

2026 Illinois State Legislature

End of Session Report

June 2026

Washington, D.C. | California | Colorado | Illinois | Nebraska | North Carolina | Texas | Wisconsin



Michael Best Strategies®

A Message from Our Illinois Strategies Leader

Dear Clients and Friends,

On behalf of the entire Illinois team at Michael Best Strategies, thank you for the trust and confidence you place in us to represent your interests before the Illinois General Assembly. It is a privilege to serve as your advocate, advisor, and strategic partner throughout the legislative process, and we appreciate the opportunity to help navigate the rapidly evolving policy landscape on your behalf.

The Illinois General Assembly concluded its 2026 Spring Legislative Session at nearly 4 o'clock in the early morning hours of June 1, bringing to a close a session uniquely shaped by differing legislative calendars and priorities between the House and Senate. As a result, many major policy proposals advanced independently through each chamber for much of the spring before lawmakers worked to reconcile priorities during the final weeks of session, particularly on budget-related matters and other end-of-session negotiations.

This dynamic was evident across numerous policy debates and perhaps most visibly illustrated by competing proposals concerning the future of the Chicago Bears, where each chamber advanced its own vision but ultimately adjourned without reaching consensus.

Despite those challenges, lawmakers approved a substantial body of legislation before adjournment. In total, **395 bills passed both chambers** this spring, including **229 House bills** and **166 Senate bills**, addressing a wide range of issues impacting **businesses, local governments,**

nonprofit organizations, educational institutions, healthcare providers, labor organizations, and communities across Illinois.

The following report is intended to provide a comprehensive review of the most significant developments from the 2026 spring session. Within these pages, you will find a detailed analysis of the Fiscal Year 2027 State Budget, an overview of the budget implementation (BIMP) legislation, and summaries of key legislative activity across notable areas of interest.

As always, our focus extends beyond tracking legislation. We strive to provide context, identify emerging trends, and help clients understand the broader political and policy implications that may influence future legislative, regulatory, and administrative action. While the spring session has concluded, many significant issues remain unresolved and are likely to return during **the Fall Veto Session scheduled for the weeks of November 17 – 19 and December 1-3** later this year, and potentially, into the 2027 legislative calendar.

We are proud of the work our team accomplished on behalf of our clients this session and remain committed to delivering the thoughtful analysis, strategic guidance, and effective advocacy that you expect from Michael Best Strategies.

For those interested in reviewing every measure approved by the General Assembly this spring, **a complete list of all 395 bills that passed both chambers is available through the** accompanying link**.** If you would like additional information regarding any legislation discussed in this report or would like to discuss its potential impact on your organization, please do not hesitate to contact a member of our Illinois government relations team.

Thank you again for the opportunity to serve you.

Sincerely,



Aaron Harris
Partner & Illinois Team Lead
Michael Best Strategies

Introduction

The 2026 Spring Session of the Illinois General Assembly reflected a legislature balancing competing priorities amid ongoing fiscal pressures, emerging technological challenges, infrastructure demands, and a rapidly evolving political environment ahead of the 2027 election cycle.

While many of the session's largest debates centered on the state budget, transit funding, public safety, pensions, housing, energy policy, and the growth of artificial intelligence and data centers, lawmakers also advanced hundreds of measures affecting virtually every sector of the Illinois economy. The result was a legislative agenda characterized by targeted policy changes, incremental reforms, and continued efforts to address long-term structural challenges facing the state.

Several themes emerged throughout the spring. Fiscal stewardship remained a dominant consideration as lawmakers crafted a budget that sought to balance new spending priorities against economic uncertainty and revenue constraints. At the same time, policymakers grappled with increasing demands on Illinois' transportation systems, electric grid, workforce development programs, healthcare infrastructure, and local governments. Legislators also continued to examine the role of emerging technologies, consumer protections, and environmental sustainability in shaping the state's future.

This report provides an overview of the most significant legislative developments from the spring session and highlights the measures most likely to affect Illinois businesses, local governments, nonprofit organizations, educational institutions, healthcare providers, labor organizations, and community stakeholders. While not every enacted measure is discussed in detail, the following pages are intended to provide both a comprehensive review of major legislative actions and a practical assessment of the policy trends that emerged during the session. **A complete list of all 395 bills that passed both chambers is available through the** accompanying link**.**

As Illinois moves toward veto session and preparations begin for the second half of the 104th General Assembly, many of the issues debated this spring will continue to evolve through administrative rulemaking, agency implementation, and future legislative negotiations. Understanding the direction of these policy discussions is critical to anticipating future opportunities, challenges, and areas of engagement.

The following sections provide detailed analysis of the Fiscal Year 2027 budget, budget implementation legislation, and significant policy developments across the major issue areas considered by the General Assembly during the 2026 spring session.

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Meet Our Team

With our wealth of experience spanning various industries and sectors, our consulting firm stands as a beacon of expertise and robust knowledge. We aid our clients in entering new markets to forge the future of industry. Our strategic planning and execution allow our clients to mitigate risks and capitalize proactively on identified opportunities to propel our clients' businesses forward.

State and local decisions directly impact how and where organizations operate, grow, and compete. Michael Best Strategies helps clients navigate the interconnected yet highly individualized landscape of state and local government through informed strategy, disciplined advocacy, and on-the-ground representation.

We partner with organizations to advance policy priorities, manage regulatory challenges, and engage effectively with decision-makers across states and municipalities nationwide.



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FY27 Budget & Budget Implementation Bills

Illinois Approves $55.9 Billion FY27 Budget with New Revenue Package, Housing Investments, and Tax Relief Measures

The General Assembly approved a **record-setting $55.95 billion Fiscal Year 2027 budget (HB 111)**, supported by a projected **$55.945 billion in state revenues**. The budget package, consisting of **HB 111 (appropriations), HB 2949 (budget implementation), and SB 3019 (revenue)**, relies on more than **$800 million in new taxes and fees** and **$185 million in fund sweeps** to support increased state spending.

To finance the spending plan, lawmakers also approved **SB 3019**, a comprehensive revenue package expected to generate approximately **$800 million in additional revenue during FY27**.

New Tax Revenue

Governor Pritzker and Democratic leadership signaled early on that there would be **no new broad-based taxes on individuals**. Instead, the revenue package relies on **targeted tax increases on various industries and new limitations on corporate tax deductions.**

SB3019 expands and phases in a more restrictive **Net Operating Loss (NOL) deduction cap**, limiting the use of prior-year losses to offset current income, which is projected to generate an estimated **$300 million**. *This was the largest of the new revenue enhancements.*

A new **social media platform fee** is projected to generate approximately **$200 million** by imposing a progressive, per-user monthly charge on large platforms with significant Illinois user bases. Platforms with at least 1 million users would pay a **$165,000 base fee plus $0.50 per user per month**.

In parallel, lawmakers enacted a **targeted digital advertising tax framework** but are not assuming any FY27 revenue due to anticipated legal challenges. Instead, the structure is intended for future activation once litigation is resolved.

The legislation also establishes **new taxes on digital assets and online gaming activity**. Beginning **January 1, 2027**, a **0.2% tax** will apply to digital asset transactions and services, including:

- Exchanges
- Transfers
- Storage
- Custodial services

The tax applies to businesses with a physical presence in Illinois or at least **$100,000 in annual receipts from Illinois customers**, meaning national platforms may face obligations regardless

of headquarters location. Compliance responsibility is placed on service providers rather than individual users, positioning Illinois as an early test case for broad taxation of digital asset infrastructure.

In the gaming space, the bill creates a new **15% tax on fantasy sports operators' adjusted receipts** under a newly established state licensing structure and extends taxation to sports bets placed on prediction market platforms. This comes amid an ongoing federal preemption dispute.

*The **Commodity Futures Trading Commission (CFTC)** sued Illinois following cease-and-desist actions against **Kalshi, Polymarket, and Crypto.com**, and that litigation remains unresolved and will continue to shape the regulatory landscape.*

Additional measures include:

- A new tax on remote cigar retailers projected to raise approximately **$3.8 million.**
- Roughly **$65 million** from combined digital asset and fantasy sports-related taxes.

Finally, approximately **$185 million in fund sweeps** and **$150 million in redirected motor fuel sales tax revenue**, shifted from transportation accounts into the General Revenue Fund, help close remaining gaps and support the FY27 operating budget.

Budget Highlights

Tax Relief & Housing

The FY27 budget includes **targeted tax relief measures** aimed at easing cost pressures on Illinois families.

- The state will **pause the annual July 1 motor fuel tax increase for six months**, providing temporary relief at the pump amid continued volatility in energy prices.
- Illinois will also **reinstate a back-to-school sales tax holiday** from **August 7 through August 16, 2026**, during which families can purchase school supplies, clothing, and computers without paying state sales tax.

One of Governor Pritzker's notable victories in the FY27 budget is a **substantial investment in housing affordability and supply.**

The spending plan includes **$250 million** for new missing middle and affordable housing initiatives through the Illinois Housing Development Authority (IHDA) and the Department of Commerce and Economic Opportunity (DCEO), including:

- **$100 million** for a new **Missing Middle Housing Infrastructure (M2I) Grant Program** designed to help developers access the capital needed to build new attainable housing.
- **$100 million** for additional affordable housing programs at IHDA.
- **$50 million** for the Opening Doors and SmartBuy down payment assistance programs.

However, it should be noted that despite securing these investments in affordable housing, Governor Pritzker was unable to advance one of the most ambitious components of his housing agenda.

The administration's proposal to establish statewide zoning standards allowing **"missing middle" housing developments by right** on certain residential lots failed to gain adequate support in the General Assembly before adjournment. The measure faced fervent opposition from local governments concerned about limiting local control over zoning and land-use decisions.

School Funding & Higher Education

In the area of school funding, the FY27 budget allocates the full, statutorily required **$350 million in new funding** to the Evidence-Based Funding formula (EBF), bringing total EBF funding to **$9.2 billion**.

Interestingly, the Governor's proposed budget, introduced in February, only included a $307 million increase for EBF, similar to what was enacted in FY26.

The FY27 budget restores the **Property Tax Relief Grant (PTRG)** to account for the remaining **$43 million**.

State universities and community colleges will receive a **1 percent increase in operating funding**, consistent with the level of support provided in the prior fiscal year.

Funding for the **Monetary Award Program**, our state's need-based tuition assistance program, will receive **level funding with FY26 at $721.6 million**.

Local Government

Additionally, local governments emerged from the budget process with an important funding source preserved.

Although Governor Pritzker initially proposed reducing **Local Government Distributive Fund (LGDF)** revenues, the final FY27 budget maintains the current level of income tax revenue sharing with municipalities and counties.

By keeping the distribution rate unchanged, lawmakers avoided a reduction in local revenues that many local officials warned could have increased fiscal pressures on communities and potentially shifted greater reliance onto local property taxpayers.

Finally, it's also worth noting that the spending plan includes a **3% pay raise for members of the General Assembly**, which will bring their base salaries to **$101,450**.

Energy

The FY27 budget carries a few provisions of note for the energy sector, though most are structural rather than new spending.

- As noted above, the budget **pauses the annual July 1 motor fuel tax increase** for six months, offering temporary relief at the pump amid continued energy-price volatility.
- The implementation bill also suspends transfers into the **Coal Technology Development Assistance Fund** for FY27.

Separately, and outside the budget itself, the year's most significant energy-affordability measure was the standalone **Clean and Reliable Grid Affordability Act (SB 25)**, signed in January, which is projected to deliver substantial consumer savings over the next two decades.

Environment

On the environmental side, the implementation bill:

- Dissolves both the **Coal Combustion Residual Surface Impoundment Financial Assurance Fund** and the **Carbon Dioxide Sequestration Long-Term Trust Fund** effective **July 1, 2026.**
- Folds their balances into the **Environmental Disaster and Remediation Fund.**
- Redirects **28 percent of carbon dioxide sequestration fees** to that fund.

The bill also raises **Pollution Control Board filing fees**, which apply to businesses seeking environmental variances and permits:

- From **$75 to $250.**
- With annual cost-of-living adjustments beginning **July 1, 2027.**

Healthcare

The budget package advances a number of healthcare initiatives.

MEDICAL DEBT RELIEF

The budget includes a new **$5 million deposit** into the Medical Debt Relief Pilot Program Fund, building on an initiative that has already:

- Erased more than **$1 billion** in medical debt.
- Assisted more than **500,000 Illinoisans** across all 102 counties.
- Eliminated an average of roughly **$1,200 in debt per person**.

MEDICAID & HOSPITAL FUNDING

At the same time, the implementation bill:

- Pushes back the start date for Medicaid reimbursement of licensed music therapist services from **July 1, 2025 to July 1, 2027**.
- Raises the ceiling on transfers into the **University of Illinois Hospital Services Fund** from **$55 million to $65 million** beginning in FY27.

For hospitals, the implementation bill also directs a total of **$110 million from the Hospital Provider Fund into the Health care Provider Relief Fund** in equal quarterly installments during FY27, supporting the State's Medicaid payment obligations.

