



## Illinois Capitol Update December 16, 2025

Lawmakers are back in their districts until January, focused on constituent outreach and March primary campaigns. Bills passed during veto session are now on the Governor's desk, with action underway.

Now is the time to finalize **bill drafting requests** for the spring session. The agenda is expected to center on follow-through from veto session, particularly the **energy omnibus** and **transit reform** packages, both of which include **delayed effective dates** after spring adjournment. Transit discussions will continue to focus on the revenue shift from the Road Fund to transit, a key issue for downstate stakeholders. Property tax reform, homeowners and auto insurance reform, and potential legislative responses to actions by the Trump administration are also likely topics.

With little momentum expected before the **March 17 primary** and the constraints of an election year, major initiatives will be difficult to advance. Lawmakers face tightening revenues and significant funding pressures from Medicaid, SNAP, pensions, and education.

With the 2026 legislative calendars now set, the limited overlap between House and Senate session days next spring will make advocacy more challenging, as stakeholders will compete for fewer windows when both chambers are in Springfield. 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. Currently, the Illinois State Board of Elections is weighing challenges to candidate petitions.

- ❖ **Governor's Race:** Former state senator and 2022 GOP nominee **Darren Bailey** announced he will continue his campaign for governor, less than three weeks after a helicopter crash killed his son, daughter-in-law, and two grandchildren. **Gov. JB Pritzker** has seeded his 2026 campaign with a \$25.5 million self-deposit, setting a high barrier for potential opponents.
  - ❖ **Harmon Case:** A \$9.8 million campaign finance fine against Senate President Don Harmon was
-

dropped after a 4–4 State Board of Elections deadlock.

- ❖ **House Vacancy: Rep. Marty Moylan** (D-Des Plaines) will resign on **December 16** due to health issues, creating a vacancy. Democratic township committee members will appoint his replacement within 30 days. Moylan endorsed his chief of staff, **Justin Cochran**, as his successor, and Cochran is the only candidate to file petitions to run for the office in the upcoming election.
- ❖ **Congressional Map:** A mid-decade remap appears unlikely following Indiana’s failure to act and opposition within the Illinois Democratic caucus, especially as Democrats weigh short term advantage in the midterm when the president’s party typically struggles against the risk of putting several marginal seats in play in a more competitive 2028 cycle.
- ❖ **Push for Millionaires Tax Amendment for 2026 Ballot:** Former Gov. Pat Quinn is urging lawmakers to advance a constitutional amendment that would add a 3% surcharge on income over \$1 million, arguing it could generate roughly \$4.5 billion in annual revenue to fund property tax relief.

---

## Fiscal & Budget Pressures

### State Agency Spending-Cut Plans Remain Unclear

Despite issuing an executive order on September 23 requiring most state agencies to submit spending-cut plans by October 23, the Governor’s administration has not shared the details of those plans, citing internal review. The EO also directed the agencies to reserve 4% of fiscal year 2026 General Fund appropriations.

The General Assembly’s bipartisan Commission on Government Forecasting and Accountability’s November report shows state revenue continues to remain up so far in FY26 compared to this time in FY25. Pritzker’s budget office, however, released a report in October that the state is on track to run a more than \$200 million deficit in FY26 – though legislative action from the veto session “decoupling” state taxes from the federal tax code in certain areas could erase some of that projected deficit.

### K-12 Funding Gaps Loom Large in Illinois

The Illinois State Board of Education reported school districts and stakeholders have requested nearly \$748 million in *new* K-12 funding for FY 2027, well above what the state is likely to provide amid budget tightening and Governor JB Pritzker’s call for agencies to identify 4 % spending cuts. Key priorities include the full \$350 million boost to the Evidence-Based Funding formula, a \$100 million increase for mandated categorical programs (such as special education, transportation and school meals), and additional funding for literacy, multilingual education, and early childhood grants.

### Illinois Pension Funding Ratio Continues to Improve

Illinois’ pension funding ratio rose to 47.8%, marking the fourth consecutive year of improvement, according to COGFA, though the system remains significantly underfunded. The unfunded liability held relatively flat at \$143.5 billion, reflecting only modest progress, while lawmakers continue to discuss pension reform with no major legislation expected to advance in the near term amid concerns from the governor’s office about protecting the state’s recent credit upgrades.

---

## Major Policy Updates

### State Energy Study Flags Risk of Future Power Shortages

State energy regulators released a long-awaited Resource Adequacy Study warning that Illinois could face

electricity supply shortages later this decade if current trends continue. The study finds that rapid growth in electricity demand, driven largely by data centers, combined with the planned retirement of aging power plants is putting increasing pressure on the regional power grid. Shortages are projected to begin around 2030 in northern Illinois and shortly thereafter in central and southern Illinois, depending on regional grid conditions.

