



Illinois Capitol Update

January 13, 2025

Following the holiday break, lawmakers are returning to Springfield. The Senate returns this week to a Capitol that is nearing the completion of long-running renovation work, with senators needing to select and move into their new office spaces in the coming days. As is typical for January, legislative activity is expected to ramp up gradually as bill filings continue and priorities begin to take shape. The Senate has already announced they will cancel session on Thursday. The House will return next week on January 20.

Below are the **key dates** from each chamber's calendar:

Jan. 13, 2026: First Senate Meeting
Jan. 20, 2026: First House Meeting
Jan. 16, 2026: House/Senate - LRB Request Deadline
Feb. 6, 2026: House/Senate - Introduction of Bills Deadline
Feb. 18, 2026: Governor's Budget Address
Mar. 13, 2026: Senate - SB Substantive Committee Deadline
Mar. 27, 2026: House - HB Substantive Committee Deadline
Apr. 17, 2026: House/Senate - First Chamber - Third Reading Deadline
May 8, 2026: House/Senate - Second Chamber - Substantive Committee Deadline
May 22, 2026: House/Senate - Second Chamber - Third Reading Deadline
May 31, 2026: Adjournment

Campaign Updates

The 2026 Illinois primary election is scheduled for Tuesday, March 17, 2026. The State Board of Elections must complete its review of all qualifying candidates and formalize the list of names that will appear on the primary ballot. This includes resolving any outstanding petition challenges and eligibility questions. **January 14** is the last day for the county clerk to certify to the board of election commissioners the names of candidates to be voted for in their jurisdiction. Vote by mail and early voting begins on **February 5**.

- ❖ **Max Solomon**, a Republican who's run previously for governor, announced he'll be a write-in candidate for state treasurer in the March primary. Incumbent **Treasurer Mike Frerichs** is not otherwise facing an opponent in the primary or the general elections.
- ❖ **US Rep. Mike Quigley**, who is currently running for re-election, plans to run for mayor of Chicago in 2027.

Fiscal & Budget Pressures

Illinois Sues Over Federal Freeze of Social Service and Child Care Funds

Illinois has joined four other states in suing the Trump administration over a freeze affecting roughly \$10

billion in federal social service and childcare funding, including about \$1 billion for Illinois, securing a temporary restraining order on Friday preventing the freeze from taking effect while the full case plays out, unless an appellate court overturns the stay. The freeze targets programs such as the Child Care and Development Fund, Temporary Assistance for Needy Families (TANF), and Social Services Block Grants, which support working families, childcare providers, and vulnerable populations. State officials say the freeze could create significant budgetary and programmatic disruptions if it continues.

Policy Updates

Illinois Officials Mobilize Ahead of Looming Medicaid Enrollment Changes

State and Cook County Health leaders are stepping up outreach as federal Medicaid policy changes set to take effect in 2027 could put *as many as 360,000 Illinoisans* at risk of losing coverage due to new work requirements and more frequent eligibility redeterminations. Officials from the Illinois Department of Healthcare & Family Services and Cook County urged residents to stay informed and complete necessary paperwork to maintain benefits, emphasizing that current coverage remains unchanged for now. The campaign includes enhanced communication efforts to reduce confusion and help enrollees navigate evolving federal rules.

Court Blocks Federal Cuts to Health Research Funding

A federal appellate court has permanently blocked the Trump administration from cutting funding for medical and public health research at universities and research institutions. The U.S. Court of Appeals for the 1st Circuit upheld a lower court injunction preventing the administration from reducing reimbursements for so-called “indirect costs,” which include expenses such as laboratory operations, faculty support, safety compliance, data systems, and utilities that are critical to research work funded by the National Institutes of Health.

Illinois Secures \$193M to Expand Rural Healthcare Access

Illinois has been awarded approximately \$193 million per year for five years through the federal Rural Healthcare Transformation Program to strengthen healthcare access and infrastructure in rural communities. The funding will support hospital and provider transformation, expand telehealth and mobile services to overcome geographic barriers, and invest in workforce development through scholarships, training, and partnerships with universities and community colleges.

State officials emphasized the funding will help drive long-term improvements in rural health outcomes, though it will not fully offset anticipated federal Medicaid cuts. Implementation planning is underway, with funds targeted to providers serving rural census tracts across more than two-thirds of Illinois counties.