DISTRESSED HOSPITAL LOAN PROGRAM (SB 3365)

The session's most significant action for safety net and financially distressed hospitals came through the Medicaid omnibus (**SB 3365**), which:

- Creates a new **Distressed Hospital Loan Program** in the Public Aid Code.
- Offers **interest-free cash-flow loans** to public, nonprofit, and for-profit hospitals in significant financial distress.
- Is administered by the Department of Health care and Family Services in coordination with the Department of Public Health and the Governor's Office of Management and Budget.

The loan-scoring methodology expressly weighs whether an applicant is:

- A small hospital
- A rural hospital
- A safety net hospital
- A critical access hospital
- A trauma center
- An urban hospital serving an underserved area
- A hospital serving a disproportionate share of Medicaid patients

Preference is given to nonprofit and public hospitals.

A new Distressed Hospital Loan Program Fund is to receive a transfer of up to **$85 million** from the Health care Provider Relief Fund on **January 1, 2027**. The program becomes operative that same day and is scheduled to sunset on **June 30, 2033**.

SB3365 also:

- Extends the statutory safety net hospital qualifying window from **December 31, 2026 to December 31, 2028**.
- Updates hospital rate-reform provisions, including the move to the **APR-DRG inpatient grouping methodology**.

The longstanding **Hospital Assessment Program**, which ties payments to Medicaid volume and acuity, remains authorized through its own separate, multi-year legislation, which hospitals should continue to monitor directly.

Insurance

For the insurance sector, the implementation bill:

- Continues the per-covered-individual assessment on pharmacy benefit managers, set at **$15** or an alternate amount established by rule.
- Directs the first **$25 million** to the **DCEO Projects Fund** to support pharmacy assistance grants.
- Adds detailed procedures governing refunds for overpayments under the assessment.

Human Services

The budget makes targeted investments in the human services workforce and safety net.

DEVELOPMENTAL DISABILITY WORKFORCE

For community-based intellectual and developmental disability providers, the bill sets new wage-increase schedules for direct support personnel:

- **$0.80 per hour increase** for services beginning January 1, 2026 (*$0.60 directed to base wages and $0.20 flexible*).
- **$0.60 per hour increase** for services beginning January 1, 2027 (*$0.30 and $0.30*).

Regional wage adjusters are set at:

- **1.00 minimum** outside the collar counties.
- **1.15 minimum** within Cook, DuPage, Kane, Lake, McHenry, and Will Counties.

FRESH PROGRAM

The budget also creates the **Families Receiving Emergency Support for Hunger (FRESH) Program,** which provides:

- A one-time $400 payment
- Delivered automatically to an EBT card
- No application required

The program is designed as a one-year bridge and is inoperative after **July 1, 2027**.

Department of Early Childhood

Separately, the bill transfers several childcare programs, including:

- Smart Start

- Off-Hours Child Care
- Home Child Care Grants

from the Department of Human Services to the new **Department of Early Childhood** effective **July 1, 2026**.

Local Government Measures

Beyond preserving LGDF revenue sharing, the budget package delivers additional items for local governments, addressed in the dedicated sections below.

These include:

- New State support for public defender services in smaller counties.
- A series of changes to transit governance and funding.

Transit

Transit drew significant attention in the FY27 package.

The implementation bill:

- Reflects the renaming of the **Regional Transportation Authority** to the **Northern Illinois Transit Authority.**
- Establishes new funding mechanics.
- Redirects interest earned on the Road Fund and State Construction Account Fund beginning in FY27 on a **90/10 basis** into:
    - The Northern Illinois Transit Authority Capital Improvement Fund.
    - The Downstate Mass Transportation Capital Improvement Fund.

The budget also:

- Continues a grant of up to **$11.5 million** to support PACE ADA and paratransit services.
- Reduces the COVID-era system-generated revenue recovery requirement for prior fiscal years through 2026.

For downstate systems, the bill creates:

- A **Downstate Reduced Fare Grant Program.**
- A **Downstate Cooperative Transportation Grant Program.**

Criminal Justice & Public Safety

On the criminal justice front, the implementation bill:

- Establishes new State funding to support public defender services in counties of three million residents or fewer.

- Requires that the funds augment rather than replace existing county budgets.
- Authorizes the use of the **Criminal Justice Information Projects Fund** for violence prevention purposes in FY27.

Property Tax Relief

The budget also strengthens the property tax relief tied to the **Property Tax Relief Grant Program**.

Beginning in FY27, a school district receiving a relief pool grant must file abatement resolutions for the grant year, the first successive fiscal year, and the second successive fiscal year.

This extends the levy reduction that taxpayers in participating districts see to **three consecutive tax years**.

Education

The implementation bill includes several additional education provisions beyond the funding figures above.

It directs the State Board of Education, from FY27 appropriations, to study best practices for funding:

- Regular education transportation.
- Vocational education transportation.
- Special education transportation.

Including the possibility of folding those reimbursements into the **Evidence-Based Funding formula**.

The bill also:

- Addresses educational costs for children in long-term acute care facilities, including resident-district identification and tuition reimbursement.
- Continues the special instant scratch-off game benefiting the **United Negro College Fund** in support of scholarships for Illinois college and university students.

Animal Welfare

Lawmakers Advance Animal Welfare, Shelter Operations, and Veterinary Care Reforms

Animal-related legislation during the 2026 spring legislative session focused primarily on improving transparency in animal adoptions, strengthening animal shelter operations, expanding access to veterinary services, and updating regulatory standards for animal care facilities.

Several measures advanced through both chambers that affect:

- **Animal shelters**
- **Animal control agencies**
- **Veterinarians**
- **Rescue organizations**
- **Pet owners throughout Illinois**

A recurring theme during the session was **increasing accountability and transparency within the animal adoption process.** Lawmakers approved measures requiring additional disclosures to adopters, expanding microchip registration requirements, and establishing new documentation standards intended to improve traceability and animal health outcomes.

These changes were supported by animal welfare advocates as a means of p**romoting responsible pet ownership and improving reunification efforts** when animals become lost or displaced.

The General Assembly also considered legislation aimed at strengthening oversight of animals imported into Illinois through shelters and rescue organizations.

Supporters argued that **enhanced veterinary examination requirements and disclosure requirements** would improve **animal health protections** and provide prospective adopters with better information regarding an animal's condition prior to adoption.

Veterinary workforce and animal health access issues also received attention.

Lawmakers approved legislation allowing **licensed veterinarians to delegate certain rabies vaccination duties** within animal shelters, animal control facilities, and public health vaccination clinics under defined supervision requirements. Proponents argued the measure will help increase vaccination capacity and improve access to preventative animal health services.

In addition, lawmakers considered measures **addressing exotic and dangerous animal ownership, fur facility regulation, and animal sourcing standards** for shelters and rescues. While some proposals remain pending or may return during veto session, the broader trend reflects continued legislative interest in animal welfare, shelter accountability, public health protections, and responsible animal ownership.

Several animal welfare proposals remain active or are expected to return in future sessions, including:

- Additional regulations on animal sourcing by shelters and rescue organizations
- Breeder and dealer transparency requirements
- Animal transport standards
- Further restrictions on ownership of exotic wildlife

Animal welfare advocates and industry stakeholders are expected to continue debating these issues during veto session and throughout the remainder of the 104th General Assembly.

High-Profile Legislation

ANIMAL WELFARE

Bill	Sponsor	Subject	Status
HB3647	Rep. Tarver	Requires licensed veterinary examinations for dogs and cats imported into Illinois by animal shelters or animal control facilities and requires examination records to be provided to adopters.	Referred to House Rules
HB5411	Rep. Cassidy/ Sen. Feigenholtz	Allows licensed veterinarians to delegate rabies vaccinations within animal shelters, animal control facilities, and government-authorized vaccination clinics to certified veterinary technicians and trained shelter vaccine administrators under specified supervision requirements.	Passed Both Chambers
HB4255	Rep. Cassidy/ Sen. Holmes	Creates additional regulations governing possession and ownership of certain large exotic cats and covered animals, expanding state oversight of potentially dangerous wildlife.	Passed Both Chambers
HB4777	Rep. Mah	Requires fur facilities operating in Illinois to obtain licensure from the Department of Natural Resources and prohibits establishment of new fur facilities after the effective date of the Act.	Referred to House Rules
HB4540	Rep. B. Hernandez/ Sen. Holmes	Creates the Companion Animal Custody Equity Act, allowing courts to consider the well-being of a household dog or cat when resolving possession disputes, including issuing temporary caregiving or visitation orders, considering special factors for senior pets, and encouraging mediation between the parties.	Passed Both Chambers

Bill	Sponsor	Subject	Status
SB2891	Sen. Halpin/ Rep. Johnson	Amends the Animal Welfare Act to require shelters and animal control facilities to microchip and register adopted dogs and cats, provide adopters with key behavioral and bite-history information, and share adopter and animal history records with authorized agencies upon request. The bill also prohibits the adoption or transfer of dogs deemed vicious under the Animal Control Act and strengthens transparency and recordkeeping requirements related to animal adoptions.	Passed Both Chambers
SB2892	Sen. Halpin/ Rep. Deuter	Allows law enforcement to seize companion animals when an owner is arrested for animal welfare violations and extends the deadline for prosecutors to seek permanent forfeiture of those animals.	Passed Both Chambers

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Notable Animal Welfare Proposals That Did Not Advance

While several animal welfare measures passed both chambers, a number of high-profile proposals generated significant debate among animal shelters, rescue organizations, breeders, veterinarians, and animal welfare advocates but did not reach final passage.

ANIMAL SHELTER & BREEDER REGULATIONS

One of the most closely watched animal welfare bills of the session proposed significant changes to how animal shelters and rescue organizations acquire dogs and cats. The legislation would have restricted shelters from accepting animals from certain out-of-state organizations unless extensive documentation requirements were met and established new standards for professional breeders.

Supporters argued the bill would increase transparency and help prevent animals sourced from commercial breeding operations from entering the shelter system. Opponents, including many animal shelters and rescue organizations, expressed concerns that the proposal could disrupt interstate rescue partnerships and reduce the ability of shelters to transfer animals from overcrowded facilities in other states. The bill generated substantial stakeholder activity but did not advance to final passage.

SHELTER & RESCUE TRANSFER RESTRICTIONS

Significant opposition from animal welfare organizations argued that a proposal could limit lifesaving transfer partnerships between shelters and rescue organizations. Advocates contended the measure would create additional barriers for transporting and placing animals in homes, while supporters argued greater oversight was needed within the shelter and rescue

network. The proposal became one of the most actively debated animal welfare bills of the session but ultimately failed to advance.

ANIMAL WELFARE ACT & DOG DEALER LEGISLATION

Several proposals were introduced to modify Illinois' Animal Welfare Act and redefine requirements applicable to dog dealers, breeders, shelters, and retail sellers. These measures reflected ongoing disagreements among animal welfare advocates, breeders, and industry stakeholders regarding animal sourcing, breeder regulation, and retail pet sales. While none of the major proposals advanced this session, similar legislation is expected to return in future General Assemblies.

Artificial Intelligence

Illinois Becomes 3rd State to Enact AI Guardrails

Starting with **more than 50 AI-related bills** filed across both chambers, two marathon Senate AI subject matter hearings yielded a package of **8 bills** that were sent from the Senate to the House in mid-May that included **frontier model safety guidelines, chatbot regulations, and other tech-related legislative measures**.

SB315 and **SB318** passed both chambers and will soon be awaiting the Governor's signature.

In recent months, public opinion polls have turned sharply against **AI technology** (and the expanding **data center infrastructure** that supports AI), paired with heartbreaking stories of families impacted by tragic events connected to AI usage. With this context in mind, legislators set out to implement regulations that better protect Illinois consumers.

The single most consistent theme across all eight bills was the perceived **failure of the federal government to act. Sen. Bill Cunningham (D-Chicago)**, who coordinated the package announcement, stated directly that *the lack of federal policy was a primary motivator for state action.*

Sponsors repeatedly invoked the social media regulatory experience as a warning. **Senate sponsor Mary Edly-Allen** compared the current AI environment to the *"wild, wild West"* and argued *Illinois could not repeat the minimal regulatory approach taken toward social media platforms in their early years.*

Illinois modeled its core bills closely after **2025 laws in California (SB 53)** and **New York (the RAISE Act)**. The alignment was intentional. By adopting compatible frameworks, the three states collectively aimed to create compliance pressure on the largest AI developers that would effectively function as a **national standard**, regardless of federal action.

In April 2026, the **Senate Subcommittee on AI held nearly 11 hours of subject-matter hearings**. That deliberative process helped lawmakers consolidate their priorities into the eight-bill package formally announced on May 13.

Illinois became just the **3rd state in the country** (*behind California and New York*) to pass frontier safety model legislation (**SB315**).

SB315 creates the **Artificial Intelligence Safety Measures Act**, affecting:

- Developers with over **$500 million in annual revenues**
- Models trained with over **10^{26} compute operations**

The legislation reflects a conscious effort to target only the most capable and resourced developers.

