

# Illinois Capitol Update November 4, 2025

Illinois General Assembly returned to Springfield last week for the final week of the Veto Session. While numerous issues were discussed, legislators focused on several major measures during this marathon session. The governor generally has 60 days to act on any bill after it is officially delivered to his desk, however, in practice, bills passed during veto session are often transmitted to the governor in late November and the governor typically acts within a few weeks.

The Illinois House and Senate have released the **2026 legislative calendars**, outlining the key deadlines and session schedule for the upcoming spring session. Below are the key dates from both chambers' calendars.

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

Here's a quick recap of the high-profile bills considered during veto session:

• **ENERGY**: The Clean and Reliable Grid Affordability Act (SB 25), a sweeping energy reform bill, has passed both chambers of the Illinois General Assembly (37-22 in the Senate and 70-37 in the House) and now awaits the Governor's signature.

The legislation mandates new long-term planning requirements for utilities and sets out ambitious goals for battery storage, virtual power-plant programs and energy efficiency while lifting the state's moratorium on large-scale nuclear power plants. The bill expands the authority of the Illinois Commerce Commission to oversee integrated resource planning for both municipal/co-operative and investor-owned utilities, and creates a new entity—the Energy Reliability Corporation of Illinois—tasked with assessing whether Illinois should establish its own independent system operator. Supporters say the bill will enhance reliability and ultimately reduce costs by modernizing the grid and integrating clean resources, while critics warn that the upfront costs and new ratepayer charges tied to battery storage could drive electricity bills higher in the near term.

• **FOIA & OMA OMNIBUS**: The General Assembly approved <u>SB 243</u>, a comprehensive update to the Freedom of Information Act (FOIA) and Open Meetings Act (OMA) that streamlines transparency and compliance requirements for public bodies. The legislation makes a series of technical and procedural "clean-up" changes to improve government efficiency while maintaining public access and accountability.

- ALCOHOL DELIVERY: <u>SB 618</u>, which passed both chambers and is now on its way to the
  governor, will update Illinois' liquor laws to allow home delivery of alcoholic beverages by licensed
  retailers and third-party delivery services. The bill also creates a new Class 3 craft distiller license,
  authorizes limited "spirits showcase" events for direct consumer sales, and preempts local bans
  on alcohol delivery inconsistent with state law.
- PROPERTY TAXES: SB 642 extends a few deadlines for TIF redevelopment projects and expands eligibility for the Senior Citizens Assessment Freeze Homestead Exemption by raising the income cap to \$75,000 in 2025, \$77,000 in 2026, and \$79,000 in 2027 and beyond. It also updates property tax procedures in Cook County by adjusting interest rates and redemption timelines for delinquent taxes, and gives counties more flexibility to create and administer a payment plan during the redemption period which may allow for waiver of interest penalties.
- **REVENUE**: <u>SB 1911</u> (passed the Senate 37-19-1 and the House 76-33) is a comprehensive economic development and tax policy package advanced by the Governor's Office. The bill creates the Statewide Innovation Development and Economy Act, authorizing local governments to **use Sales Tax and Revenue (STAR) Bonds** subject to approval by DCEO, DOR, GOMB, and the Governor to finance large tourism, entertainment, and retail developments. It establishes a process for designating STAR Bond districts across Illinois' 10 DCEO regions, including a new "NOVA District" designation for large-scale projects with major investment and job-creation potential.

The measure also includes **several tax policy updates** requested by the administration: it makes the pass-through entity-level tax election permanent, aligns state tax law with recent federal changes to depreciation and GILTI, removes the sunset on business excess losses, and transfers \$17.6 million to the Auditor General's Audit Expense Fund.

Finally, SB 1911 expands and extends the **Illinois Film Production Tax Credit** through 2039, increasing the base credit to 35% and adding incentives for green productions, TV series relocating to Illinois, and employment in high-poverty or downstate areas

MEDICAL AID IN DYING: The Senate concurred 30-27 in <u>SB 1950</u>, which would authorize medical
aid in dying for mentally capable, terminally ill adults with a prognosis of six months or less. The
bill allows eligible individuals to obtain a prescription they may self-administer to end suffering
peacefully, while establishing extensive safeguards to prevent coercion and ensure informed
consent.