Federal Agencies Update Childhood Vaccine Recommendations; Illinois Guidelines Unchanged

The U.S. Department of Health and Human Services and the Centers for Disease Control and Prevention announced updates to the childhood immunization schedule, shifting several vaccines (including flu, COVID-19, rotavirus, meningococcal disease, and hepatitis A and B) to a shared clinical decision-making recommendation rather than routine use for all children. Other vaccines, such as RSV and dengue, are now recommended for certain high-risk populations, while core childhood vaccines (including DTaP, MMR, polio, and varicella) remain recommended for all children. All CDC-recommended vaccines will continue to be fully covered by insurance, including Medicaid and CHIP, with no out-of-pocket costs.

Illinois health officials emphasized that the federal changes will not affect Illinois' immunization guidelines. The Illinois Department of Public Health said the state will continue to recommend vaccines that protect against flu, RSV, rotavirus, and hepatitis A and B.

Chicago Immigration Enforcement

Over the winter break, President Trump said he would temporarily stand down plans to deploy National Guard troops to Chicago after the U.S. Supreme Court declined to allow the move, though he left open the possibility of renewed action. The legal fight continues. The U.S. Department of Justice has sued Gov. JB Pritzker and Attorney General Kwame Raoul over a new Illinois law limiting immigration arrests in and around courthouses, arguing it interferes with federal authority.

In a new development, Attorney General Kwame Raoul, the City of Chicago, and Secretary of State Alexi Giannoulis have sued the federal government, alleging an aggressive and unconstitutional immigration enforcement campaign in Chicago.

Chicago's 2026 Budget Takes Effect, Raising Select Consumer Costs

Chicago's 2026 budget is now in effect, bringing a series of targeted tax and fee increases aimed at closing a significant budget gap without broad-based tax hikes. The changes include higher charges on shopping bags, increased rideshare fees, and new or expanded taxes on activities such as sports betting and alcohol sales. City Council also included provisions to authorize and license video gaming terminals ("VGTs" – slot-style machines found in bars and restaurants). While the budget avoids major new corporate taxes, city finances remain under pressure, signaling that additional revenue proposals or policy changes could resurface later in 2026 as fiscal challenges continue.

Justice Mary Jane Theis to Retire; Supreme Court Names Successor

Illinois Supreme Court Justice **Mary Jane Theis** will retire effective January 29, 2026, concluding more than 40 years on the bench and 16 years on the state's highest court. Justice Theis, who also served as Chief Justice from 2022 to 2025, was recognized for her long-standing commitment to access to justice and judicial integrity. The Illinois Supreme Court has appointed **Sanjay T. Tailor** to fill the vacancy from January 30, 2026, through December 4, 2028. Justice Tailor becomes the first Asian American to serve on the Illinois Supreme Court, bringing more than two decades of experience across the trial and appellate courts.

Bears Stadium Drama: Illinois Officials Push Back

Illinois lawmakers and local officials are expressing skepticism and frustration over the Chicago Bears exploring a possible move to Indiana. State Rep. Kam Buckner (D-Chicago), whose district includes Soldier Field, called the Bears' shifting plans "baffling," while noting that Indiana's interest in luring the team is "very predictable." At the same time, leaders in Chicago, Cook County, and Arlington Heights are publicly and quietly working to keep the Bears in Illinois. Suburban officials continue to pitch Arlington Heights as a viable long-term option, while city and county leaders emphasize the economic and cultural importance of keeping the franchise anchored in Chicago. The situation remains fluid.

Hawthorne Financial Troubles Renew Tensions with Horsemen

Hawthorne Race Course went a second straight weekend without live racing, canceling back-to-back race cards after financial issues continued to disrupt operations. For the Jan. 10-11 weekend, scheduled harness races were scratched late Friday due to ongoing concerns over Hawthorne's ability to cover purses and meet licensing conditions, according to industry reports. Checks issued to horsemen were reportedly returned for insufficient funds for the second time in recent weeks, aggravating already high anxiety

among standardbred and thoroughbred participants. While the Illinois Racing Board has reinstated Hawthorne's operating license and sports wagering partner Fanatics continues without interruption, many horse owners and trainers remain uneasy about the track's fiscal stability and long-term viability. Industry participants continue to call for legislative reforms, such as removing Hawthorne's veto power over competing racino developments, and are watching closely to see whether the track can secure stable financing and follow through on past commitments to build a racino that would support the broader racing ecosystem.

