

2026 Legislative Report



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FROM JEN

CEO of the Illinois Environmental Council

Our team at the Illinois Environmental Council called 2025 the “Year of Climate” because we passed two major climate bills that invest in the future of our electric grid and public transportation systems. Never keen to rest on our laurels, Illinois’ environmental movement set out this year to lay the groundwork for our next big wins.

We went into the 2026 Spring legislative session anticipating that paths to victory would be made difficult by a distracting mid-session primary election, a highly concentrated legislative business calendar, and big competing issues like the Bears stadium and the Governor’s housing initiative.

Our expectations were met. **Despite strong public and legislative support, the General Assembly failed to enact critical guardrails for data centers, protect wetlands from development, and ban toxic polystyrene foam foodware—our top three priorities this session.** In a situation with less time and more competing priorities than normal, legislative leaders simply did not elevate many environmental bills this session. In fact, this session appears to have been designed not to grapple with any large priorities.

That doesn’t mean our time and efforts were wasted. On the contrary, we spent these last several months mobilizing constituents and consolidating lawmaker support so that when opportunities arise before the end of the year, we’ll be ready to make the most of them. **Even in these difficult circumstances, we did pass a few significant bills that establish important “firsts” in Illinois environmental policy.**

The Illinois General Assembly passed SB3772, **codifying, for the first time in Illinois law, a legal framework for addressing the cumulative health impacts of industrial air pollution in Illinois’ Environmental Justice communities** and establishing a dedicated Office of Environmental Justice within the Illinois Environmental Protection Agency (IEPA).

HB4418 passed, **officially recognizing plastic pellets as a pollutant under Illinois state law for the first time**, making Illinois the first of the Great Lakes states to hold producers of toxic industrial plastic pellets accountable for spills into our waterways.

In addition to those big wins, **we brought more than 800 people to the State Capitol for lobby days this year** and set the stage for big legislative action on unchecked data center development, phasing out polystyrene foam foodware, and protecting Illinois’ most endangered wetlands during the upcoming veto session and beyond.

Our biggest 2026 fights continue. I know you’ll do your part to show up for our environment. The real question is whether legislative leadership will do theirs. Either way, we’ll be ready to lift up their leadership or hold them accountable in our annual Environmental Scorecard. You can help by staying ready to take action with us when IEC calls for your support.

Together,

Jen Walling
CEO



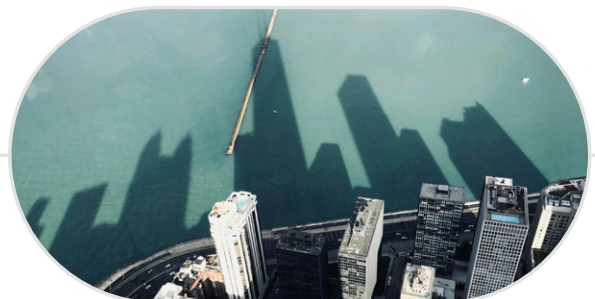
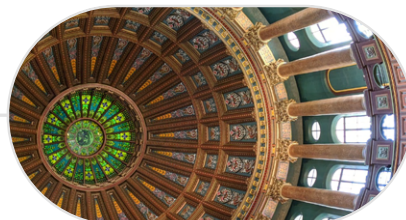
About IEC

Who We Are

Since 1975, the Illinois Environmental Council (IEC) has worked to safeguard Illinois—its people, its plants and animals, and the natural systems on which all life depends by building power for people and the environment. Representing over 150 environmental organizations operating in Illinois, IEC carries out its mission to advance public policies that create healthy environments across Illinois through education, advocacy, and movement building.

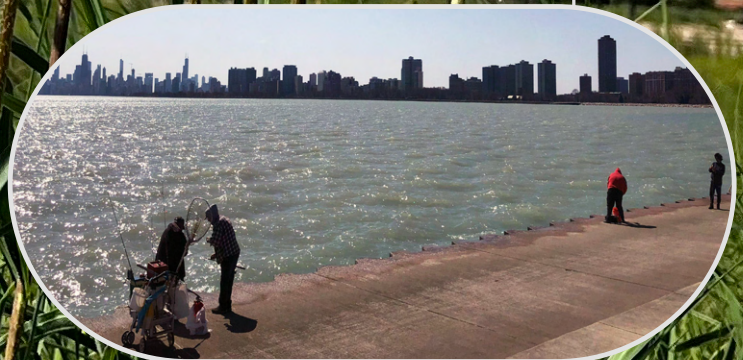
What We Do

IEC works at all levels of government by bringing together the Illinois environmental community to influence decision-makers and ensure clean air, clean water, and healthy communities. We coordinate our affiliate member organizations to share resources, mobilize supporters, and respond quickly to the most pressing issues facing the environment in Illinois. From building consensus around an annual environmental agenda to lobbying city, state, and federal decision-makers, IEC takes pride in leading our environmental movement in Illinois.