Under the legislation, participation by physicians and pharmacists is voluntary, and patients must make two verbal requests and one written request, with at least a five-day waiting period. Providers must document all cases and report to the Illinois Department of Public Health, which will issue annual summaries. If signed by the Governor, Illinois would become the twelfth state to legalize medical aid in dying.

TRANSIT FUNDING PACKAGE: <u>SB 2111</u> (Villivalam) passed both chambers (36-21; 72-32) and is
now on its way to the governor. Late in the veto session, the Illinois General Assembly approved
a sweeping transit financing and governance overhaul designed to avert a looming fiscal cliff for
the region's mass transit systems. Under the deal, the existing Regional Transportation Authority

(RTA) will be replaced by the newly created Northern Illinois Transit Authority (NITA) which will oversee service coordination among the Chicago Transit Authority (CTA), Metra and Pace Suburban Bus. The 20-member board will include five appointees each from the City of Chicago, Cook County Board president and the Governor, with the remaining five selected collectively from Lake, McHenry, DuPage, Kane and Will counties.

On the funding side, the legislation delivers roughly \$1.5 billion annually by redirecting existing revenue sources rather than sweeping new statewide taxes. The largest piece, about \$860 million, is generated by diverting motor-fuel sales tax revenues away from the Road Fund to transit operations. An additional ~\$200 million comes from interest on the Road Fund. Meanwhile, residents in the transit region will see a 0.25 percentage point increase in the RTA (soon NITA) sales tax (raising it to 1.0 % in the collar counties and 1.25 % in Cook County) and a toll increase on the Illinois Tollway system – passenger tolls will rise by 45 cents and commercial tolls by 30 %. While the Chicago region is set to receive the bulk of the benefit (about 85 % of the diverted transit funding), the legislation allocates roughly 15 % to downstate transit and capital projects, an arrangement that drew criticism from rural and downstate lawmakers.

Several previously floated revenue ideas were dropped from the transit funding package, including a proposed statewide tax on entertainment, streaming, and billionaires' investments as well as a new fee on package deliveries.

PUBLIC OFFICIAL SAFETY: Daniel's Law-style HB 576 (Stuart) passed both chambers (110-1-1; 48-11) and is now on its way to the governor. The measure creates the Public Official Safety and Privacy Act, allowing current and former state lawmakers, constitutional officers, state's attorneys, public defenders, county clerks, and election officials to request the removal of their home addresses and other personal information from government records and public websites. Agencies must comply within five business days, while private entities must act within 72 hours or face court penalties.

The bill also permits campaign funds to cover personal and cybersecurity expenses and makes it a Class 3 felony to knowingly post personal information that leads to harm. Lawmakers advanced the measure in response to growing threats and acts of political violence against public officials nationwide.

- VACCINE GUIDANCE: HB 767 (40-18; 74-38) expands the authority of the state's Immunization Advisory Committee and empowers the Illinois Department of Public Health Director to issue Illinois-specific vaccine and medical-countermeasure guidelines, ensuring they are publicly published. The legislation also requires health insurance plans to cover immunizations recommended under these state guidelines and strengthens oversight of how vaccines are administered by pharmacists and other providers. Supporters describe it as the first-in-the-nation bill of its kind.
- MENTAL HEALTH: HB 1085 (48-10; 86-19) expands mental health and substance use disorder (SUD) coverage under private insurance plans. Beginning in 2026, insurers must provide full coverage for medically necessary mental health and SUD services, and by 2027, they must meet new minimum reimbursement rates for in-network behavioral health providers. The bill also authorizes the Department of Insurance to enforce parity compliance and issue penalties for violations.

• **IMMIGRATION:** HB 1312 (40-18; 75-32) attempts to broaden protections for immigrants and restricting civil immigration arrests in state courthouses, schools, and higher education institutions. The bill prohibits federal civil immigration enforcement from conducting arrests or questioning individuals in or around these locations without a judicial warrant. It also bars state and local officials, including employees of public colleges and universities, from disclosing an individual's immigration status unless required by law.

For higher education, the measure requires colleges and universities to adopt written policies on law enforcement access, post information about immigrant rights and resources, and report annually to state agencies.