The report also acknowledges that some existing fossil fuel plants may need to remain online in the near term to maintain reliability, despite long-term clean energy goals. State agencies are expected to develop follow-up recommendations over the next two years, which are likely to factor into energy-related debates during the upcoming spring legislative session.

### **Pritzker Signs Major Transit Overhaul to Address \$770M Fiscal Cliff**

Gov. JB Pritzker signed SB2111 into law, replacing the Regional Transportation Authority with the new Northern Illinois Transit Authority (NITA) and restructuring transit governance and funding to avert a projected \$770 million fiscal cliff as federal COVID-era aid expires. The law redirects motor fuel sales tax revenue and Road Fund interest to transit operations, establishes a universal fare system, prioritizes safety reforms and zero-emission buses, and includes dedicated investments for both the Chicago region and downstate transit systems, marking the most significant overhaul of Illinois transit in decades.

### **LiUNA Splits from Illinois AFL-CIO**

LiUNA's Midwest Region, representing 25 Illinois local unions with more than 17,000 members, has voted to disaffiliate from the Illinois AFL-CIO. In a letter to President Tim Drea, LiUNA leaders accused the federation of withholding critical legislative information about the proposed transit funding plan and misrepresenting labor's unified position during the final days of session. The transit legislation (SB 2111) will reroute approximately \$860 million in motor-fuel sales tax revenue and up to \$200 million in interest (90% to the Chicago-area RTA and 10% to downstate transit systems) from the state Road Fund towards transit operations, rather than traditional highway and road construction.

### **Illinois Ag Director: Trump Trade Policies "Crushing" Farmers**

Illinois Department of Agriculture Director Jerry Costello II warned that Trump administration trade policies are again inflicting significant harm on farmers, noting that agricultural export losses exceeded \$27 billion during the previous trade war while the newly announced \$11–12 billion aid package is roughly half the size of prior federal assistance. Costello said the smaller aid package will not offset continued market losses, lower commodity prices, higher input costs, or weakened export relationships, particularly with China, arguing farmers "want trade, not aid," and that repeated bailouts fail to repair long-term economic damage to the agricultural sector.

### **Immigration-Related Legislation Enacted**

Gov. Pritzker signed the *Court Access, Safety, and Participation Act*, which restricts civil immigration arrests near state courthouses and allows residents to sue federal immigration agents for constitutional rights violations. It also limits what public colleges, hospitals, and childcare facilities can disclose about immigration status; the law is expected to face legal challenges.

### **Illinois Gets Authority for State-Specific Vaccine Guidelines**

Gov. Pritzker signed House Bill 767 into law, empowering the Illinois Department of Public Health to issue state-specific vaccine guidance independent of federal recommendations and requiring state-regulated insurance plans to cover vaccines the state endorses. The legislation also strengthens the state's Immunization Advisory Committee and aims to ensure science-based immunization policy and expanded

access amid evolving federal guidance.

### **Pritzker Signs End-of-Life Medication Law**

Gov. Pritzker signed legislation allowing terminally ill adults with a prognosis of six months or less to receive prescribed end-of-life medication, making Illinois the 12th state to permit the practice. The law will take effect in September 2026 and includes multiple safeguards, including physician confirmation, mental capacity evaluations, and informed consent, and passed despite strong opposition from religious and some disability rights groups.

### **Illinois Pushes Back on Trump AI Executive Order**

President Trump signed an executive order establishing a national framework for artificial intelligence that seeks to limit state-level regulation and authorizes federal challenges to state AI laws, including potential restrictions on certain federal funding. Illinois lawmakers responded by emphasizing that executive orders cannot preempt state law and reaffirmed the state's commitment to existing AI protections, particularly those addressing discrimination, employment practices, credit decisions, and mental health services.

### **ICC Cuts Nicor and Ameren Gas Rate Hikes**

The Illinois Commerce Commission approved sharply reduced gas rate increases for Nicor and Ameren, cutting the utilities' proposals by more than half after rejecting what commissioners called excessive spending and inflated project costs. Nicor will receive \$146.5 million instead of its requested \$314.3 million, while Ameren's request was reduced from \$128.8 million to \$73 million.

### **Environmental Groups Urge State Action After Federal Wetlands Rollback**

Environmental advocates warn that Illinois' waterways face heightened risk after a new federal WOTUS rule and recent Supreme Court decisions significantly narrow Clean Water Act protections, potentially leaving 72% of the state's remaining wetlands unprotected. The Prairie Rivers Network and Illinois Environmental Council are calling on Gov. Pritzker and lawmakers to pass the Illinois Wetlands Protection Act (SB2401/HB3596) to establish a state permitting program safeguarding wetlands vital for drinking water, wildlife habitat, and flood control.