Environmental Justice & Equity



Environmental Justice & Equity

In the face of egregious federal rollbacks, our state legislature stepped up to pass meaningful legislation that ensures Illinois has a consistent definition of Environmental Justice communities and strengthens air permitting in these areas. Additionally, in recognition of our state agencies' focus on protecting our communities from the Trump Administration, we extended the Climate Displacement Task Force's reporting dates to give the Governor's Office more time to convene the task force.

Despite these early successes, we still have more work ahead to ensure we are preparing our state for the environmental degradation caused by big corporations and to combat climate change. We partnered with affiliates to launch our Make Polluters Pay campaign this year, and we will continue to educate lawmakers and communities to build the power we need to hold fossil fuel companies accountable for the decades of damage they have caused.

Environmental Justice Air Permitting - SB3772

(VILLANUEVA/JIMÉNEZ) - PASSED!

Environmental Justice (EJ) areas experience the cumulative impact of many types of pollutants. This legislation reforms permitting to ensure that the Illinois Environmental Protection Agency (IEPA) accurately defines EJ communities and, for the first time in Illinois law, codifies a legal framework to address the cumulative impact of industrial air pollution in Illinois' Environmental Justice communities. This legislation now heads to Governor Pritzker's desk.

Climate Displacement Report - SB2980

(GUZMÁN/ DU BUCLET) - PASSED!

This bill extends the Climate Displacement Task Force's report deadline from June to December 2026. This legislation now heads to Governor Pritzker's desk.

Make Polluters Pay Act - SB2981 / HB4773

(GUZMÁN/GABEL) - TO BE CONTINUED

The biggest contributors to climate change, like fossil fuel companies, billionaires, and major polluting industries, are currently not financially responsible for the environmental damage they cause, while ordinary people and governments bear the costs. This bill shifts the cost of pollution from families and taxpayers to the largest corporate polluters by requiring them to cover environmental damages, cleanup, and climate-related impacts.

Warehouse Pollution Reduction Act - SB3732 / HB5600

(VENTURA/ORTÍZ) - TO BE CONTINUED

Heavy diesel truck traffic associated with the growing number of warehouses located in EJ communities is harming air quality and increasing health risks. This legislation requires warehouses to adopt pollution-reduction measures and accelerate emission cuts in disproportionately impacted communities, and directs the Illinois EPA to develop an air quality modeling program to evaluate and publicly share pollution impacts.



Clean Energy



Clean Energy

IEC worked extensively last year to pass the Clean and Reliable Grid Affordability (CRGA) Act, which will accelerate renewable energy deployment and improve grid reliability. The CRGA Act, which passed in the 2025 veto session, was the first step to addressing the energy affordability crisis, but we knew we had to come back to address the emergence of energy-intensive data centers. Much of our year was spent developing the Protecting Our Water, Energy, and Ratepayers (POWER) Act and educating the General Assembly on the bill. Although it did not pass at the end of session, we gained a lot of support from lawmakers. In addition, the Governor's Office announced a proposed data center framework in early June that closely aligns with our goals in the POWER Act. We look forward to continuing to fight for this legislation ahead of the Fall veto session to hold data centers accountable for their outsized impact on our natural resources and communities while prioritizing fairness, transparency, and our clean energy future.

Additionally, we supported several smaller initiatives to expedite and facilitate access to solar energy for homeowners and apartment dwellers. While Instant Solar Permitting and Balcony Solar legislation did not advance this session, we gained significant traction by bringing stakeholders into the conversation and setting us up for 2027.