- **SUNSET OMNIBUS:** HB 1437 (41-16; 74-26) represents a broad "sunset" and cleanup bill extending or restoring repeal dates across numerous statutes, including programs related to elections, aging, child welfare, public health, taxation, and transportation. The measure re-enacts laws that had inadvertently expired—such as the Illinois RICO statute, the Elections and Infrastructure Integrity Task Force, and Menard County's quick-take authority—and standardizes reporting and procedural timelines across multiple codes. It also clarifies that amendments to the Prevailing Wage Act under Public Act 104-17 will take effect July 1, 2026, rather than immediately. Overall, the bill preserves program continuity and corrects technical statutory lapses across state government.
- RACINO: <u>HB 2724</u> passed the Senate (49-8) seeking to revitalize the state's horse-racing industry by authorizing development of a new harness-racing facility in Macon County, opening the door for a privately funded "racino" project in Decatur valued at approximately \$220 million, anticipated to create hundreds of jobs, and generate significant annual revenue. The bill would also set a deadline for the development of an additional harness racetrack and horse racetrack casino, or racino, in Cook County's south suburbs. The proposal now moves to the House for further action.
- LABOR OMNIBUS: HB 3005 (81-25; 40-19) clarifies field mechanics, technicians, and similar workers on public works projects must be paid the prevailing wage for time spent transporting parts, materials, or equipment to and from a job site regardless of whether they are employed by a contractor, subcontractor, seller, or supplier and maintains existing exemptions for sellers and suppliers. The bill also authorizes the Illinois Department of Labor, subject to appropriation, to establish a state mediation service to assist employers and labor organizations in resolving workplace disputes.
- HIGHER EDUCATION SCHOLARSHIPS: The General Assembly unanimously approved <u>HB 3065</u>, a
  bill designed to safeguard eight diversity-focused scholarship programs administered by the
  Illinois Student Assistance Commission (ISAC) from ongoing litigation. The legislation replaces
  race- or ethnicity-based eligibility criteria with income-based qualifiers. The bill aligns the
  programs with federal legal standards and removes race as a required characteristic.
- HOMEOWNERS INSURANCE: Legislation to overhaul Illinois' insurance rate-setting process, known as the *Insurance Rate Regulation Bill* (HB 3799), passed the Senate but <u>failed in the House</u> after members declined to concur with Senate amendments, preventing the measure from advancing to the Governor's desk.

The bill sought to establish greater state oversight of insurance premiums and require prior approval for rate increases. Supporters argued the change was needed to address rising homeowner and auto insurance costs, while opponents warned it would impose excessive regulation and drive-up premiums.

## **No Action on Congressional Remap**

Despite reports that U.S. House Minority Leader Hakeem Jeffries has urged Illinois Democrats to consider redrawing the state's congressional map, legislative leaders have made clear no such action will be taken this fall. The proposal—which could yield one additional Democratic seat—has drawn limited enthusiasm from state lawmakers and notable opposition from members of the Illinois Legislative Black Caucus, who warn that new boundaries could weaken Black political representation in Chicago-area districts. For now, House and Senate leaders say no remap will advance during veto session, and Gov. JB Pritzker remains noncommittal.

# Tier 2 Pension Reform Bill Moves Forward but Faces Key Hurdles

A bill targeting reforms to Illinois' Tier 2 pension system advanced out of a House committee last week, proposing lower retirement ages, higher cost-of-living adjustments, and a higher salary cap for public employees hired since 2011. The measure elicited strong support from labor unions but drew caution from Governor JB Pritzker, who insisted the legislation must not undermine the state's credit rating or fiscal progress.

#### **Lawmakers Shut Down Stadium Funding Talks for the Bears**

During veto session, the General Assembly took explicit steps to block any state assistance for the Chicago Bears' proposed stadium project. In addition to declining to consider direct funding or tax incentives, lawmakers inserted language in the new STAR bond legislation specifically excluding professional sports teams from eligibility for the financing program. The move underscored the legislature's intent to ensure that taxpayer-backed economic development tools are not used to subsidize private stadium projects.

# **Campaign Updates**

The 2026 Illinois primary election is scheduled for Tuesday, March 17, 2026. As of November 3, 2025, candidates for 2026 have all turned in their nominating petitions, so now the effort begins to dispute challengers' signatures. Election officials will hold lotteries Nov. 10 to determine ballot order.