---

## **Economic Development & Local Updates**

### **Plans Unveiled for New Par-A-Dice Casino in East Peoria**

Boyd Gaming has revealed a \$160 million plan to replace the aging Par-A-Dice Riverboat Casino in East Peoria with a larger, modernized facility that would expand gaming space and add amenities like a ballroom, steakhouse and gastropub; the proposal was presented to the Illinois Gaming Board on December 11 and will be revisited in February before any approval is granted. The design aims to satisfy Illinois' riverboat casino requirements by constructing the new building over a 1,000-gallon water basin filled from the Illinois River, a creative interpretation of "water-based" gaming that allows the project to remain in East Peoria, but has drawn pushback from Peoria city officials who argue it might violate a decades-old intergovernmental agreement on casino location.

### **Illinois EPA Approves South Works Quantum Campus Plan**

The Illinois EPA has approved environmental permits clearing the way for redevelopment of the former South Works steel mill site into a quantum computing campus, a major step toward transforming the long-vacant Southeast Side property into a hub for advanced research, technology, and related economic

development.

### **Record Enrollment in Illinois Higher Education**

Gov. Pritzker and IBHE announced that Illinois' public universities reached their highest enrollment in a decade, with nearly 190,000 students enrolled this fall, a 2.3% increase and the second year of growth. Gains were driven by higher freshman enrollment, more transfer students, and stronger retention, with significant increases among African American and Latino students. The administration credits years of major investments in higher education, expanded financial aid, and new initiatives like direct admissions. Community colleges also saw a 3.7% enrollment increase statewide.

### **Digital IDs**

Illinois residents with iPhones or Apple Watches can now add their driver's license or state ID to Apple Wallet, with Android compatibility planned for later. The digital ID is optional and statutory physical cards are still required, especially for driving and law-enforcement use. Businesses and TSA agents at airports will be able to scan the digital IDs, and the technology limits how much personal information is exposed, such as revealing only that someone is 21+ without showing a full address. To activate, users must upload a photo of their physical ID, take a selfie, and verify via their device; the state will then issue the digital version.

### **Pritzker Highlights \$430M Erased Through Medical Debt Relief Program**

Gov. Pritzker announced the Illinois Medical Debt Relief Program has eliminated nearly \$430 million in medical debt for more than 357,000 residents in its first year for an average of over \$1,100 per person. Backed by \$2.8 million in state funding and expanded to \$15 million in the FY26 budget, the program automatically wipes out debt for eligible low-income households and those whose medical bills exceed 5% of their income, with the state aiming to ultimately relieve \$1 billion in total debt.

### **Sen. Emil Jones III Enters Deferred Prosecution Deal**

State Sen. Emil Jones III has agreed to a deferred prosecution agreement with federal prosecutors that will cancel his scheduled retrial on bribery, wire fraud and lying to the FBI charges and likely lead to those charges being dropped after one year, provided he pays a fine and stays out of legal trouble. Under the deal, Jones must also admit to making a false statement to FBI agents; the agreement follows a mistrial earlier this year in the bribery case. Jones is opposed in the Democrat primary by Ahmed Karrar.

### **IDOT Updates DBE Requirements Following Federal Rule Change**

In response to the U.S. Department of Transportation's recent Interim Final Rule overhauling the Disadvantaged Business Enterprise (DBE) program, IDOT announced newly advertised projects will temporarily move forward without DBE participation goals until the federal government completes a nationwide reevaluation of DBE eligibility and goal-setting practices. Existing DBE commitments on contracts executed before October 3, 2025, remain fully in force and must be honored. IDOT circulated updated guidance and an informational flyer outlining the transition period and emphasizing that contractors should continue tracking federal updates as USDOT refines its compliance framework.

### **Obama Presidential Center Set to Open in June**

Former President Barack Obama announced that the Obama Presidential Center in Chicago's Jackson Park will open in June, marking a major milestone for the long-anticipated project and setting the stage for new cultural, educational, and economic activity on the South Side.

### **WIU to Sell Quad Cities Campus Building**

Western Illinois University's Board of Trustees unanimously approved the sale of its Quad Cities campus building, citing a strategic shift toward consolidation and flexible learning. University officials said proceeds from the sale will be used to support students and core academic programs.

### **\$20 Million for Public EV Charging**

The Illinois EPA is offering \$20 million for new public electric vehicle charging stations through CEJA and Rebuild Illinois. Applications open Nov. 17 at 9 a.m. on a first-come basis for Level 2 and Level 3 chargers. Projects in Equity Investment Eligible Communities receive priority. Details and materials are on the Driving a Cleaner Illinois webpage.

### **Pritzker Adds Two Members to Illinois Accountability Commission**

Gov. Pritzker appointed former federal prosecutor Jimmy Arce and Metropolitan Family Services CEO Ric Estrada to the Illinois Accountability Commission, created to review federal immigration enforcement actions. The new members bring investigative and community leadership experience as the commission expands staffing, begins outreach, and advances work launched under the governor's October executive order.