Sponsors explicitly positioned the bill as compatible with—and even enabling of—**responsible AI innovation**.

That framing, combined with support from **OpenAI** and **Anthropic** themselves, signals a legislative posture that embraces AI's potential while insisting on **baseline accountability**.

Further, **SB318** addresses the dreaded ticketing bots that drive up the cost of entertainment and sporting event options on sites like **TicketMaster and move forward.**

The Governor has already signaled his willingness to sign SB315 by virtue of having a staffer file a witness slip as a proponent. However, concerns raised by the tech industry related to SB315 still need attention.

Michael Best lobbyists have had substantive discussions with the bill sponsors and look forward to working alongside the sponsors over the summer for potential trailer bill drafting.

High-Profile Legislation

ARTIFICIAL INTELLIGENCE

Bill	Sponsor	Subject	Status
SB0315	Sen. Edly-Allen/Rep. Didech	**Artificial Intelligence Safety Measures Act** Frontier model safety, mandatory transparency framework, annual third-party audits, whistleblower protections	Passed Both Chambers (Governor likely to sign)
SB0316	Sen. Ellman/Rep. Gong-Gershowitz	**Companion Model Safety Act** Chatbots must detect suicidal ideation/self-harm and direct users to crisis services; special protections for minors	Passed Senate Chamber
SB0317	Sen. Ventura/ Rep. Gong-Gershowitz	**Consumer AI Notice Act** Businesses must disclose when consumers interact with AI (chatbots, live chat, phone)	Passed Senate Chamber
SB0318	Sen. Stadelman/ Rep. Syed	**Prohibition on Bots Purchasing Tickets Act** Bans AI bots from circumventing ticket sale limits; requires venue disclosure of withheld tickets	Passed Both Chambers
SB0340	Sen. MurphyRep. Rashid	**Consumer Data Privacy Act** Opt-out rights for data sale/targeted ads; sensitive data protections; algorithmic profiling limits	Passed Senate Chamber
SB0343	Sen. Harris/ Rep. Evans	**Rental AI Price-Fixing Ban** Prohibits landlords from using AI-enabled pricing coordination software to set rents	Passed Both Chambers

Bill	Sponsor	Subject	Status
SB0415	Sen. Villa/ Rep. Gonzalez	**Student Biometrics Protection** Restricts school district use of student biometric data to legitimate instructional purposes	Passed Senate Chamber
SB0416	Sen. Martwick/ Rep. West	**Student Technological Rights Act** Prohibits teachers from using AI to assign grades; requires school board approval of AI tools	Passed Senate Chamber

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Consumer Protection

General Assembly Advances Measures to Strengthen Consumer Protections and Safeguard Vulnerable Populations

Consumer protection legislation during the 2026 spring session focused on **increasing transparency in pricing**, **shielding vulnerable residents from financial exploitation and fraud**, **protecting sensitive personal data**, and **limiting consumer exposure to harmful substances**. Lawmakers approved several measures affecting retailers, food delivery platforms, financial institutions, insurers, cosmetics manufacturers, and the tax sale process, while one significant data privacy measure remained the subject of continued debate heading into the veto session.

A central theme of the session was **pricing transparency** and the elimination of deceptive practices.

The General Assembly approved legislation banning **hidden and misleading fees** by making it an unlawful practice under the **Consumer Fraud and Deceptive Business Practices Act** to advertise a price for goods or services that does not include all mandatory fees or surcharges.

The measure carves out compliance pathways for:

- Food delivery platforms
- Food and beverage establishments charging automatic gratuities
- Broadband and telecommunications providers
- Financial institutions
- Other regulated industries

while excluding **government-imposed taxes** and **optional gratuities** from the disclosure requirement.

Lawmakers also addressed cost transparency in the **homeowners' insurance market**, approving a measure that amends the **Illinois Insurance Code** to require insurers to provide at least **60 days' advance notice** before imposing a renewal premium increase of more than 10 percent or any change to deductibles or coverage.

The same measure establishes a new framework regulating fire and extended coverage insurance rates, requiring that rates not be excessive, inadequate, or unfairly discriminatory, subjecting filings to actuarial review by the Department of Insurance within defined timelines, and prohibiting cost-shifting by requiring insurers to rely on credible state-specific loss experience in setting rates.

These measures are intended to ensure consumers see the true cost of a purchase or policy up front rather than encountering unexpected charges or steep, unexplained increases.

The General Assembly also advanced measures to protect vulnerable residents from financial harm.

Legislation amending the **Adult Protective Services Act** expands the tools available to protect older adults and persons with disabilities from financial exploitation, authorizing courts to issue temporary restraining orders and to freeze the assets and lines of credit of an eligible adult where exploitation is suspected, subject to procedural safeguards and expedited hearings.

A companion provision added to the Code of Civil Procedure addresses situations in which the perpetrator is unknown or unascertainable by permitting service on the platform or third party through which the alleged exploitation occurred.

In a related effort to protect homeowners, lawmakers **approved a substantial reform of the property tax lien and tax deed system.**

The legislation:

- Creates a surplus equity fund through which former owners may recover equity lost when property is sold for delinquent taxes.
- Restructures tax deed auctions to determine and return surplus proceeds.
- Requires multilingual notices in larger counties.
- Establishes a pilot program in Cook County governing the acquisition of certain low-value tax certificates.

Public health and product safety also received legislative attention.

The General Assembly **approved the Chemicals in Cosmetic Products Act**, which prohibits the manufacture, sale, or distribution of cosmetic products containing certain intentionally added ingredients, including specified phthalates, formaldehyde and related compounds, mercury, certain parabens, and a list of per- and polyfluoroalkyl substances (PFAS), aligning Illinois with restrictions adopted by the European Union and providing a limited exemption for technically unavoidable trace quantities.

Separately, the legislature considered the **Protect Health Data Privacy Act**, which would regulate how non-HIPAA entities collect, process, and sell consumer health data by:

- Requiring consent
- Granting individuals rights to access their data
- Granting individuals rights to delete their data
- Prohibiting geofencing around healthcare facilities
- Creating a private right of action

The measure drew significant opposition from the technology and healthcare industries, largely over concerns about a lack of clarity in its definitions and scope and remains under discussion for potential veto action or reconsideration in a future session.

High-Profile Legislation

CONSUMER PROTECTION

Bill	Sponsor	Subject	Status
SB0093	Sen. Preston/ Rep. Canty	Creates the Protect Health Data Privacy Act, regulating how non-HIPAA entities collect, process, and sell consumer health data; requires consent, grants access and deletion rights, prohibits geofencing around healthcare facilities, and creates a private right of action. Effective August 1, 2027 (private right of action February 1, 2028).	Passed Senate Chamber (the ACLU seeks to move this legislation in Veto or next Spring)
HB0228	Rep. Morgan/ Sen. Aquino	Amends the Consumer Fraud and Deceptive Business Practices Act to bar advertising a price that does not include all mandatory fees or surcharges; provides compliance pathways for food delivery platforms, food and beverage establishments, telecommunications and broadband providers, and financial institutions.	Passed Both Chambers
HB4273	Rep. Jones/ Sen. Hastings	Amends the Illinois Insurance Code to require at least 60 days' advance notice of homeowner renewal premium increases over 10% or changes to deductibles or coverage, and creates a new Article regulating fire and extended coverage insurance rates to bar rates that are excessive, inadequate, or unfairly discriminatory, with Department of Insurance actuarial review and a prohibition on cost-shifting. Effective July 1, 2027.	Passed Both Chambers (Initiative of the Secretary of State and Office of the Governor)
HB4537	Rep. Tarver/ Sen. Villanueva	Amends the Property Tax Code to reform the tax lien and tax deed system; creates a surplus equity fund allowing former owners to recover lost equity, restructures tax deed auctions and surplus distribution, requires multilingual notices in larger counties, and establishes a Cook County acquisition pilot.	Passed Both Chambers (Initiative of Cook County Board President Toni Preckwinkle)

Bill	Sponsor	Subject	Status
HB4649	Rep. Gong-Gershowitz/ Sen. Stadelman	Amends the Adult Protective Services Act to combat financial exploitation of seniors and persons with disabilities; authorizes courts to freeze assets and lines of credit and issue restraining orders, and adds a Code of Civil Procedure provision allowing service on a third-party platform when the perpetrator is unknown.	Passed Both Chambers
HB3409	Rep. Harper/ Sen. Hunter	Creates the Chemicals in Cosmetic Products Act, prohibiting the manufacture, sale, or distribution of cosmetic products containing specified intentionally added ingredients, including certain phthalates, formaldehyde-related compounds, mercury, parabens, and PFAS. Effective July 1, 2028.	Passed Both Chambers

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Criminal Justice & Public Safety

General Assembly Treads Carefully on Public Safety, Advancing a Landmark Youth Sentencing Reform and Targeted Measures Amid Political Caution Heading into the Election Season

Criminal justice and public safety legislation during the 2026 spring session was shaped as much by **political restraint as by policy ambition**, with Democratic leadership wary of advancing measures that could be cast as soft on crime ahead of competitive primaries.

Despite that caution, the General Assembly approved a significant **youth-sentencing reform** in the session's final hours alongside a set of narrower bills addressing speeding enforcement, law enforcement hiring, survivor protections, pretrial services, and **coordinated services for survivors of violence**, reflecting a session of measured action against a politically sensitive backdrop.

A defining feature of the session was the political caution surrounding public safety legislation.

House and Senate Democratic leadership were notably cautious about advancing bills that could be portrayed as **soft on crime**.

With many members expected to face competitive primaries next spring, **House Speaker Welch** and **Senate President Harmon** moved to limit politically sensitive measures from reaching the floor in their respective chambers.

That reluctance was driven in part by continued criticism of the **SAFE-T Act**, which remains a frequent talking point for Republican leaders and a reminder to Democrats that public safety legislation is highly susceptible to political messaging in the next campaign cycle.

The most significant reform of the session addressed youth sentencing. The General Assembly approved **SB 248** in the final hours of the spring session, one of the most significant criminal justice reforms of the year, addressing a narrow but important gap in Illinois' post-conviction process. The bill creates a pathway for individuals sentenced for offenses committed before age 21 to file a second post-conviction petition seeking review of potentially unconstitutional life sentences.

The legislation is grounded in constitutional principles established in the **U.S. Supreme Court's 2012 decision in *Miller v. Alabama*,** which held that courts must consider youth and brain development when imposing life sentences on juvenile offenders.

The underlying issue is that individuals sentenced before that ruling were previously barred from raising these claims in post-conviction proceedings, and **SB 248** removes that barrier for a limited group of former youth offenders by:

- Eliminating the **"cause" requirement** for a successive petition
- Still requiring petitioners to show **"prejudice"**

The legislature also advanced several additional public safety measures.

HB 4948, which now awaits **Governor JB Pritzker's** signature, establishes the **Intelligent Speed Assistance Program**.

Under the law, a driver who commits two qualifying high-speed offenses (**26 miles per hour or more over the limit**) within a 12-month period faces a license suspension that can be lifted by:

- Enrolling in the program
- Driving violation-free on a speed-limiting-device permit for a set period

rather than serving the full suspension, with the required period escalating for repeat enrollments.

Lawmakers approved several other measures, including:

- **SB 1700**, setting age and training standards for sheriff's office appointments.
- **HB 4394**, requiring officers to inform survivors of sexual assault or abuse that they may request an interviewing officer of a particular sex or gender and allowing a support person during interviews.
- **HB 4428**, requiring pretrial services agencies to send at least three court-date reminder texts and retain delivery records.
- **HB 4949**, the **Family Justice Center Act**, authorizes multi-agency centers to coordinate trauma-informed services for survivors of domestic and sexual violence.

