following such vacation period or holiday  
18      recess. The term "educational service agency" means a  
19      governmental agency or governmental entity which is  
20      established and operated exclusively for the purpose of  
21      providing such services to one or more educational  
22      institutions.

23           C. 1. If benefits are denied to any individual under the  
24      provisions of paragraph 2 of either subsection A or B of this  
25      Section for any week which begins on or after September 3, 1982  
26      and such individual is not offered a bona fide opportunity to

1 perform such services for the educational institution for the  
2 second of such academic years or terms, such individual shall  
3 be entitled to a retroactive payment of benefits for each week  
4 for which the individual filed a timely claim for benefits as  
5 determined by the rules and regulations issued by the Director  
6 for the filing of claims for benefits, provided that such  
7 benefits were denied solely because of the provisions of  
8 paragraph 2 of either subsection A or B of this Section.

9 2. If benefits on the basis of wages for service in  
10 employment in other than an instructional, research, or  
11 principal administrative capacity performed in an educational  
12 institution while in the employ of an educational service  
13 agency are denied to any individual under the provisions of  
14 subparagraph (a) of paragraph 4 of subsection B and such  
15 individual is not offered a bona fide opportunity to perform  
16 such services in an educational institution while in the  
17 employ of an educational service agency for the second of such  
18 academic years or terms, such individual shall be entitled to  
19 a retroactive payment of benefits for each week for which the  
20 individual filed a timely claim for benefits as determined by  
21 the rules and regulations issued by the Director for the  
22 filing of claims for benefits, provided that such benefits  
23 were denied solely because of subparagraph (a) of paragraph 4  
24 of subsection B of this Section.

25 D. Notwithstanding any other provision in this Section or  
26 paragraph 2 of subsection C of Section 500 to the contrary,

1 with respect to a week of unemployment beginning on or after  
2 March 15, 2020, and before September 4, 2021 (including any  
3 week of unemployment beginning on or after January 1, 2021 and  
4 on or before June 25, 2021 (the effective date of Public Act  
5 102-26)), benefits shall be payable to an individual on the  
6 basis of wages for employment in other than an instructional,  
7 research, or principal administrative capacity performed for  
8 an educational institution or an educational service agency  
9 under any of the circumstances described in this Section, to  
10 the extent permitted under Section 3304(a)(6) of the Federal  
11 Unemployment Tax Act, as long as the individual is otherwise  
12 eligible for benefits.

13 (Source: P.A. 101-633, eff. 6-5-20; 102-26, eff. 6-25-21;  
14 102-687, eff. 12-17-21.)

15 Section 99. Effective date. This Act takes effect January  
16 1, 2026.