Protecting Our Water, Energy, and Ratepayers (POWER) Act - SB4016 / HB5513

(VILLIVALAM/GABEL) - TO BE CONTINUED

The unprecedented influx of energy- and water-intensive data centers threatens consumers' electricity bills, our climate goals, and our communities. This legislation requires data centers to pay their fair share and fully fund their energy capacity and water needs using new, clean, locally delivered resources and minimizes data center impacts on our water, air, consumers, and climate.

Clean and Reliable Grid Affordability (CRGA) Act Trailer Bill - HB1700

(STADELMAN/WILLIAMS) - PASSED!

As a follow-up to the landmark Clean and Reliable Grid Affordability Act passed in the veto session, this trailer bill makes targeted fixes and improvements to ensure the law delivers on its promise of affordable, reliable clean energy. It strengthens battery storage incentives, protects funding for the Illinois Solar for All program, and clarifies energy efficiency provisions to expand consumer access—all while preserving the carefully negotiated agreements reached during the original CRGA process. These refinements keep Illinois on track to lower utility costs and accelerate renewable energy deployment even as the state confronts rising demand driven by data centers and Big Tech. This legislation now heads to Governor Pritzker's desk.

Balcony/Plug-in Solar - SB3104 / HB4524

(VENTURA/DIDECH) - TO BE CONTINUED

Many homeowners and renters are required to navigate the same lengthy approval process as utilities, regardless of the much smaller size or complexity of their solar system. This bill reduces barriers to adopting plug-in solar—moveable solar panels that connect to a standard outlet and primarily offset a customer's electricity use—by exempting these systems from interconnection requirements, utility approvals, and restrictions imposed by local governments or homeowners' associations.

Instant Solar Permitting - SB2395 / HB3265

(CUNNINGHAM/EVANS) - TO BE CONTINUED

Residential solar faces unnecessary delays and red tape. This bill expedites solar adoption by automating the permit application process, saving prospective solar panel consumers time and money.



Prohibition of Eminent Domain for Carbon Dioxide Pipelines - SB2842

(HALPIN) - TO BE CONTINUED

This bill prohibits carbon dioxide pipeline developers from using eminent domain to acquire land or easements, giving landowners the power to negotiate to protect property rights and improve the safety of CO2 pipeline routes.

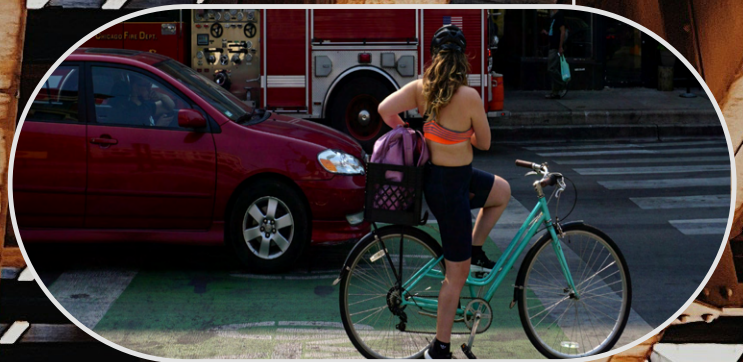
Family Indoor Air Protection Act - SB3974 / HB4272

(AQUINO/CRAWFORD) - TO BE CONTINUED

Methane gas is a dangerous air pollutant, particularly indoors, where the presence of a gas appliance increases asthma risk. This bill will require warning labels on non-externally vented methane gas appliances manufactured after January 1, 2027, ensuring consumers are informed about potential health and safety risks.



Equitable Transportation



Equitable Transportation

Early on Halloween morning in 2025, the legislature closed out a public transit saga years in the making. COVID brought to light the vulnerability of our public transit system funding structure and the lack of coordination between the major transportation agencies throughout the state. The Northern Illinois Transit Authority (NITA) Act required years of planning, discussion, and negotiation among stakeholders and was finally passed on the last day of the Fall veto session. The law will support public transit funding, coordination, and planning throughout the state to ensure Illinoisans have reliable and affordable transportation for generations to come. Given that the over-1,000-page legislation was not without errors, we passed a trailer bill this year to make technical fixes and clarify key provisions in the legislation.

Building on that success, this year IEC supported legislation to reduce emissions in the transportation system by increasing access to zero-emission vehicle charging technology, modernizing diesel emissions testing, updating state code for e-bikes and e-motos, and increasing bicycle safety education to make the streets safer for all.