High-Profile Legislation

CRIMINAL JUSTICE & PUBLIC SAFETY

Bill	Sponsor	Subject	Status
SB0248	Sen. A. Johnson / Rep. Jiménez	Creates a pathway for individuals sentenced for offenses committed before age 21 to file a successive post-conviction petition challenging potentially unconstitutional life sentences; eliminates the "cause" requirement (petitioners must still show "prejudice"), grounded in *Miller v. Alabama*.	Passed Both Chambers

Bill	Sponsor	Subject	Status
HB4948	Rep. Deuter / Sen. Morrison	Directs the Secretary of State to administer the Intelligent Speed Assistance Program. A driver committing two qualifying speeding offenses (26+ mph over the limit) within a 12-month period faces a license suspension that lifts after driving violation-free on a speed-limiting-device permit for a set period (escalating with repeat enrollments); caps the permit fee at $30/month and creates indigent and permit-fee funds. Effective Jan. 1, 2028.	Passed Both Chambers
SB1700	Sen. Cunningham / Rep. Gill	Amends the Counties Code to set sheriff's office appointment ages: county police officers must be at least 21, or 20 with two years of law enforcement studies at an accredited college or university; correctional officers and full-time deputy sheriffs not employed as county police may be appointed at 18. Sets probationary periods of 12 months (county police) and 15 months (others).	Passed Both Chambers
HB4394	Rep. Didech / Sen. Edly-Allen	Amends the Sexual Assault Incident Procedure Act to require officers (at agencies employing trained officers of more than one sex or gender) to inform survivors of the opportunity to request an interviewing officer of a particular sex or gender, and to inform them of the right to a support person during interviews, subject to defined limits.	Passed Both Chambers
HB4949	Rep. West / Sen. Villanueva	Creates the Family Justice Centers Act, authorizing cities, counties, the State, and community-based nonprofits to establish multi-agency centers serving survivors of domestic violence, sexual violence, stalking, and human trafficking, with survivor consent, confidentiality, and annual training standards.	Passed Both Chambers
HB4428	Rep. Cassidy / Sen. Cunningham	Amends the Pretrial Services Act to require agencies to send at least three text notices before each court appearance (one the day before) and at least one text if a defendant misses an appearance, and to retain message content and delivery receipts; allows phone, email, or written notice as alternatives; applies special provisions to jurisdictions over 3 million; and directs the Office of Statewide Pretrial Services to study court-date notification systems and report by Dec. 31, 2026. Effective upon becoming law.	Passed Both Chambers

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Employment

Despite AFL-CIO Withdrawal, Illinois "Agreed Bill" Process Continues

For more than four decades, Illinois labor and business stakeholders have engaged in a carefully structured negotiation process surrounding **workers compensation** and **unemployment insurance** legislation.

Working alongside legislative leaders and the executive branch, these groups have traditionally sought to balance competing interests while maintaining a **stable and predictable framework** for employers and employees alike.

The long-standing process faced a significant challenge this year when the **AFL-CIO chose to withdraw from negotiations**.

Despite the departure, legislative leaders from both parties elected to continue the established practice of advancing legislation that reflected months of stakeholder discussions and negotiations.

This year, the process resulted in the passage of:

- **SB807 (HA1)** – Unemployment Insurance Package
- **HB5228 (SA2)** – Workers' Compensation Package

Both measures passed each chamber of the Illinois General Assembly and will soon await the Governor's signature.

Unfortunately, the business community was unable to reach an agreement with the **Illinois Medical Society** and organized labor on **HB5228 (SA2)**.

Despite maintaining a neutral position throughout the negotiations, business stakeholders recognize the need to protect workers' safety. While concerns remain regarding certain provisions, the legislation reflects a continued effort to ensure that employees who suffer from workplace injuries receive support and protection.

UNEMPLOYMENT INSURANCE

SB807 (HA #1), the unemployment insurance package, extends the **"rest stop" dates** and introduces new reporting requirements for larger employers conducting significant layoffs.

The requirements apply to employers with **75 or more employees** in the previous calendar year and a layoff or separation affecting **50 or more employees** at a single site, including part-time workers.

These reporting requirements do **not** apply to employees working in the construction industry who are covered by a bona fide collective bargaining agreement with a labor organization.

WORKERS' COMPENSATION

HB5228 (SA 2), the workers' compensation package, contains several provisions designed to improve the administration of care for injured workers while providing greater certainty for all parties involved.

This legislation ensures that when medical treatment is denied through the utilization review process, a qualified medical specialist may review the records and provide an additional level of clinical oversight. It also permits utilization review certification to remain valid for up to **three months** for ongoing treatment, reducing administrative burdens, and helping to prevent interruptions in care.

Finally, the bill establishes a **90-day timeframe** for employers to conduct an independent Medical Examination (**IME**), with the timeline beginning upon receipt of the employee's medical records. Collectively, these changes to promote **timely treatment decisions, improve efficiency** within the workers' compensation system, and **provide greater predictability** for injured workers and employers alike.

PREVAILING WAGE

Additionally, the Illinois General Assembly passed **SB3393 (Hastings/Hoffman)**, the Prevailing Wage Omnibus legislation passed the Senate 57-0 and the House 86-30-1. The measure makes several significant changes to the Illinois prevailing wage requirements:

- It applies prevailing wage standards to projects receiving benefits under the **Affordable Housing Tax Donation Credit Program,** while exempting developments of **12 units or fewer** and projects containing **50 units or less.**
- Requires the Illinois Power Agency to establish a p**ublicly searchable portal identifying Renewable Energy Credit (REC) projects and contractors,** while protecting proprietary and confidential information.
- It also requires **broadband projects** receiving support through DCEO programs to **track and report labor hours.**
- Additionally, the legislation expands the scope of the Prevailing Wage Act by a**dding fire sprinkler systems, HVAC systems, and certain public service work.**

The measure further removes the seller and supplier exemption for the maintenance of construction equipment, requiring prevailing wages to be paid for the work and broadening prevailing wage coverage across additional public workers' projects.

Further, subject to appropriation, the bill authorizes IDOL to establish a mediation program for prevailing wage disputes. Parties may access the state mediation process only when a federal mediation program is unavailable.

Looking ahead to veto session, lame duck, and next legislative session, labor issues are expected to remain a top priority. Potential proposals could include expanding unemployment insurance eligibility for striking workers, temporary employees, and other classifications of workers, as well as efforts to increase the minimum wage beyond the current level. Additionally,

discussions may focus on prevailing wage requirements, workplace protections, paid leave benefits, and workforce development initiatives.

With labor organizations maintaining significant influence in Springfield, we should continue to monitor labor and employment legislation as a key area of activity in the coming year.

High-Profile Legislation

EMPLOYMENT

Bill	Sponsor	Subject	Status
SB0454	Sen. Koehler/ Rep. Hoffman	Amends Minimum wage law by adding an individual permitted to work as a baseball player at the minor league that is under contract and compensated per a collective bargaining agreement.	Passed Both Chambers
HB4844	Sen. Martwick/ Rep. Hoffman	Requires employers to compensate an employee at their regular rate of pay for the time served during jury duty. This does not apply to employers with 25 or fewer employees.	Passed Both Chambers
SB3465	Sen. Guzman/ Rep. Mah	Allows individuals who are employed on construction sites and who are menstruating, lactating, or both to receive additional accommodations from their employer to ensure construction site safety.	Passed Both Chambers
HB5284	Sen. Lightford/ Rep. Morris	Requires reasonable accommodation for pregnancy, which includes the right to reasonable accommodation for menopause-related conditions, flexible scheduling or modified work hours and temperature or climate-adjusted workplace.	Passed Both Chambers
HB1353	Sen. Curran/ Rep. Schweizer	Provides that employment protections for volunteer emergency workers apply to volunteer emergency workers participating in required training, including a prohibition on termination and penalizing (rather than only termination). Provides that the employer may not require the employee to take vacation time or other compensatory time in order to respond to an emergency or participate in training.	Passed Both Chambers

Bill	Sponsor	Subject	Status
HB5095	Rep. Guzzardi/ Sen. Ellman	Gender on identification card: an applicant is to designate a sex is on an application form. If the applicant's documents used to establish identity include a sex different than the sex applicant has designated, then the applicant must submit a gender designation form.	Passed Both Chambers
HB4758	Sen. Belt/ Rep. Johnson	Prohibits employers and employment agencies from listing a driver's license as a requirement in job postings unless driving is an essential function of the position and meets a legitimate business necessity.	Passed Both Chambers

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Energy

Trailer to Clean and Reliable Grid Affordability Act Moves Forward While Other Measures Stall

The General Assembly passed the **Clean & Reliable Grid Affordability Act (SB25)** in 2025 which made substantial changes to Illinois energy policy. Even with a big push by advocates for the **POWER Act** to build public support to regulate data center energy consumption, the bill was not able to get a vote.

Energy is always newsworthy and the last few years of changes to Illinois energy policy has proven to be worthy of much media attention.

From the **Climate Equity Jobs Act (CEJA)** in 2021, which passed with bipartisan support, to the **Clean & Reliable Grid Affordability Act (CRGA)** in 2025, the Illinois General Assembly has taken on big issues and has passed some meaningful and potentially controversial bills.

The **POWER Act** made some waves initially but didn't get enough momentum to cross the finish line in the current spring session.

Climate Equity Jobs Act (CEJA)

The foundational statute reshaping Illinois energy policy in 2021 established an ambitious trajectory toward:

- **100% carbon-free electricity by 2050**
- **40% renewable energy by 2030**
- **50% renewable energy by 2040**

It also directed the phase-out of fossil fuel-fired generation balanced by increased incentives for renewable energy creations.

It also created major workforce development and equity programs targeting communities historically burdened by environmental harm.

Clean & Reliable Grid Affordability Act (CRGA)

This wide-ranging legislation represents both an expansion of CEJA's clean energy commitments and a direct legislative response to skyrocketing electricity costs that had begun hitting Illinois ratepayers in the summer of 2025.

CRGA included the following measures:

- Battery storage mandate
- Nuclear moratorium lifting

- Integrated resource planning
- Virtual power plant programs
- Time-of-use pricing
- Renewable energy enhancements

The POWER (Protecting Our Water and Energy Resources) Act

Since CRGA didn't directly address the impact of data centers on energy pricing, advocates made a push for language that would hold data centers more accountable for their impact on Illinois families.

The bill incorporated the following approaches:

- Clean energy self-sufficiency requirements
- Water transparency and permitting
- Community impact assessments
- Improved transparency and disclosure requirements

While the POWER Act didn't get a vote in the spring session, don't expect advocates to slow down their efforts in later session opportunities.

Every year, there are a slew of energy bills filed to address a myriad of concerns regarding all corners of the energy sector: production, transmission, costs, and more. **Notable legislation includes:**

HB1700 (TRAILER BILL TO CRGA)

The question that comes in the aftermath of every major piece of legislation hints at a trailer bill to correct drafting errors and fix policy issues that didn't quite get finished when the bill passed.

There is usually a temptation by legislators or advocates to add new policy initiatives to trailer bills that don't relate directly to the original legislation.

This spring, HB1700 is the vehicle for the trailer bill. Fortunately, HB1700 stayed true to the trailer bill concept and includes just clean up and fixes.

HB1700 was referred to as a **"trailer plus"** by the sponsor on the House Floor during its concurrence vote. HB1700 adheres to the guardrails of a trailer bill by not adding entirely new concepts that weren't part of the original legislation, the **Clean & Reliable Grid Act (SB25)**.

The bill amends the **Illinois Power Agency Act's planning and procurement provisions**. It establishes and refines numerous renewable energy programs, including:

- The **Adjustable Block Program** for distributed solar
- The **Illinois Solar for All Program**

- A new **Geothermal Homes and Businesses Program**
- Equity accountability systems designed to ensure participation by minority- and equity-eligible contractors in clean energy procurements

The trailer bill also:

- Updates renewable portfolio standard targets
- Strengthens project labor agreement requirements for utility-scale and community solar projects
- Expands data collection and racial equity reporting obligations
- Continues the carbon mitigation credit program supporting nuclear generation

Key additions include:

- Increased upfront payment structures for small solar installations
- Expanded community solar provisions
- A new geothermal heating and cooling incentive framework
- Enhanced consumer protection and vendor oversight requirements

All aimed at accelerating Illinois's transition to **100% clean energy** while promoting equitable economic development.

HB4456

HB4456 makes it easier for low-income Illinois households to afford their utility bills in **three ways:**

- **Discounted bills for those who qualify:** The Illinois Commerce Commission (*the state agency that regulates utilities*) would be allowed to approve a special reduced rate that covers a qualifying low-income customer's entire utility bill—not just a portion of it. The cost of providing those discounts would be spread across all other ratepayers through a small surcharge on their bills.
- **More people can get energy assistance:** The bill expands eligibility for **LIHEAP**—the federal **Low Income Home Energy Assistance Program**—by raising the income threshold from its current level to **300% of the federal poverty line**. In practical terms, this means a much larger number of households would qualify for heating and cooling bill assistance than currently do.
- **Utility surcharge rates get locked in:** The surcharges that utility customers pay to fund these low-income programs would be permanently frozen at their current rates, preventing utilities from raising them in the future.

The table below shows the outcomes for many legislative initiatives that would have significant impacts in the energy space.

As concerns about **inadequate energy supplies** mount, natural gas generation plants can request the regional transmission operators (**PJM** or **MISO** depending on location in the state) to declare their plant as necessary for reliability.

It appears that the Illinois EPA will **"receive"** the letter and allow the plant to proceed operating past **CEJA required shutdown dates**.

POTENTIAL NEAR-TERM MILESTONES (2026)

- Governor signs CRGA Trailer Bill: HB1700.
- June 1, 2026: CRGA takes full effect. Utility VPP and battery rebate program proposals due.
- August 26, 2026: IPA initial energy storage procurement (~1 GW) launches.
- November 2026: Veto session presents next opportunity for POWER Act or a successor bill.