Proposed Union Pacific–Norfolk Southern Merger Faces Early Pushback

Union Pacific and Norfolk Southern have proposed an \$85 billion merger that would create the nation's first coast-to-coast freight railroad, a move that would significantly reshape the U.S. rail network. As the proposal advances toward federal review, opposition is beginning to solidify among key stakeholders. Two major rail labor unions have formally opposed the merger, raising concerns about potential job losses, safety risks, service disruptions, and reduced competition. Their objections echo concerns voiced by shipper groups, agricultural interests, and other industry participants who warn the consolidation could lead to higher shipping costs and less reliable service. The U.S. Surface Transportation Board will determine whether the merger meets strict public-interest standards, with implications for customers across agriculture, energy, manufacturing, and retail supply chains.

Nicor Seeks New \$221M Gas Rate Increase

Nicor Gas has filed a new request with the Illinois Commerce Commission seeking a \$221 million increase in natural gas rates, less than two months after its most recent rate adjustment was approved. If granted in full, the proposal would take effect in 2027 and increase the average residential customer's bill by just under \$6 per month, or about 6.7 percent annually. Nicor serves approximately 2.3 million customers across northern Illinois. The new request also follows a separate \$202 million rate hike proposal from Peoples Gas that is currently under review.

U of I System President Tim Killeen to Step Down in 2027

University of Illinois System President Tim Killeen announced he will step down at the end of his contract in June 2027, concluding more than a decade of leadership that began in 2015. Under Killeen's tenure, systemwide enrollment reached record levels, annual graduates exceeded 28,000 students, and the university's research enterprise grew to roughly \$1 billion per year. Killeen also played a key role in advancing major statewide research and innovation initiatives and strengthening the university's economic impact, which a recent study estimated at nearly \$25 billion annually and more than 225,000 jobs supported. The Board of Trustees said a national search for the next system president will begin in the coming weeks.

State to Fund Manufacturing Training Academies at Downstate Community Colleges

The State of Illinois will invest \$24 million to establish six new Manufacturing Training Academies at downstate community colleges, expanding training for high-demand manufacturing jobs. The grants—ranging from \$3 million to \$6 million—are available to community colleges outside of Cook and the collar counties. The initiative builds on prior MTA investments that have supported advanced manufacturing, automation, and electric vehicle training programs, and is aimed at strengthening regional workforce pipelines while supporting Illinois' broader economic growth and manufacturing competitiveness.

ICC Issues First Performance-Based Reconciliation Decisions for Ameren and ComEd

The Illinois Commerce Commission (ICC) issued its first decisions under the state's new performance-based grid planning and rate reconciliation framework, approving the majority of costs requested by both

Ameren Illinois and ComEd while making targeted adjustments consistent with the new oversight structure required under the Climate and Equitable Jobs Act (CEJA).

For Ameren Illinois, the ICC approved most of the utility's \$59.6 million reconciliation request, disallowing \$11.2 million after reviewing project-level spending against its approved multi-year grid plan. The Commission emphasized that future reconciliation filings should include updated affordability data and cost-benefit analyses to allow for real-time evaluation of grid investments and customer impacts. In a separate decision, the ICC reduced ComEd's 2024 reconciliation request by \$25.4 million, including the removal of costs and performance incentives related to last year's customer care and billing system rollout.

IDHS Discloses Data Exposure Incident

The Illinois Department of Human Services disclosed a data exposure involving internal planning maps that were mistakenly made public online for several years due to incorrect privacy settings. The incident affected tens of thousands of rehabilitation services clients and hundreds of thousands of Medicaid-related program participants, potentially exposing personal and health-related information. IDHS said there is no evidence the data was misused and has since secured the system, adopted new data protection policies, and begun notifying affected individuals in compliance with privacy laws.

DOJ Sues Illinois Over Access to Sensitive Voter Data

The U.S. Department of Justice has filed a federal lawsuit in the Central District seeking to force Illinois to turn over its full statewide voter registration database, including sensitive personal information such as dates of birth, home addresses, driver's license numbers, and partial Social Security numbers. State election officials have resisted the request, citing privacy and security concerns, setting up a legal fight over the scope of federal authority and voter data protections.