Northern Illinois Transit Authority Act - HB2335

(DELGADO/VILLIVALAM) - PASSED!

This bill clarified the funding distribution for public transit, ensured consistency in NITA board appointments, and updated timelines and definitions in the Northern Illinois Transit Authority Act to support effective implementation of NITA this year. This legislation now heads to Governor Pritzker's desk.

Micromobility Safety - SB3484

(VILLIVALAM/B. HERNANDEZ) - PASSED!

Electric mobility devices like e-scooters, e-motos, electric bikes, and skateboards are increasingly affordable and zero-emission alternatives for getting around communities. However, the technology has outpaced the regulations in this state. This bill updates Secretary of State language to create a new category for classifying previously unregulated micromobility devices. This legislation now heads to Governor Pritzker's desk.

Clean Vehicle Infrastructure - HB5482

(B. HERNANDEZ) - TO BE CONTINUED

This legislation supports the state's goal of reaching one million electric vehicles (EVs) on the road by 2030 by expanding charging infrastructure at tollway stations, requiring new home and apartment construction to be EV-ready, and increasing funding for the EV rebate program.

Diesel Emission and Fleet Data - SB3980

(PORFIRIO) - TO BE CONTINUED

In an effort to prevent pollution before it occurs, this bill modernizes diesel emission testing and collects basic fleet data to guide smarter investments in zero-emission technologies.

School Bicycle Education - SB2966 / HB4697

(GUZMÁN/YANG ROHR) - TO BE CONTINUED

This legislation requires age-appropriate active transportation safety training for public school students in grades K-8 and allows nonpublic schools to provide comparable instruction.



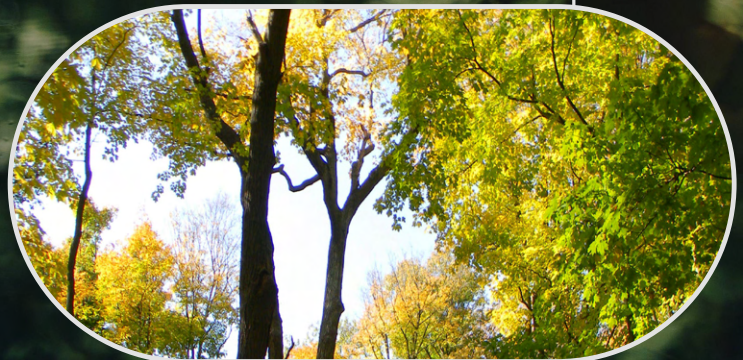
Motor Vehicle Franchise-Sales - HB5197

(WALSH JR) - STOPPED!

This bill would have limited the sale of vehicles to automobile franchise dealers, thereby limiting EV manufacturers' ability to sell directly to their customers.



Zero Waste



Zero Waste

In 2025, the Illinois Senate moved plastic reduction policy further than ever before when it passed SB1531, the Polystyrene Foam Foodware Ban. Plastic reduction advocates hoped the House would continue that momentum and pass SB1531 in 2026. While it didn't happen this spring, we're optimistic that a vote in the fall veto session will be successful. Ongoing education and advocacy are required to ensure we get there.

Plastic reduction advocates were still able to celebrate a win this year. HB4418, the Plastic Pellet Free Waters Act, passed both the Senate and House. It marks the first time any type of plastic is considered a pollutant under Illinois law. As we seek to implement strong policy guardrails to address plastic waste, including the nearly 11 million pounds of plastic that pollute Lake Michigan every year, this milestone is a big win. The legislature also passed a resolution recognizing "Compost Awareness Week", further highlighting growing momentum in Illinois around waste management.

Plastic Pellet Free Waters Act - HB4418

(MORRISON/MASON) - PASSED!

This bill classifies pre-production plastic pellets as a pollutant and directs the IEPA to develop and implement stormwater pollution controls. The legislation ensures industrial producers of plastic pellets are held accountable for preventing pellet spills into our waterways through stormwater. This legislation now heads to Governor Pritzker's desk.

Polystyrene Foam Foodware Ban - SB1531

(FINE/GONG-GERSHOWITZ) - TO BE CONTINUED SOON

Polystyrene is one of the worst single-use plastics because it never breaks down, leaching toxins that harm wildlife and degrade water and soil quality for hundreds of years. What's more, every piece of plastic, including polystyrene foam, is part of the oil and gas supply chain; oil is refined into petrochemicals like styrene. This compromise bill would phase out the distribution of all foam foodware (foam cups, bowls, clamshell containers, etc.) beginning in 2030.