High-Profile Legislation

ENERGY

Bill	Sponsor	Topic	Votes
HB700	Se. Stadelman/ Rep. A. Williams	CRGA Trailer Bill (see above bill analysis)	Passed Both Chambers
HB2335	Rep. Delgado/ Sen. Villivalam	Amends transit-related statutes as a technical trailer bill to the Northern Illinois Transit Authority Act (SB 2111), making conforming changes to transit governance, funding mechanisms, and operational provisions.	Passed Both Chambers
HB3762	Rep. Gonzalez	Creates the Workplace Extreme Temperature Safety Act, directing the Illinois Department of Labor to establish occupational heat and cold standards for employers by 2027 with interim temporary protections, paid rest breaks, and anti-retaliation provisions.	Referred to House Rules
HB4456	Rep. Faver Dias/Sen. Johnson	Amends the Public Utilities Act to authorize the ICC to approve a low-income discount rate covering a customer's entire utility bill funded by a ratepayer surcharge; expands LIHEAP eligibility to 300% of the federal poverty level and permanently freezes utility surcharge rates.	Passed Both Chambers

Bill	Sponsor	Topic	Votes
HB4514	Rep. Faver Dias/ Sen. Villivalam	Amends the Public Utilities Act to require the ICC to hold at least one public hearing for ratepayer input before approving any general rate increase requested by a gas, electric, water, or sewer utility; sets location, 14-day notice, and public testimony requirements.	Passed Both Chambers
HB4803	Rep. Vella	Creates the Electric Transmission Colocation and Siting Priority Act, establishing a corridor priority order for new transmission lines (existing utility corridors first, then highway corridors, then new corridors) and authorizing co-location of high-voltage lines along IDOT highway rights-of-way.	Referred to House Rules
HB4995	Rep. Gabel	Amends the Illinois Highway Code and Public Utilities Act to require a constructability report developed jointly by a utility/developer and IDOT before siting a high-voltage electric transmission line, and updates net metering rebate eligibility for co-located energy storage devices.	Passed House Energy and Environment Committee
HB4996	Gabel	Amends the Public Utilities Act and Illinois Power Agency Act with various clean energy provisions including changes to renewable energy credit procurement, energy efficiency plan requirements, and utility regulatory updates.	Referred to House Rules
HB5070	Rep. A Williams/ Sen. Ellman	Amends the Environmental Protection Act (EPA-Federal Backstop) to provide that the Illinois Pollution Control Board shall not adopt standards less stringent than existing Board regulations, and that nothing in the Act limits adoption of standards more stringent than U.S. EPA regulations.	Passed Both Chambers
HB5285	Rep. Mayfield/ Sen. Belt	The Illinois Emergency Management Agency's Office of Homeland Security (IEMA-OHS) can now set aside fees from both contracts and other types of agreements (not just contracts) into a dedicated fund. Creates separate account for Sheffield Fund.	Passed Both Chambers
HB5316	Rep. Hoffman/ Sen. Porfirio	Amends the Nuclear Safety Law of 2004 to grant the Illinois Emergency Management Agency and Office of Homeland Security the right to enter public and private property to take environmental samples in response to a disaster or incident causing or threatening radioactive contamination consistent with U.S. Nuclear Regulatory Commission requirements.	Passed Both Chambers

Bill	Sponsor	Topic	Votes
HB5524	Rep. Severin/ Sen. Bryant	Amends the Public Utilities Act (Utility Charge Transparency) to require the ICC, beginning January 1, 2027, to maintain a public website detailing all charges—other than standard delivery or supply charges—that an electric utility may collect, including disclosure of amounts remitted to the State versus retained by the utility.	Passed Both Chambers
SB2401	Sen. Ellman	Creates the Wetlands Protection Act, establishing an Illinois DNR permitting program for the discharge of dredged or fill material into State jurisdictional wetlands, with individual and general permit pathways, mitigation bank options, and civil enforcement authority.	Referred to Senate Assignments
SB2789	Sen. Joyce	Amends the Illinois Highway Code and Public Utilities Act to authorize co-location of high-voltage transmission lines along State highway rights-of-way through a coordinated constructability report process and establishes a siting priority order for new electric transmission facilities.	Referred to Senate Assignments
SB3104	Sen. Ventura	Amends the Public Utilities Act (as amended) to define plug-in solar energy systems, exempt them from interconnection permit requirements and net metering eligibility, prohibit HOA/landlord restrictions on systems ≤391 watts, and require consumer product safety labeling.	Referred to Senate Assignments
SB3272	Sen. Cunningham/ Rep. Hoffman	Amends the Public Utilities Act to authorize the Illinois Commerce Commission to retain technical and policy experts—exempt from the Illinois Procurement Code—to assist in developing renewable energy access plan updates; makes a conforming change to the Procurement Code. Effective immediately.	Passed Both Chambers
SB3273	Sen. Cunningham/ Rep. Hoffman	Amends the Public Utilities Act to streamline interconnection and net metering processes for distributed renewable generation on public school land, requiring credits within 90 days and capping school interconnection fees at 150% of the standard rate.	Passed Both Chambers

Bill	Sponsor	Topic	Votes
SB3465	Sen. Guzman/ Rep. Mah	Amends the Construction Site Temporary Restroom Facility Act to require employers at construction sites with 10 or more workers to provide a designated women's toilet facility, free menstrual hygiene products, and lactation accommodations upon request.	Passed Both Chambers
SB3497	Sen. Glowiak-Hilton	Amends the Public Utilities Act (Utility Transparency Act) to prohibit the ICC from allowing utilities to recover from ratepayers the costs of political activity, lobbying, trade association dues, D&O insurance premiums, goodwill advertising, or rate case legal and expert fees.	Referred to Senate Assignments
SB3652	Sen. Faraci	Amends the Electric Supplier Act to allow electric cooperative broadband providers to use existing electric easements outside their grant service area (with easement holder agreement) for broadband deployment, with property owner notification and just compensation rights.	Referred to Senate Assignments
SB3772	Sen. Villanueva/ Rep. Jimenez	Amends the Environmental Protection Act to address environmental justice concerns. For permit applications filed on or after January 1, 2026, the Illinois EPA must evaluate environmental justice impacts before issuing construction permits to new or expanding pollution sources located in environmental justice communities—specifically those requiring major air permits.	Passed Both Chambers
SB3822	Sen. Tracy	Amends the Public Utilities Act to prohibit the ICC from treating utility expenditures on political activity, lobbying, trade association dues, and certain insurance premiums as recoverable rate expenses charged to ratepayers (companion Republican version to SB3497).	Referred to Senate Assignments
SB3838	Sen. Joyce	Creates the Broadband Deployment Act, authorizing broadband grant recipients to install infrastructure along highway rights-of-way with proper permits, prohibiting property owner interference, requiring written owner notification and just compensation, with provisions sunsetting January 1, 2030.	Referred to Senate Assignments

Bill	Sponsor	Topic	Votes
SB3922	Sen. Stadelman	Amends the Public Utilities Act and related energy statutes with various clean energy provisions including updates to distributed generation programs, community solar, and Illinois Power Agency procurement processes.	Referred to Senate Assignments
SB4028	Sen. Bryant	Amends the Public Utilities Act to update utility interconnection rules, streamlining the process by which distributed renewable energy systems, energy storage, and large-scale generation projects connect to the electric grid.	Referred to Senate Assignments
SB4039	Sen. Stadelman	Amends the Illinois Power Agency Act to rename community renewable generation projects as photovoltaic community renewable generation projects; requires project labor agreements for new construction of community-driven community solar facilities; removes prevailing wage exception for multi-family residential REC delivery contract facilities. Also amends the Energy Transition Act to coordinate IDOC pre-release outreach for the Illinois Climate Works Pre-Apprenticeship Program.	Referred to Senate Assignments
SB4209	Sen. Feigenholtz	Amends the Public Utilities Act to establish governance and community notification requirements for electric substation siting and construction in Chicago's North Side communities, with Illinois Commerce Commission oversight provisions.	Referred to Senate Assignments

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Gaming

Gaming Bill Fails to Move at the End of Session, While New Regulations Hit Prediction Markets and Daily Fantasy Sports

There was the framework of an agreement among the different sectors of the gaming industry with House legislators, but the Governor's office wasn't ready to accept it so no legislation moved forward for the industry as a whole.

However, **fantasy sports** and **prediction markets** get regulated as part of the **FY27 revenue package**.

The needs of different gaming sectors are outlined below:

VIDEO GAMING TERMINALS

The **VGT industry**, which supports nearly **9000 restaurants, bars, and fraternal organizations**, has a few issues that need legislative attention. Now that the **United States Mint** is no longer producing pennies, paying players their exact change is becoming more and more difficult.

Legislation is required to alleviate that specific situation and move toward a coinless approach.

CASINOS

Illinois-based casinos need some extensions allowed for temporary casinos to continue operating while permanent facilities are being constructed. There are also requests for updates to tax credits.

HORSE RACING

The Illinois horse racing industry has been struggling over the last decade and is in desperate need of assistance. With concerns related to Hawthorn Race Course coming back online or being sold, there have been legislative requests to build racinos which combine horse racing and casino-style games to lure players.

SPORTS WAGERING

The growth in sports wagering in Illinois by the two largest operators made the industry the target of additional revenue streams for state government, which included:

- A much higher tiered income tax approach
- Per bet fees

Both of which are unpopular with player and operator alike.

The industry had been looking to find some form of relief.

PREDICTION MARKETS

The new playing field for making wagers is the fast-growing **predictions markets**, which has been hiding behind a federal shield of the swaps markets.

The new revenue bill, **SB3019**, addresses the prediction markets and adds a tax and regulatory framework in place.

DAILY FANTASY SPORTS

The revenue package, **SB3019**, begins a regulatory process for fantasy sports and adds a tax regulatory framework as suggested by the industry.

HIGHLIGHTS OF ILLINOIS' NEW DAILY FANTASY SPORTS REGULATIONS

The following provisions were passed as part of the **FY2027 revenue bill, SB3019:**

- **A formal licensing structure for fantasy sports operators**—meaning companies like **DraftKings** and **FanDuel** can no longer simply operate in a legal gray area. Those companies will need to obtain a state license to offer contests in the State of Illinois.
- The state imposes **a 15% tax on each fantasy sports business**—something **Rep. Curtis Tarver, D-Chicago,** said the industry itself requested. This tax is applied to the operators' gross revenue, not to individual players.

Beyond the licensing and tax framework, the detailed consumer protection provisions—such as age verification rules, player fund safeguards, and responsible gaming requirements are likely to come in the form of rulemaking which will likely take a few months.

There are time-sensitive issues for the gaming industry that will need attention before the end of the year. The temporary casinos in Chicago and Waukegan need to get extensions to continue operations and that can next occur during veto session in November.

The rest of the gaming industry will continue to advocate for opportunities to grow and improve their regulatory structures. There is some likelihood that a gaming bill could come together in either veto session.

High-Profile Legislation

GAMING

Bill	Sponsor	Topic	Votes
SB3019	Sen. Villanueva/ Rep. Tarver	FY2027 Revenue Package which includes new regulations on prediction markets and daily fantasy sports contests.	Passed Both Chambers

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Healthcare

Illinois General Assembly Advances Measures to Expand Healthcare Access, Rein in Drug and Insurance Costs, and Strengthen Patient Protections

Health care legislation during the 2026 spring session centered on **controlling prescription drug costs**, increasing **transparency and accountability** in the federal **340B discount program**, curbing insurer claims practices that reduce provider payments, and making broad updates to the state's Medicaid program.

Lawmakers approved measures affecting **hospitals, physicians, pharmacists, pharmaceutical manufacturers, health insurers, managed care organizations, and long-term care providers**, reflecting a session-long effort to balance **provider stability, patient access, and fiscal restraint** amid significant uncertainty over federal and state Medicaid funding.

A major theme of the session was the cost and accessibility of prescription drugs.

The General Assembly advanced a linked **two-bill package** establishing state-level oversight and patient-access protections for the federal **340B Drug Discount Program**, neither bill taking effect unless both become law.

The enforcement measure:

- Prohibits pharmaceutical manufacturers from denying, restricting, or interfering with a covered entity's ability to acquire 340B drugs or to contract with an unlimited number of contract pharmacies.
- Bars manufacturers from imposing data or audit demands beyond existing law.
- Authorizes civil penalties of up to **$1,000 per transaction** enforced by the Attorney General.

The legislation also imposes new **transparency obligations** on covered entities, requiring annual reporting of drug acquisition costs, payments, claims, charity care, and community impact **beginning in 2026 (with a delayed date for smaller and safety-net hospitals),** while also requiring anti-duplication policies that directly address manufacturers' central criticism of the program.

The companion oversight measure directs the **Department of Insurance to study how covered entities and manufacturers participate in the program**, with a report due to the Governor and General Assembly by July 1, 2028, under a framework that is explicitly limited to reporting and sunsets in 2032.

Separately, lawmakers approved the **Prescription Drug Affordability Board Act**, creating an independent **five-member, Governor-appointed board** with authority to review high-cost prescription drugs, and authority to set upper payment limits on what payors in Illinois may

reimburse. The board is supported by a **15-member stakeholder council**, funded by an annual manufacturer assessment capped at **$750,000**, enforced by the Attorney General, and subject to a **five-year sunset**.

