



## Illinois Capitol Update September 29, 2025

Lawmakers will return to Springfield next month for the fall Veto Session. In addition to consideration of the Governor's veto actions, legislators are expected to debate a range of other issues. Potential topics include Chicagoland transit, energy prices, privacy laws, property insurance rates and approval processes, and funding for Chicago Public Schools.

### Next Legislative Schedule

Lawmakers are next scheduled to return **October 14–16** and **October 28–30**.

### Former Gov. Jim Edgar (1946–2025)

Former Illinois Gov. Jim Edgar passed away on September 14 at age 79, following complications related to treatment for pancreatic cancer. A Republican who served from 1991–1999, Edgar was widely respected for fiscal stewardship and a bipartisan, civil approach to governing. Tributes poured in from leaders of both parties; Gov. JB Pritzker ordered flags flown at half-staff in his honor. Public visitation was held at the Illinois State Capitol, with a memorial service in Springfield last weekend.

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## Campaign Updates

- **Sen. Bill Cunningham** (D-Chicago) announced he will not seek re-election in 2026 and will endorse former Rep. **Fran Hurley** for his 18th District Seante seat. Cunningham has served in the Senate since 2013 and has become an energy policy expert during his service.
- **Rep. Nick Smith** (D-Chicago) announced he will not seek re-election in 2026. Smith was appointed to his seat in 2018.
- **Ted Dabrowski**, former banker and conservative policy advocate, officially launched his Republican campaign for Illinois governor. He will face off against former 2022 gubernatorial candidate and former state Senator **Darren Bailey** and DuPage County Sheriff **James Mendrick**.
- **Rep. Terra Costa Howard** has been appointed to serve as a judge in DuPage County. Her term will begin on October 17.

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## Policy Updates

### Pritzker Orders Statewide Budget Cuts

Gov. JB Pritzker has directed most state agencies to identify immediate spending reductions and set aside 4% of their fiscal year 2026 budgets—about \$2.2 billion—in anticipation of economic strain tied to federal policies. The order also pauses nonessential purchases and travel, though agencies such as the State Board of Education and state pension systems are exempt. Pritzker said the move is a precaution against a potential recession and declining state revenues.

### **Lawmakers Continue Energy Bill Hearings Amid Cost, Reliability, and Data Center Pressures**

Both the House and Senate have now held subject matter hearings on major energy proposals, underscoring the complexity of passing a comprehensive reform package.

In the Senate, lawmakers debated SB 40 (Cunningham), the Clean and Reliable Grid Affordability Act, which would expand renewable targets, require integrated resource planning, and strengthen reporting on generation and power purchases. Testimony highlighted rising costs for ratepayers, the growing electricity demands of data centers, and the role of battery storage. Industrial groups cautioned about cost impacts, while environmental advocates pushed for firm carbon-free power. With 10 panels still to cover, including nuclear, transmission, and consumer protections, the committee has scheduled a follow-up hearing.

***\*The Senate Energy and Public Utilities Committee will reconvene on 10/2/2025 at 10:30 AM.***

In the House, members reviewed HCA 2 to SB 25 (Hoffman), a draft omnibus bill focused on adding battery storage, developing virtual power plants, and curbing misleading solar marketing. Supporters said storage is critical to reliability, but industry representatives questioned cost estimates ranging from \$1.4 billion to \$14 billion and raised oversight concerns. Lawmakers stressed that while immediate bill relief is unlikely, long-term resource adequacy is essential.

***\*The House Executive Committee will reconvene on 10/3/2025 at 10 AM.***

With two reform packages stalled earlier this year, leaders signaled that negotiations will continue through Veto Session, with unresolved issues like data center energy demand, labor provisions, and transmission planning at the forefront. A final package could emerge later this fall or in spring session.

### **Immigration Enforcement in Illinois**

ICE's "Operation Midway Blitz" has resulted in nearly 550 arrests in the Chicago area since early September, prompting protests, legal challenges, and scrutiny of alleged unlawful arrests. Over the weekend, tensions escalated when dozens of armed federal officers patrolled downtown tourist areas, drawing condemnation from Gov. JB Pritzker and Mayor Brandon Johnson as a show of intimidation. DHS defended the action as targeting fentanyl traffickers, while protests also continued at the Broadview facility, where clashes led to multiple arrests.

### **Pritzker Launches Statewide Vaccine Access Initiative**

Gov. JB Pritzker has signed Executive Order 2025-04 creating a Statewide Vaccine Access Initiative to ensure Illinois residents can access COVID-19 and other vaccines amid shifting federal policies. The order directs the Illinois Department of Public Health, guided by its Immunization Advisory Committee, to issue standing orders authorizing providers such as pharmacists to administer vaccines, including flu, RSV, and routine childhood immunizations. State agencies will also publish plain-language guidance, support school-based programs, and partner with local health departments and community providers to expand availability during the fall respiratory virus season and beyond.

### **IDFPR Announces Permit Process for International Physicians**

The Illinois Department of Financial and Professional Regulation launched a new licensure pathway for internationally trained physicians. The *International Medical Graduate Limited License* allows doctors trained outside the U.S. to practice under the supervision of a licensed physician for two years, after which they may apply for a restricted license to practice independently. The measure is expected to help address physician shortages across the state while maintaining patient safety standards. Additional visiting

permits for international physicians, professors, and residents are now also available through IDFPR's online system.

#### **IDOI Releases 2026 Marketplace Rates**

The Illinois Department of Insurance announced 2026 plan year rates for the Get Covered Illinois Marketplace, with an average statewide increase of **28.8%**. Rates vary by region and plan, and final costs will depend on individual eligibility for subsidies. Open enrollment for 2026 coverage runs **Nov. 1, 2025–Jan. 15, 2026**, with the transition to Illinois' new state-based marketplace and expanded consumer assistance resources.