"Skip the Stuff" - HB1600

(EDLY-ALLEN/GONG-GERSHOWITZ) - TO BE CONTINUED

Restaurant plastic utensils create unnecessary single-use plastic waste, polluting our water and contributing to the microplastics crisis. This bill requires third-party restaurant delivery and online ordering apps to ask customers whether they want single-use utensils and to provide them only when requested. Enforcement can occur if they do so without request.

Compost Awareness Week - SR620 / HR636

(FINE/MASON) - ADOPTED

This resolution declares May 3-9, 2026, as Compost Awareness Week in the state of Illinois to reflect International Compost Awareness Week, or "ICAW".

Reducing Landfill Methane Emissions - HB3802

(MASON) - TO BE CONTINUED

Illinois ranks eighth worst in the nation in total methane emissions from landfills. This bill strengthens landfill regulations by expanding gas collection requirements, accelerating the timeline for installing gas collection systems, and increasing methane destruction efficiency for flared systems.



Food Waste Diversion - SB2852

(JOHNSON) - TO BE CONTINUED

Food waste decomposing in landfills is the single biggest driver of landfill methane emissions. This bill establishes a statewide food waste management system that requires large generators located within 20 miles of a composting or anaerobic digestion facility to reduce and divert their food waste. The system follows a hierarchy that prioritizes preventing waste, donating edible food for human and animal consumption, and processing the remaining waste through composting or anaerobic digestion rather than sending it to a landfill.

Natural Organic Reduction - HB5425

(VILLANUEVA/CANTY) - TO BE CONTINUED

Compared to many other states, Illinoisans currently have limited options for the disposal of human remains. This bill legalizes human composting as a licensed and regulated end-of-life option, expanding individual choice while providing a more environmentally sustainable alternative to traditional methods of disposition.



Conservation & Sustainable Agriculture



Conservation & Sustainable Agriculture

The 2026 legislative session was an important year of groundwork for conservation and agriculture priorities in Illinois. IEC and our partners championed legislation to protect wetlands, improve water quality, support sustainable agriculture, strengthen wildlife and habitat conservation, address emerging contaminants, and increase community oversight of environmental impacts. While many of these efforts will continue into future sessions, the progress made this year strengthened the foundation for meaningful conservation policy in Illinois.

Among this year's successes, we passed legislation to better manage invasive mute swans, a non-native species that damages wetlands and displaces native wildlife, and worked with legislative champions to recognize the 50th and 60th anniversaries of six Illinois Nature Preserves through resolutions in both chambers. Illinois Nature Preserves represent the strongest level of land protection in state law. These resolutions affirm the labor of conservationists who fought, and continue to fight, to protect these landscapes for generations to come.

Mute Swans - HB5309

(MOELLER/BALKEMA) - PASSED!

Mute swans are a non-native, invasive species that outcompete native wildlife, destroy vegetation, and degrade remaining Illinois wetlands. This bill amends the wildlife code to require the Illinois Department of Natural Resources (IDNR) to differentiate among swan species to ensure mute swan populations are effectively managed. This legislation now heads to Governor Pritzker's desk.

Dark Sky & Outdoor Lighting - SB3037

(ELLMAN) - PASSED!

The legislature advanced outdoor lighting legislation to support a growing dark sky movement. This bill will allow energy code updates to include important features that promote outdoor lighting, limit light trespass to support dark skies, and reduce the impact of outdoor lighting on wildlife. This legislation now heads to Governor Pritzker's desk.

Protecting Our Wetlands - SB2401 / HB3596

(ELLMAN/MOELLER) - TO BE CONTINUED

In *Sackett v. EPA*, the US Supreme Court dramatically weakened the Clean Water Act, putting Illinois' few remaining wetlands at risk. This legislation protects Illinois' wetlands to safeguard aquatic environments from pollution and provide clean drinking water, recreation, and wildlife habitat.

Pesticides Notification - HB1596

(FAVER DIAS) - TO BE CONTINUED

Children and families are unknowingly exposed to toxic pesticides near schools, parks, playgrounds, and forest preserves. This legislation requires notification when pesticides are applied near these sensitive sites to reduce unnecessary exposure and improve transparency.