Lawmakers also moved to limit insurer practices that reduce payments to physicians. The General Assembly approved the **Transparency in Downcoding Act**, which restricts how commercial insurers, group health plan sponsors, and Medicaid managed care organizations may **"downcode"** the billing codes physicians submit.

The measure:

- Prohibits fully automated downcoding without human review.
- Bars downcoding based solely on a patient's diagnosis codes.
- Requires standardized written notice when a claim is downcoded.
- Guarantees providers at least **90 days** to dispute a decision.
- Prohibits targeted downcoding of physicians who routinely treat patients with complex or chronic conditions.

The Department of Insurance enforces compliance for commercial plans and the Department of Health care and Family Services for Medicaid managed care.

However, the Act does not reach **self-insured ERISA plans**, a carve-out that leaves a substantial share of the commercially insured population outside its protections.

The measure was scaled back during the process, with the provider dispute window reduced from **180 to 90 days**, and certain managed care interests remained opposed through final passage.

The General Assembly also approved a **wide-ranging Medicaid omnibus** making changes across hospital finance, behavioral health, long-term care, managed care, and eligibility. The legislation passed both chambers **unanimously on the final day of session**.

Among its principal provisions, the bill:

- Establishes a new **Distressed Hospital Loan Program** offering interest-free cash-flow loans to public and not-for-profit hospitals at risk of closure.
- Delays implementation of the **72-hour rule** through FY28.
- Delays **gold carding** until January 2027.
- Increases Medicaid reimbursement for **Assertive Community Treatment** and **Community Support Team** services.
- Creates a framework for **"cottage style" skilled nursing facilities**.
- Shifts financial responsibility for certain ID/DD facilities from the Department of Human Services to Health care and Family Services effective **July 1, 2027**.
- Expands covered benefits to include:
    - Sickle cell disease
    - Seizure detection devices

- Virtual intensive outpatient services
- Coverage during incarceration or detention

Developed primarily through the House Medicaid Working Group with limited Senate participation, the omnibus was deliberately scaled back relative to prior years to focus on provisions with minimal fiscal impact, reflecting continued uncertainty over Medicaid funding at both the state and federal levels.

These measures reflect a continued effort to stabilize providers, expand patient access, and improve transparency while balancing the cost concerns of payors, manufacturers, and the State.

High-Profile Legislation

HEALTHCARE

Bill	Sponsor	Subject	Status
SB3365	Rep. Moeller/ Sen. Aquino	**Medicaid Omnibus** Distressed Hospital Loan Program; 72-hour rule & gold carding delays to FY28/Jan 2027; behavioral health rate increases (ACT +$10.6M, CST +$17.5M); cottage-style nursing homes; ID/DD payment shift DHS to HFS; HR1 implementation; MCO post-payment review guidance.	Passed Both Chambers
HB4327	Rep. Lilly/ Sen. Koehler	**340B Transparency, Reporting & Accountability Act** Paired with HB 2371. Directs Dept. of Insurance to study 340B program participation, financial flows, PBM payments, and savings use. Report due July 1, 2028. Sunsets 2032. Neither bill takes effect unless both become law.	Passed Both Chambers
HB2371	Rep. Moeller/ Sen. Koehler	**Patient Access to Pharmacy Protection Act** Prohibits manufacturers from restricting 340B contract pharmacy access; $1,000 per-transaction civil penalty; requires covered entity annual reporting and anti-duplication policies. Effective immediately upon becoming law.	Passed Both Chambers (Legal challenge from manufacturers likely)

Bill	Sponsor	Subject	Status
SB3114	Sen. Koehler/ Rep. Chung	**Transparency in Downcoding Act** Bans fully automated claim downcoding without human review; prohibits diagnosis-only downcoding; 90-day provider dispute window; prohibits targeted downcoding of complex-care providers. ERISA self-insured plans exempt. Effective Jan. 1 2028	Passed Both Chambers (IAMHP & Meridian remained opposed at passage)
SB3496 (HA-1)	Sen. Harmon/ Rep. Syed	**Prescription Drug Affordability Board Act** Creates independent 5-member board to review high-cost drugs and set upper payment limits (price caps). Savings flow first to patient cost-sharing, then premiums. PBMs barred from reducing reimbursements below cap. Funded by manufacturer assessments capped at $750K/year. 5-year sunset.	Passed Both Chambers (manufacturer litigation expected)

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Higher Education

General Assembly's Higher Education Session Defined by a Landmark Funding Overhaul Left on the Table and a Contested Expansion of In-State Tuition Eligibility

Higher education during the 2026 spring session was shaped as much by what stalled as by what advanced, with the marquee development being the failure of a long-developed, **needs-based university funding overhaul** to reach the Governor's desk.

Lawmakers did approve a contested **expansion of in-state tuition eligibility** along with a set of narrower measures addressing **campus press freedom, licensure and scholarship pathways, adult and community college education,** and **academic reporting requirements**, reflecting a session of incremental change against the backdrop of an unrealized structural reform.

The defining story of the session was the failure of the **public university funding overhaul**. The most significant higher education development was less about what passed and more about what failed to pass: the **Adequate and Equitable Public University Funding Act (HB 1581 and SB 13)**, which would overhaul the way the state funds its public universities by establishing a needs-based formula for distributing new funding to universities, similar to the **Evidence-Based Funding** mechanism used for K-12 school funding since 2018.

Senator Lightford and **Rep. Ammons** were instrumental in creating the **Commission on Equitable Public University Funding** in 2021.

Over the years, the **30-person commission** studied whether public institutions of higher education are in dire need of a **new funding model when serving underrepresented** and historically underserved student groups, including Black and Brown students, and students from low-income families.

The commission found that, on average, university systems in Illinois spend **over double the amount** on academic and student supports than less-resourced regional universities, and that these arbitrary and inequitable allocation decisions have compounded yearly due to a lack of equitable distribution.

The bills introduced by Senator Lightford and Rep. Ammons would:

- Establish a **new needs-based funding model** for Illinois' state universities.
- Increase university funding by about **$135 million each year** over the next 15 years.
- **Set an adequacy target** for each institution.
- **Prioritize new funding** for those institutions furthest from their target.

Despite years of groundwork, the measure did not clear the General Assembly, leaving the funding overhaul unresolved heading into future sessions.

The session's most contentious measure to pass concerned **in-state tuition eligibility**.

Separately, **HB 5093** picked up increased attention toward the end of the legislative session and quickly became a point of Republican criticism after clearing both chambers.

The bill, now headed to **Governor JB Pritzker**, would expand eligibility for in-state tuition at Illinois public colleges and universities to students who attended an Illinois high school for at least **three years**, even if they established residency outside the state before enrolling.

Supporters argue the measure is intended to:

- Reduce barriers to higher education
- Bring more consistency to tuition eligibility rules

while Republicans argued the bill is a means of extending benefits to noncitizen residents at the expense of Illinois taxpayers.

The legislature also advanced a set of narrower higher education measures, including **HB 4420,** amending the College Campus Press Act to protect public media at state-supported institutions from prior review by public officials; **SB 3720**, streamlining the reverse-transfer process so eligible students automatically earn an associate degree upon reaching 60 combined credit hours without reverse-transfer fees; and **HB 5135**, revising adult education program administration to allow community colleges to use adult education funding for digital literacy and lowering the minimum program age from 16 to 17.

These measures reflect a session of targeted adjustments to Illinois higher education policy, overshadowed by the unrealized structural reform of the state's university funding system.

High-Profile Legislation

HIGHER EDUCATION

Bill	Sponsor	Subject	Status
HB 1581 / SB 13	Rep. Ammons / Sen. Lightford	Creates the Adequate and Equitable Public University Funding Act, establishing a needs-based formula administered by the Board of Higher Education that sets an adequacy target for each public institution and prioritizes new funding (approximately $135 million annually over 15 years) for institutions furthest from their target. Effective immediately.	Did Not Pass (advanced from House committee; opposed by the U of I System)

Bill	Sponsor	Subject	Status
HB 5093	Rep. B. Hernandez / Sen. Villanueva	Amends various Acts governing public universities to extend in-state tuition eligibility to students who attended an Illinois high school for at least three years, even if they established residency outside the state before enrolling; makes parallel community college residency changes. Effective immediately.	Passed Both Chambers (Governor's signature pending; drew Republican opposition)
HB 4420	Rep. Chung / Sen. Koehler	Amends the College Campus Press Act to define "public media produced at a state-supported institution," bar prior review by institutional officials, clarify such expression is not attributable to the institution, and authorize civil actions for injunctive or declaratory relief.	Passed Both Chambers
SB 3720	Sen. Edly-Allen / Rep. Stuart	Streamlines reverse transfer to community colleges, allowing eligible students to automatically earn an associate degree upon reaching 60 combined credit hours, with no fees charged for the reverse-transfer process.	Passed Both Chambers
HB 5135	Rep. Ortiz / Sen. Guzman	Revises administration and governance of state-funded adult education programs; permits community colleges to use adult education funding for digital literacy education and raises the minimum program age from 16 to 17.	Passed Both Chambers
HB 5460	Rep. Lilly / Sen. Villa	Expands eligibility for Post-Master of Social Work Professional Educator License scholarships, allowing them to apply to tuition and mandatory fees at private, not-for-profit Illinois institutions preparing students for the license.	Passed Both Chambers

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Housing

BUILD Housing Plan Stalls as Governor's Signature Housing Initiative Fails to Pass

Governor **J.B. Pritzker's BUILD housing proposal**, one of his top legislative priorities, failed to pass both chambers of the Illinois General Assembly before adjournment.

The measure faced strong opposition from municipalities, particularly over provisions:

- Creating statewide zoning standards that would allow multi-unit housing by right in most residentially zoned areas.
- Establishing mandatory timelines for local inspections and permit reviews.
- Authorizing the use of third-party inspectors.

Despite growing national attention on housing shortages and affordability challenges, the Governor's signature housing initiative was unable to secure final legislative approval for this session.

There have been **three primary housing framework**s discussed this legislative session:

- the Governor's housing plan, commonly known as **BUILD (Building Up Illinois Developments)**;
- the Illinois Municipal League proposal, known as the **REAL Housing Act**;
- and the **Illinois Senate Housing Plan**.

While each proposal takes a different approach to addressing housing affordability and development, all are aimed at tackling Illinois' estimated shortage of 142,000 housing units.

Stakeholders continue to debate the best path forward, but there is broad agreement among policymakers, local governments, developers, labor, and housing advocates that meaningful action is needed. The shared goal is to increase housing availability, expand affordability, and ensure Illinois residents have access to safe, attainable housing opportunities across the state.

High-Profile Legislation

HOUSING – GOVERNOR BUILD PACKAGE

Bill	Sponsor	Subject	Status
SB4060	Sen. Hunter	Amends the Illinois Municipal Code to create a middle housing division, allowing for various housing types such as duplexes, triplexes, fourplexes, clusters, townhouses, attached courtyard, housing, detached courtyard housing, and stacked flexes.	Referred to Senate Assignments
SB4061	Sen. Feigenholtz	Addresses outdated building codes, specifically "single-stair" requirements, that hinder the construction of family-friendly units.	Referred to Senate Assignments
SB4062	Sen. Castro	Amends the Illinois Municipal Code to establish an impact mitigation fee division. This division would create a framework for the Department of Commerce and Economic Opportunity to establish a statewide formula for assessing impact fees, including school mitigation, within 18 months of the effective date.	Referred to Senate Assignments
SB4063	Sen. Ellman	Construction Site Temporary Restroom Facility Act- individuals who are employed on construction sites and who are menstruating, lactating, or both need additional support from their employer to ensure construction site safety.	Referred to Senate Assignments
SB4064	Sen. Cervantes	Amends the municipal code to limit parking space requirements that municipalities can place a newly constructed residential units. The goal is to prioritize homes over excessive	Referred to Senate Assignments

HOUSING – SENATE PACKAGE

Bill	Sponsor	Subject	Status
SB329	Sen. Harmon	Shifts the cost of leasing broker or leasing agent fees from the rent to the landlord.	Referred to Senate Assignments

Bill	Sponsor	Subject	Status
SB330	Sen. Harmon	Expands anti-discrimination protections for victims of gender- based violence by making it illegal in certain housing and lending situations to discriminate against someone because they are a survivor of gender based violence	Referred to Senate Assignments
SB331	Sen. Harmon	Creates the Restock the Block Act to limit large institutional investors from buying large numbers of residential homes and imposed	Passed Senate Chamber
SB332	Sen. Harmon	Creates a tenant's right of first refusal, giving tenants the first opportunity to purchase their building before an owner can sell it to someone else.	Referred to Senate Assignments
SB608	Sen. Harmon	Creates the Federally Assisted Tenant Protection Act, which prohibits most landlords and housing authorities that receive federal housing assistance money from imposing mandatory work requirements or time limits on tenants receiving subsidized housing in Illinois.	Referred to Senate Assignments
SB635	Sen. Harmon	Creates the Faith-Based Housing and Mixed-Use by Right Act, which makes it easier for churches and other religious organizations to build housing on land they own by limiting local zoning barriers.	Referred to Senate Assignments
SB640	Sen. Harmon	Significantly reduces local zoning restrictions in Illinois and requires cities and continues to allow development of much denser "middle housing" (such as duplexes, four flats, cottages, townhomes, and auxiliary dwelling units) in areas currently zoned for single-family homes.	Referred to Senate Assignments
SB643	Sen. Harmon	Creates a statewide "shot clock" local governments reviewing building permits and inspections in Illinois and allows developers to use private third-party reviewers or inspectors if the government misses the deadlines.	Referred to Senate Assignments

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

K-12 Education

Illinois General Assembly Adopts Landmark Classroom Cell Phone Ban and Targeted K-12 Reforms Amid an Otherwise Modest Education Session

K-12 education legislation during the 2026 spring session was defined less by volume than by a **single marquee measure**, with lawmakers approving a statewide ban on student cell phone use during classroom instruction while advancing a comparatively small set of additional bills addressing **teacher evaluations**, **school safety**, and **graduation requirements**.