#### **Pritzker Warns Trump Medicaid Cuts Threaten Rural Hospitals**

Governor Pritzker warned Trump's budget bill, which slashes Medicaid funding, could force rural hospital closures across Illinois. The Department of Healthcare and Family Services estimates more than 270,000 residents will lose coverage, with rural hospitals facing a \$6.36 billion funding loss. Nine hospitals are considered at risk of closure, potentially eliminating over 500 beds and 2,500 jobs while leaving some communities more than 30 minutes from the nearest emergency care. Pritzker pledged to work with state agencies to protect rural healthcare access and mitigate the federal cuts' impact.

#### **Raoul Secures Release of Withheld Federal Funds for Education and AmeriCorps**

Illinois Attorney General Kwame Raoul announced two major agreements with the Trump administration to release previously withheld federal funds following multistate lawsuits. Illinois will receive **\$219 million in education funding** by Oct. 3 to support after-school enrichment, workforce development, and instruction for English learners. In addition, **\$184 million in AmeriCorps funding** will be restored nationwide, ensuring hundreds of Illinoisans can continue serving vulnerable populations. Both agreements resolve lawsuits led by Raoul and a coalition of attorneys general and governors.

#### **Judge Blocks Trump Disaster Aid Rule**

A federal judge struck down the Trump administration's effort to tie FEMA disaster funds to state cooperation with immigration enforcement. The court found the policy unlawful and coercive, siding with 20 Democratic-led states, including Illinois, that argued it threatened critical preparedness and recovery dollars. The decision ensures Illinois will not risk losing FEMA support for refusing to certify compliance with federal immigration demands.

#### **Justice Department Sues Illinois Over In-State Tuition for Undocumented Students**

The U.S. Department of Justice filed a lawsuit against the State of Illinois challenging the state's policy that allows undocumented students to pay in-state tuition and access state-administered scholarships. The DOJ alleges this practice unlawfully discriminates against out-of-state U.S. citizens by offering benefits not available to them.

Illinois enacted this policy in 2003; it grants eligibility to undocumented students who attended an Illinois high school for at least three years, graduated, and signed a pledge to apply for permanent residency. The state also recently expanded eligibility for state-funded aid under the amended RISE Act. If the policy is overturned, nearly 27,000 undocumented students will be affected.

#### **Pritzker Appoints Members to Autism Data Privacy Advisory Group**

Gov. JB Pritzker announced appointments to the new Illinois Autism Data Privacy Advisory Group, created under Executive Order 2025-02 to strengthen protections for people with autism and safeguard sensitive data. The group includes medical experts, advocates, parents, and legal professionals from across Illinois.

and beyond. Deputy Gov. Grace Hou said the panel will guide ethical, effective policies to improve services while protecting families' privacy. The initiative follows controversial federal proposals for a national autism registry.

#### **Illinois Blocks CBP Access to License Plate Data**

Illinois Secretary of State Alexi Giannoulias has cut off U.S. Customs and Border Protection from accessing state license plate reader data after an audit found CBP could track driver movements, violating state law. The audit revealed that Flock Safety, which operates Illinois' ALPR network, lacked safeguards to prevent unauthorized access, including a pilot program with CBP that Flock leadership was unaware of. Giannoulias has paused the program and is urging local law enforcement to review agreements to ensure compliance with the Illinois Trust Act.

#### **Frerichs Reports Record \$1.57 Billion in FY25 Investment Earnings**

Illinois Treasurer Michael Frerichs announced the state earned a record \$1.57 billion in investment income during FY25, helping reduce pressure on taxpayers. In addition, the Illinois Funds local government investment pool generated \$998 million in gross earnings to support schools, cities, counties, and other units of government. The fund, which holds an AAA rating from Fitch, benefited from a policy change that allows the treasurer's office to invest directly in the stock market.

#### **Chicago Board of Education Approves 2025-26 Budget Without Borrowing**

The Chicago Board of Education approved Chicago Public Schools' \$10.25 billion 2025-26 budget in a 12-7 vote, rejecting a \$200 million high-interest loan pushed by Mayor Brandon Johnson to close the district's funding gap. The budget does not include a \$175 million pension payment for nonteacher staff and relies on \$379 million in not-yet-secured TIF surplus funds, along with \$1.8 billion in debt restructuring and \$272 million in central office savings. The district has addressed a \$734 million deficit with layoffs, service cuts, and spending adjustments, and unions such as CTU, SEIU Local 1 and 73, and state lawmakers voiced support for the budget. Officials warned that borrowing could increase CPS' debt to \$394 million over 15 years and potentially harm its credit rating.

#### **Federal Funds Released for Illinois EV Charging Network**

Illinois will receive \$18.4 million in federal funding to expand its electric vehicle charging network following a lawsuit that forced the Trump administration to release previously withheld funds. The money, part of the Bipartisan Infrastructure Law, will support 167 DC fast ports (~30-minute full charge) at 25 locations, including interstate stops such as Wally's in Pontiac and a Target in Gurnee. With this latest round, Illinois has secured a total of \$43.8 million to build 349 chargers at 62 sites statewide. The effort advances the state's goal of registering one million electric vehicles by 2030.

#### **O'Hare Sets All-Time Passenger Record in July**

O'Hare International Airport welcomed more than 8.26 million passengers in July 2025, surpassing its previous high from July 2019. Average daily traffic topped 266,000 travelers, and takeoffs/landings rose 13.2% from July 2024. The day after Lollapalooza, Monday, Aug. 4, set a single-day record with 117,871 passengers. City leaders linked the surge to strong airline commitments and ongoing ORDNext terminal investments.