Farmer Tax Benefits - SB2281 / HB4849

(MARTWICK/GUZZARDI) - TO BE CONTINUED

Illinois is losing farmland and open space to development at an alarming pace, threatening local food systems, wildlife habitat, clean water, and rural economies. This bill gives landowners a practical, flexible financial tool to keep productive



farmland in agriculture and protect critical natural lands while maintaining private ownership.

Eliminating PFAS from Pesticides - SB3400 / HB4523

(MARTWICK/BLAIR-SHERLOCK) - TO BE CONTINUED

PFAS contamination from pesticide products poses long-term risks to human health, water quality, and the environment. This legislation requires full disclosure of PFAS content in pesticide products, prohibits the registration and use of pesticides with intentionally added PFAS, and establishes a future ban on PFAS-containing spray adjuvants beginning in 2030.

Prescribed Burn Liability Claims Fund - SB3399 / HB5306

(MARTWICK/MOELLER) - TO BE CONTINUED

Prescribed fire is a critical land management tool, but liability concerns limit its use across Illinois. This legislation creates a Prescribed Burn Liability Claims Pilot Program administered by the Illinois Department of Natural Resources (IDNR) to provide coverage for losses from properly conducted prescribed burns by certified managers and to support broader, safer use of prescribed fire on the landscape.

Recognizing Our Nature Preserves

We successfully secured recognition in the legislature for each Illinois Nature Preserve celebrating a 50th or 60th anniversary this year, some in both chambers. Beall Woods 60th - SR788 (Bryant), Kankakee River 60th Anniversary - HRO886 (Haas), Pine Rock 60th Anniversary - HR 902 (Fritts), Margery Carlson 50th Anniversary - HRO884 (Briel) & SR785 (Rezin), Colored Sands 50th Anniversary - HR950 (Cabello) & SR784 (Stadelman), Prospect Cemetery Prairie 50th Anniversary - SRO792 (Balkema) & HRO975 (Bunting).

Agrivoltaic Definition Update - SB2958 / HB4830

(KOEHLER/CHUNG) - TO BE CONTINUED

Agrivoltaics is an exciting, emerging approach that integrates agricultural production and solar energy development, but inconsistent legal definitions create barriers to adoption. This legislation establishes a clear, standard definition for dual-use solar and agricultural systems to support renewable energy generation while maintaining productive farmland.

Livestock Facility Setback Requirements - SB2331

(ELLMAN) - TO BE CONTINUED

Communities located near large livestock operations often experience negative impacts from odors, air pollution, and water contamination. This legislation requires new or expanded facilities serving 50 or more animal units to maintain minimum setbacks from occupied residences and populated areas to better protect public health.

CAFO Local Oversight and Notification - SB2332

(ELLMAN) - TO BE CONTINUED

Local governments and residents often have limited notice or input when new concentrated animal feeding operations (CAFOs) are proposed in their communities. This legislation strengthens local oversight by requiring timely notification, public notice, and an opportunity for county boards to request an informational meeting before the construction of a medium or large-sized CAFO may proceed.

Water Supply Verification for Facility Expansions - SB2333

(ELLMAN) - TO BE CONTINUED

Large livestock facility expansions can place significant strain on local groundwater resources, potentially affecting



nearby residents and farms. This legislation requires the Illinois State Water Survey to verify that sufficient water supplies exist for both the expanded facility and neighboring properties before major expansions are approved.

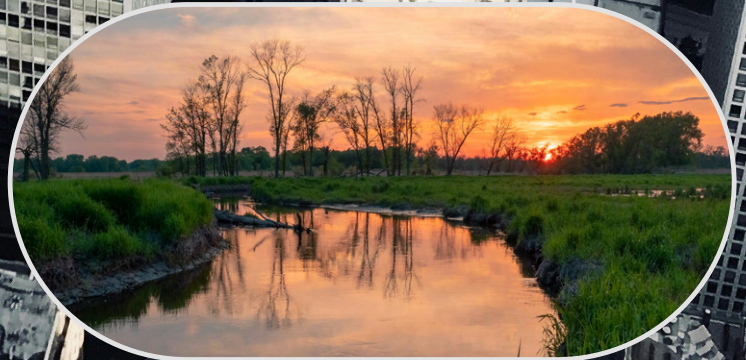
Land Buffer Requirement - SB1789

(ELLMAN) - TO BE CONTINUED

Requiring vegetative buffers is one of the most cost-effective, science-based tools we have to protect our rivers and drinking water from nutrient runoff, pesticides, and sediment pollution. This legislation requires landowners whose property is adjacent to a water body to maintain a buffer of non-invasive vegetation to protect against nutrient runoff and soil erosion.