The session reflected continued caution in the K-12 space, with most stakeholders focused on **implementation concerns** rather than sweeping policy change.

The signature education measure of the session was the **statewide cell phone ban.**

The General Assembly approved SB 2427, the session's signature education measure and a notable win for Governor JB Pritzker. **The Governor's Office initially introduced the proposal during the 2025 session**, but it stalled amid concerns from education stakeholders and school administrators about:

- Implementation
- Storage
- Enforcement challenges

SB 2427 establishes a uniform statewide framework limiting student use of wireless devices during classroom instructional time, while carving out exceptions for:

- Medical needs
- Disability accommodations
- English learners
- Emergencies
- Approved educational use

The final version reflects a compromise in which only elementary and middle schools are subject to a **bell-to-bell restriction,** while giving high schools more flexibility, with phone use prohibited specifically during instructional time only.

The law also bars schools from responding to violations with suspensions, expulsions, fines, fees, or law enforcement action.

Beyond the cell phone policy, the session produced only a handful of other notable K-12 measures:

SB 2909 prohibits the use of **artificial intelligence** in teacher evaluations, while clarifying that AI tools may still be used to support teachers with administrative tasks. Additionally, **HB 5107**, known as **Alyssa's Law**, requires schools to consider incorporating mobile panic alert systems into their emergency response plans by the **2028-2029 school year**.

Lawmakers also revisited high school graduation requirements. Under **SB 3070**, students entering high school in **2028** will no longer be required to complete **two years of foreign language** to graduate, and may instead meet the requirement by completing an approved **career and technical education course**, beginning with the class entering 9th grade in the **2028-2029 school year**.

Together, these measures reflect a session in which a single high-profile mandate dominated the K-12 agenda, with the remaining education bills making narrower, targeted adjustments to existing school policy.

High-Profile Legislation

K-12 EDUCATION

Bill	Sponsor	Subject	Status
SB 2427	Sen. Castro / Rep. Mussman	Requires all school boards to adopt policies banning student use of wireless devices during instructional time; bell-to-bell restriction for elementary and middle schools, greater flexibility for high schools; exceptions for medical needs, disability accommodations, English learners, emergencies, and educational use; bars suspensions, expulsions, fines, fees, or law enforcement referrals for violations. Effective 2027-2028 school year.	Passed Both Chambers (Initiative of the Office of the Governor)
SB 2909	Sen. Canty / Rep. Belt	Prohibits teachers from using an artificial intelligence tool to generate evidence of professional practice used in performance evaluations; clarifies AI may be used to support administrative tasks.	Passed Both Chambers
SB 3070	Sen. Preston	Amends the School Code to allow students entering 9th grade beginning in 2028-2029 to satisfy the graduation requirement with either two years of foreign language or two years of an approved career and technical education course.	Passed Both Chambers

Bill	Sponsor	Subject	Status
HB 5107	Rep. Syed / Sen. Hastings	"Alyssa's Law." Requires school districts and private schools to consider use of a mobile panic alert system in their emergency and crisis response plans by the 2028-2029 school year.	Passed Both Chambers
HB 4397	Rep. Crawford / Sen. Villa	Updates licensure and training standards for school psychologists (specialized degree, 60 graduate credit hours, 1,200 supervised hours) and authorizes them to provide mental and behavioral health assessments, crisis intervention, and family/community collaboration.	Passed Both Chambers
SB 2914	Sen. Loughran Cappel / Rep. Moeller	Requires school boards issuing written warnings for remediable teacher misconduct to describe the conduct specifically, allow teachers to respond before approval, and limit later discipline to related conduct; permits binding arbitration of final warning decisions.	Passed Both Chambers

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Local Government

General Assembly Advances Measures to Modernize Local Government Operations and Administration

Local government issues remained a significant focus of the 2026 spring legislative session, as lawmakers advanced a broad package of measures aimed at **modernizing government operations, increasing transparency, expanding local flexibility, and improving quality of life in communities across Illinois**.

The legislation impacts a wide range of local entities, including **municipalities, counties, townships, fire protection districts, local taxing bodies, and economic development organizations**, reflecting the General Assembly's continued effort to provide local officials with tools to better serve residents while maintaining appropriate oversight and accountability.

A recurring theme throughout the session was the effort to bring local government administration into the modern era. Several measures were designed to streamline interactions between local governments, residents, and state agencies by:

- Expanding **electronic filing and reporting options**
- Improving **public access to financial and administrative information**
- Increasing flexibility within **payment processing systems**
- Reducing unnecessary administrative burdens

Collectively, these changes are intended to make government services more efficient, accessible, and transparent for taxpayers.

Lawmakers also approved legislation providing local governments with additional flexibility to address unique community challenges and operational needs.

Key areas of focus included:

- **Fire protection district operations**
- **Nuisance property enforcement**
- **Local speed limit authority**
- **Workforce development initiatives**
- **Economic development programs**

These measures seek to empower local decision-makers while preserving state oversight and accountability standards.

Beyond administrative reforms, the General Assembly also devoted attention to infrastructure and quality-of-life issues that directly affect residents and communities.

Legislation approved this session addressed:

- **Outdoor lighting standards**
- **Roadway and traffic safety improvements**
- **Workforce recruitment and retention within public utilities and special districts**

These initiatives reflect an ongoing commitment to supporting safe, functional, and economically vibrant communities throughout Illinois.

Taken together, the local government measures approved during the 2026 session demonstrate a continued emphasis on modernization, operational efficiency, and community investment. While the individual bills address a wide range of policy areas, they share a common objective: providing local governments with the tools and flexibility needed to meet evolving community needs while balancing public safety, economic development, environmental stewardship, and fiscal responsibility.

High-Profile Legislation

LOCAL GOVERNMENT

Bill	Sponsor	Subject	Status
HB0598	Rep. Tarver/ Sen. Villanueva	Makes changes affecting local government finance and levy authority, including provisions tied to local pension and special district funding.	Became Public Act 104-0460
HB2137	Rep. Schmidt / Sen. Harriss	Requires governmental units, counties, and municipalities that maintain websites to post information showing where audit or financial reports are available to the public, including a link to the Comptroller's website.	Passed Both Chambers
HB4292	Rep. Hammond/ Sen Bryant	Allows fire protection district boards, under certain safeguards, to transfer money from an ambulance service fund to another district-controlled fund.	Passed Both Chambers
HB4426	Rep. Crawford/ Sen. Johnson	The bill requires the Director of Human Resources to publicly notice civil service exam eligibility lists and allows delaying hiring if there are too few qualified candidates, ensuring a sufficient applicant pool. It also excludes certain apprentices from civil service classification while giving program graduates bonus exam points and opportunities for additional testing to support their transition into journeyman or entry-level roles.	Passed Both Chambers

Bill	Sponsor	Subject	Status
HB4537	Rep. Tarver/ Sen. Villanueva	Addresses local government credit card payment processing and prohibits agreements from restricting use of the State Treasurer's E-Pay program or another procured payment system.	Passed Both Chambers
HB5167	Rep. Chung/ Sen. Koehler	Allows township notice for weed cutting, tree trimming, nuisance bush/tree removal, or pond maintenance to be served by certified mail, personal service, or posting on the property.	Passed Both Chambers
SB2102	Sen.Harriss/ Rep. Elik	Allows local taxing districts to file budget and appropriation ordinances and revenue estimates electronically with county clerks, who must acknowledge receipt.	Passed Both Chambers
HB5081	Rep. Hanson/ Sen. Porfirio	Narrows the definition of "safety zone" for automated speed enforcement by excluding roads where 30 mph limits were lowered without an engineering study, and revises local authority power to set speed limits (including allowing lower limits in urban and residential areas without such studies, within specified ranges). The amendment also allows IDOT to set or study speed limits on state highways at a local request, defines "target speed," and sets staggered effective dates, with most provisions immediate and certain IDOT authority changes effective January 1, 2027.	Passed Both Chambers
HB5470	Rep. Morris/ Sen. Faraci	Makes a series of changes to DCEO law by repealing the requirement to maintain a comprehensive business benefits website, shifting several reporting deadlines to January 31, updating board memberships, and modifying economic development and equity-related programs. It also adjusts or removes extensions of certain tax credits, adds workforce and equity initiatives (including a women-at-risk subcommittee and urban revitalization support), and makes related administrative changes, effective immediately.	Passed Both Chambers

Bill	Sponsor	Subject	Status
HB5474	Rep. Farver Dias/ Sen. Johnson	Strengthens Illinois' outdoor lighting standards by requiring all new luminaires installed after June 30, 2032, to use lighting with a color temperature of 2,200 Kelvin or less to reduce light pollution. The bill also establishes strict limitations and approval requirements for uplighting used on historic statuary and building facades, including review by the State Historic Preservation Office for new or replacement installations beginning in 2027.	Passed Both Chambers
SB0807	Sen. Holmes/ Rep. Hoffman	Delays scheduled unemployment insurance benefit reductions and employer contribution increases from 2027 to 2029, while also reducing the severity of future benefit cuts and postponing a planned employer surcharge. The bill further requires certain employers conducting large layoffs or facility closures to share employee information with the Illinois Department of Employment Security so affected workers can be more quickly connected to unemployment benefits and reemployment services.	Passed Both Chambers
SB3321	Sen. Loughran Cappel/ Rep. B. Hernandez	Ensures that local governments cannot be prohibited from using the State Treasurer's E-Pay program or other payment processing systems they have independently procured when accepting credit card payments. The measure promotes flexibility and competition in payment processing services while preserving the ability of local governments to enter into lawful banking and financial service agreements.	Passed Both Chambers

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Mega Project Bill

Bears Bill Stalls as Springfield Fails to Deliver Last-Minute Drive

In the early hours of **May 31,2026**, the Illinois Senate believed it had completed a *game-winning drive*. After months of negotiations and speculation surrounding the future home of the Chicago Bears, senators approved legislation they hoped would keep the franchise in Illinois and prevent a potential move across state lines to Indiana.

Unfortunately for supporters of the measure, the clock literally ran out in the House (**i.e. 12:07AM**). What many viewed as a *last-minute Hail Mary attempt* to secure the Bears' future in Illinois fell incomplete as lawmakers adjourned without delivering the game-winning touchdown.

Complicating matters further was the fact that lawmakers were not working from seemingly identical proposals.

The **House Megaproject bill, HB910 (HA3)** that generated significant discussion throughout session was substantially different from the **Municipal Stadium Authority bill, HB958 (HA2)** that was introduced on May 31.

HB958 (HA2) would have created a municipal stadium authority for municipalities with populations of **70,000 or more residents** that are entirely located within Cook County or a county of more than **3 million residents**. The legislation v**ested broad powers and duties** in the authority and established a **five-member governing board.** Most notably, the bill provided that any stadium developed under the authority would be owned by the **municipal stadium authority itself**. This ownership structure stands in stark contrast to the vison reportedly favored by the Chicago Bears, who have sought a model in which the Chicago Football Team organization would full finance and maintain **100 percent ownership** of the stadium facility.

Meanwhile, the House proposal, **HB910 (HA3)** the Megaproject bill focuses primarily on economic development incentives. The measures included **a package of tax benefits and development tools, including redevelopment and enterprise zone incentives, Capital Construction job credits, a Mega Project tax assessment freeze and payment provisions, and additional tax credits available through designated RREDY and NOVA districts.** Supports viewed the proposal as an effort to make Illinois more competitive for large-scale economic development projects.

The failure of the legislation leaves Illinois facing significant uncertainty.

Questions now surround whether lawmakers will revisit the issue during a summer special session, the fall veto session, or even during lame duck. More importantly, it remains unclear whether the Bears will still be interested months from now if Hammond, Indiana is truly a viable option.