- Rep. Chuy Garcia is expected to retire from Congress, as his chief of staff, Patty Garcia, has filed petitions on the final day of filing to run for his 4th District seat. The move appears aimed at ensuring Latino representation continues in the district. Ms. Garcia will become the Democratic Party's nominee, and, in this safely blue district, will almost certainly win the seat.
- ❖ Republicans filed candidates for all statewide offices except treasurer, leaving Treasurer Michael Frerichs unopposed in his 2026 re-election bid, the first time in at least 90 years a statewide candidate has faced no major-party opposition. Several GOP contenders filed for other statewide races, including six for governor, three for attorney general, one for comptroller, and two for secretary of state.

Rep. Marty Moylan (D-Des Plaines) announced he will not seek a seventh term in the Illinois House, citing health issues and a desire to retire from state politics. Moylan, who has chaired the House Transportation: Rail Systems, Roads & Bridges Committee and played a key role in transit reform, plans to endorse his chief of staff, Justin Cochran, as his successor, who filed his petitions on the final day.

# **Policy Updates**

#### **Governor Pritzker Bolsters Food Assistance Amid SNAP Disruption**

Governor JB Pritzker signed Executive Order 2025-08 on October 30 directing \$20 million in state funding to Illinois food banks in response to the Trump Administration's suspension of SNAP benefits for nearly two million residents. The order launches a coordinated statewide strategy to protect food access, support grocers, and collect data on hunger impacts while federal benefits remain halted.

As of early November, federal officials have announced SNAP payments will resume at roughly half their normal amount following court challenges, though the timing of disbursements remains uncertain. Illinois officials continue working with food banks and community partners to fill the gap for families facing delayed or reduced benefits.

#### **Governor Declares Agricultural Trade Crisis Amid Tariffs**

Governor JB Pritzker issued Executive Order 2025-07 on October 29 declaring an Agricultural Export Crisis in Illinois in response to the economic harm caused by the Trump Administration's tariffs and trade policies. The order directs state agencies to expand domestic markets for farm products and strengthen mental health resources for farm families through programs like the Farm Family Resource Initiative and the 833-FARM-SOS helpline.

Citing steep declines in soybean exports, rising input costs, and increased foreign competition, Pritzker said the state will "stand with our farmers" while Washington fails to act. The order mobilizes the Illinois Department of Agriculture and the Department of Commerce and Economic Opportunity to promote local markets and support rural stability as tariffs continue to strain Illinois' \$26 billion agricultural economy.

# Illinois' "Swipe-Fee" Ban Headed for Court Decision

The Interchange Fee Prohibition Act, a landmark Illinois law, would make the state the first jurisdiction in the world to ban financial institutions from charging "interchange" or "swipe" fees on the tax and tip portions of credit and debit-card transactions. Federal court arguments were heard recently before the U.S. District Court for the Northern District of Illinois; the ruling, expected in the coming weeks, will determine whether the law can stand. Although passed in May 2024 and slated to take effect July 1, 2025, the law's implementation was delayed until July 2026 amid ongoing litigation and provisional injunctions that currently limit its reach.

# \$32 Million Available for Regional Site Readiness Grants

The Illinois Department of Commerce and Economic Opportunity (DCEO) is launching \$31.5 million in new funding through the Regional Site Readiness Program to help communities prepare underused or vacant properties for business and industrial development. Funded under the Governor's broader *Site Ready Illinois* initiative, the program supports planning, environmental assessments, and infrastructure

upgrades—such as road and water improvements—to make more sites across Illinois development-ready. Local governments, economic development groups, nonprofits, and private landowners are eligible to apply for grants of up to \$150,000 for planning and \$5 million for capital projects. Applications will be accepted on a rolling basis through March 31, 2026, or until funds are depleted.

#### **Treasurer Offers Relief Loans for Unpaid Federal Workers**

State Treasurer Michael Frerichs announced a \$50 million program to provide zero- and low-interest loans to unpaid federal employees during the government shutdown. Through the Treasurer's linked-deposit program, participating banks will offer below-market loans to help the more than 150,000 affected Illinois workers cover basic expenses.

# **Cache Energy Expands Champaign Manufacturing Facility**

Cache Energy is investing \$2.5 million to expand its 10,000-square-foot manufacturing facility in Champaign, adding 20 new jobs while retaining its current workforce. The company, which develops long-duration energy storage technology using limestone-based materials, will install a one-ton-per-hour production line and build a one-megawatt energy storage system to support renewable power generation. The project is supported by the state's Reimagining Energy and Vehicles (REV) Illinois program through the Department of Commerce and Economic Opportunity.