Governor J.B. Pritzker made clear that while he wants the Bears to remain in Illinois, there are limits to what taxpayers should be expected to provide:

> *"I don't want the Bears to leave Illinois, and I've worked very hard to make sure that they stay," Pritzker said. "Indeed, my original focus had been keeping them in the City of Chicago. But the reality is, I wasn't willing to give up billions of dollars of taxpayer money in order to give it to the billionaire-owned family or team."*

Legislative leaders echoed similar concerns about committing public resources to a privately owned professional sports franchise while residents continue to face economic challenges. **Illinois Senate President Don Harmon** emphasized the broader fiscal pressures confronting families across the state:

> *"People are being thrown off food stamps, people are not able to keep up with inflation because their wages aren't keeping pace, and people are losing access to healthcare because the hospitals and providers that serve them are being undercut by Washington," Harmon said. "There was no appetite at all to provide public dollars to a $10 billion sports franchise."*

Meanwhile, **Illinois House Speaker Emanuel Chris Welch** acknowledged that support for the proposal simply was not there in the final hours of session:

> *"The votes weren't there, and we're going to continue to have those conversations to find out what the specific issues are," Welch said. "We'll get there. We're very much a part of Springfield and the economy and what goes on here, and we'll want to see something happen, but what will happen will be what is right."*

For now, the scoreboard remains unchanged.

The Bears remain in Illinois, but their long-term future is far from settled. What seemed destined to be a dramatic legislative victory instead became one of the session's most notable unfinished drives.

Whether lawmakers can regroup and put points on the board during a future session (or whether Indiana ultimately wins the competition for the franchise) remains one of the most consequential unanswered questions facing Illinois policymakers this year.

Miscellaneous

Lawmakers Advance Accessibility, Social Equity, and CBD and Hemp Regulation

In addition to major legislative debates surrounding the budget, pensions, transportation, and local government operations, the General Assembly approved several noteworthy measures addressing **accessibility**, **consumer protection**, **social equity**, and **emerging regulatory issues**. While these bills span different policy areas, they collectively reflect the legislature's continued focus on expanding access, increasing equity, and modernizing state law to address evolving public needs.

One of the session's most significant regulatory measures was **Senate Bill 3222**, which establishes a comprehensive framework for **hemp-derived products** and creates new pathways for participation in Illinois' **cannabis industry**.

Lawmakers sought to address longstanding concerns regarding the lack of consistent standards for **CBD manufacturers** while continuing the state's commitment to **social equity principles** that have guided cannabis legalization efforts.

The legislation also:

- Expands opportunities for small businesses and social equity applicants
- Reduces regulatory barriers for independent operators
- Broadens eligibility for cannabis-related expungements

Key provisions of SB3222 include:

CBD & HEMP REGULATION

- Establishes mandatory licensing requirements for CBD manufacturers operating in Illinois.
- Creates uniform manufacturing, testing, and operational standards for hemp-derived products.
- Provides a structured pathway for hemp businesses seeking to transition into Illinois' licensed cannabis market.

SOCIAL EQUITY EXPANSION

- Reserves at least 45 cannabis infuser licenses for social equity applicants.
- Expands opportunities for historically underrepresented businesses to participate in the regulated cannabis market.
- Requires that 50% of all cannabis transportation activity be conducted through Social Equity Transporters, embedding equity requirements throughout the supply chain.

CANNABIS POSSESSION & EXPUNGEMENT

- Doubles legal cannabis possession limits.
- Increases the minor offense threshold from 30 grams to 60 grams.
- Expands eligibility for automatic expungement, particularly benefiting individuals and communities disproportionately impacted by prior cannabis enforcement policies.

SMALL BUSINESS & INDUSTRY SUPPORT

- Waives cannabis license renewal fees for operators generating less than $50,000 annually.
- Provides a 50% reduction in renewal fees for businesses generating up to $750,000 annually.
- Reduces regulatory costs for smaller and independently owned cannabis businesses.

The General Assembly also approved legislation expanding **accessibility accommodations in public facilities**.

Advocates successfully advanced a measure requiring certain newly constructed public buildings and state-owned facilities to provide **adult changing stations**, helping ensure individuals with disabilities and their caregivers have access to **safe and dignified accommodations** in public spaces.

Additionally, lawmakers approved a student-driven initiative designating the **black and gold bumblebee** as Illinois' official **State bee**. The measure originated from a civic engagement project involving **middle school students** and highlights the importance of pollinator conservation and environmental education.

High-Profile Legislation

MISCELLANEOUS

Bill	Sponsor	Subject	Status
HB4379	Rep. Briel/ Sen. Collins	Expands the Equitable Restrooms Act by requiring certain newly constructed public buildings and state-owned facilities to provide adult changing stations and establishes accessibility, maintenance, and signage standards.	Passed Both Chambers
HB4438	Rep.Yang Rohr/ Sen. Ellman	Designates the black and gold bumblebee (Bombus auricomus) as the official State bee of Illinois following a statewide student-led initiative.	Passed Both Chambers

Bill	Sponsor	Subject	Status
SB3222	Sen. Lightford/ Rep. Guzzardi	Establishes a licensing framework for CBD manufacturers, expands opportunities for social equity participation in the cannabis industry, modifies cannabis possession thresholds, and reduces regulatory costs for smaller operators.	Passed Both Chambers

A complete list of all 395 bills that passed both chambers is available through the accompanying link.

Pensions

Pension Reform Remains a Central Fiscal Issue as Lawmakers Advance Targeted System Changes

Pension policy remained one of the most closely watched fiscal issues during the 2026 spring legislative session. While lawmakers advanced several targeted pension measures affecting state systems, IMRF, TRS, and the Chicago Teachers' Pension Fund, the General Assembly **did not enact a broad Tier II pension overhaul** before adjournment.

The most significant pension-related movement centered on the continued use of **accelerated pension benefit buyout programs**, administrative changes to pension fund operations, and narrow benefit or eligibility adjustments for specific systems. These bills reflect a continued legislative preference for incremental pension changes, rather than a comprehensive restructuring of Illinois' pension framework.

Looking ahead, Tier II pension reform is expected to remain a major unresolved issue. Policymakers, labor organizations, local governments, and fiscal watchdogs continue to debate how Illinois should address concerns that Tier II benefits may fall short of federal "safe harbor" requirements while also managing the cost impact of any benefit enhancements.

Governor Pritzker's pension framework, which includes a path toward full pension funding and continued use of pension buyout tools, is also expected to remain a key part of the broader conversation as lawmakers evaluate the State's long-term pension obligations.

High-Profile Legislation

PENSIONS

Bill	Sponsor	Subject	Status
HB5196	Rep. Morgan/Sen. Martwick	Extends the State's accelerated pension benefit buyout programs for SERS, SURS, and TRS through June 30, 2028, and authorizes additional State Pension Obligation Acceleration Bonds to fund lump-sum buyout payments.	Passed Both Chambers
SB1454	Sen. Martwick/ Rep. Klfowit	Requires automatic enrollment of new Chicago Police, Chicago Firefighter, and Chicago Municipal pension system members into a federal tax-qualified pre-tax retirement plan, with an opt-out option.	Passed Both Chambers

Bill	Sponsor	Subject	Status
SB2802	Sen. Holmes/ Rep. Walsh	Increases the IMRF death benefit from $3,000 to $8,000 for eligible deaths occurring on or after January 1, 2027, and adds regional water commissions as participating instrumentalities.	Passed Both Chambers
SB2826	Sen. Balkema/ Rep. Deuter	Makes governance and eligibility changes to IMRF, including prohibiting individuals who earned creditable service through employment by IMRF from serving as trustees.	Passed Both Chambers
SB4010	Sen. McClure/ Rep. Sheehan	Changes the interest rate applied when certain TRS members purchase optional service credit for prior private school teaching or administrative service, using regular interest rather than the actuarially assumed rate.	Passed Both Chambers
HB4909	Rep. Stuart/ Sen. Koehler	Addresses IMRF eligibility for certain individuals in bargaining units where a municipality contributed to both IMRF and a Taft-Hartley pension plan.	Passed Both Chambers
HB4575	Rep. Yang Rohr/ Sen. Holmes	Aligns the Chicago Teachers' Pension Fund teacher trustee election petition deadline with other CTPF trustee election deadlines.	Passed Both Chambers
HB4576	Rep. Yang Rohr/ Sen. Feigenholtz	Requires charter schools and contract schools to retain payroll records and pension contribution information for at least five years.	Passed Both Chambers

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Transit

General Assembly Refines Regional Transit Framework

Transit remained one of the most significant issues of the **2026 spring legislative session**, with lawmakers continuing to refine the major regional transit reform framework approved in **2025**.

The most notable action was passage of **HB2335**, the mass transit trailer bill, which makes several implementation, governance, procurement, operational, and technical changes tied to the transition to the **Northern Illinois Transit Authority** structure.

HB2335 serves as the primary implementation measure for the regional transit reform legislation enacted in **2025**. The bill addresses numerous operational, governance, funding, and transition issues identified during implementation of the new transit framework.

Key provisions include:

GOVERNANCE & BOARD OPERATIONS

- Modifies terms and transition provisions for members of the **Northern Illinois Transit Authority (NITA) Board** and service boards.
- Clarifies board member compensation and reimbursement provisions.
- Establishes procedures for filling vacancies and managing board transitions during implementation of the new governance structure.
- Revises approval requirements for certain executive employment contracts and personnel decisions.

CONTRACTS & PROCUREMENT

- Provides guidance for the administration and transfer of **contracts entered into prior to January 1, 2027.**
- Establishes procedures to ensure continuity of operations as responsibilities transition under the new transit governance framework.
- Clarifies procurement and contracting authority during the implementation period.

SAFETY & OPERATIONS

- Revises requirements related to protective bus operator shields and related transit vehicle safety provisions.
- Makes various technical and operational corrections requested by transit agencies to facilitate implementation of previously enacted reforms.

CAPITAL PROJECTS & INFRASTRUCTURE

- Updates timelines and requirements for certain station modernization, renovation, and construction projects.
- Establishes or modifies project-specific requirements affecting stations along CTA rail lines.

- Provides additional flexibility regarding implementation deadlines for designated capital improvements.

FUNDING & REVENUE

- Makes technical adjustments to certain transit-related tax provisions adopted as part of the broader transit reform package.
- Clarifies the administration and distribution of transit-related revenues under the new governance structure.
- Addresses implementation issues affecting regional transportation funding streams.

DOWNSTATE TRANSIT FUNDING

- Creates a mechanism for future increases to Downstate Public Transportation Fund appropriations.
- Links future funding growth to annual increases in the Downstate Public Transportation Fund.
- Establishes expenditure thresholds and fiscal safeguards before automatic increases may occur in future fiscal years.

IMPLEMENTATION & TRANSITION

- Provides numerous technical corrections and conforming changes throughout the transit reform statutes.
- Resolves ambiguities identified by transit agencies, local governments, and stakeholders during implementation.
- Ensures continuity of service and administrative operations as the new regional transit governance structure takes effect.

While **HB2335 is largely technical and implementation-focused**, it is significant because it provides the statutory framework necessary to operationalize Illinois' sweeping transit reform. For transit operators, local governments, labor organizations, and riders, the bill provides greater certainty regarding governance, funding, capital planning, and operational responsibilities moving forward.

Beyond HB2335, lawmakers also **advanced several transportation safety, roadway, and vehicle-related measures.** These included bills addressing IDOT intersection safety reviews, roadside rest area human trafficking notices, accessible parking and registration changes, highway work zone vehicle lighting, Toll Highway Authority legal authority, and local government pavement markings near fire hydrants and water supplies.

High-Profile Legislation

TRANSIT

Bill	Sponsor	Subject	Status
HB2335	Rep. Delgado / Sen. Villivalam	Mass transit trailer bill making technical, governance, procurement, operational, tax, and implementation changes related to the regional transit reform framework, including changes affecting NITA board terms, service board compensation, contract management, bus shields, station renovation deadlines, and Downstate transit funding formulas.	Passed Both Chambers
HB4654	Rep. La Ha/ Sen. Plummer	Requires IDOT to post human trafficking resource notices in all public restrooms at each roadside rest area.	Passed Both Chambers
HB4843	Rep. Kelly / Sen. Villivalam	Makes various vehicle registration and license plate changes, including provisions related to meter-exempt decals or devices for parents or guardians of certain persons with disabilities.	Passed Both Chambers
SB3275	Sen. Joyce/ Rep. DeLuca	Requires IDOT to conduct a road safety assessment for the 10 most hazardous intersections under State jurisdiction in Will County south of I-80 and report to the General Assembly by January 1, 2028.	Passed Both Chambers
SB3951	Sen. Harriss/ Rep. Elik	Allows local governments to place blue pavement markings near fire hydrants or water supplies, subject to encroachment permits from the agency with jurisdiction over the roadway.	Passed Both Chambers
SB3449	Sen. Cunningham/ Rep. Spain	Modernizes Illinois' mobile identification and mobile driver's license framework by establishing privacy protections for users of mobile identification credentials. The legislation prohibits entities from requiring individuals to surrender possession of their mobile device solely for identity verification and establishes standards governing the use of digital credentials.	Passed Both Chambers

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