Clean Water



Clean Water

With 900 miles of large rivers forming our western, eastern, and southern borders and jurisdiction over more than 1,500 square miles of open water in Lake Michigan, the waters in and around Illinois help define our state. All these waters face increasing pressure from a variety of threats — data centers, emerging contaminants, PFAS and microplastics, lead in drinking water, flooding and sewage overflows, shoreline erosion, and more.

This year, we took necessary steps to understand and address groundwater governance as heavy water users, such as data centers, look to Illinois to set up shop (SB3162). We took action to speed up lead service line replacement (SB4025), increased requirements for PFAS testing in wastewater (SB3917), and passed a bill ensuring Illinois doesn't adopt federal environmental rules for air, land, and water when those rules would weaken environmental protections in our state (HB5070).

Lead Service Line Replacement - SB4025

(VILLIVALAM) - PASSED!

This bill accelerates the replacement of lead service lines across Illinois. It requires property owners to grant community water supplies access to the private side of their property to replace lead or galvanized-requiring-replacement (GRR) service lines, provided the utility is offering the replacement at no cost to the owner. If an owner is unavailable or unwilling to consent, any legal occupant may independently authorize access and is held harmless for doing so. This legislation now heads to Governor Pritzker's desk.

EPA Waste Discharge Permit - SB3917

(FINE/FAVER DIAS) - PASSED!

This legislation requires PFAS (perfluoroalkyl and polyfluoroalkyl substances) testing by major facilities with National Pollutant Discharge Elimination System (NPDES) permits that allow for wastewater discharge into waterways. This bill now heads to Governor Pritzker's desk.

EPA Federal Backstop - HB5070

(WILLIAMS/ELLMAN) - PASSED!

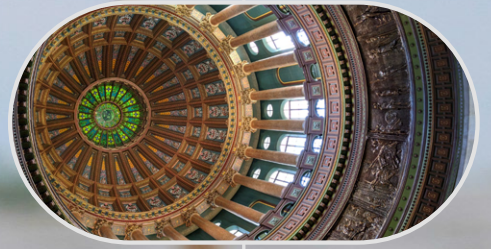
In the face of near-constant federal environmental rollbacks, this bill will end the state's automatic adoption of federal environmental rules when such rollbacks would weaken in-state protections. This bill now heads to Governor Pritzker's desk.

Groundwater Governance - SB3162

(ELLMAN) - TO BE CONTINUED

Unclear groundwater governing authority is driving a water crisis in Illinois that promises to worsen as new data centers increasingly strain our water supply. This legislation will support future efforts to hold large water users accountable for their impacts on our drinking water supplies across the state.





FY27 State Budget



FY27 State Budget

Clean Energy

The fiscal year 2027 (FY27) budget reflects continued — though in some areas reduced — state investment in clean energy programs, even as the federal outlook grows more uncertain. Regarding state-generated funding, we welcomed \$378 million appropriated to the Department of Commerce and Economic Opportunity to sustain implementation of the Climate and Equitable Jobs Act (CEJA), including operations, grants, and contracts that advance Illinois' equitable energy transition. To accelerate clean energy deployment, \$53 million was appropriated to the Illinois Power Agency for renewable energy purchases — a \$3 million decrease from the FY26 enacted level — a change that warrants close watch as Illinois works toward its renewable energy goals. Additional investments support clean energy workforce development through the Climate Jobs Institute and the Clean Energy and EV Career and Technical Education Pilot Program, as well as new regulatory oversight of carbon capture and storage under the SAFE CCS Act.

On the federal side, a significant \$430 million reappropriation of Climate Pollution Reduction Grant (CPRG) funds underscores how much Illinois' clean energy progress depends on federal IRA investments — investments now at serious risk as the Republican-controlled Congress and Trump administration pursue sweeping cuts to federal climate programs.

NEW APPROPRIATIONS

- \$53 million, a \$3 million decrease from the enacted FY26 budget of \$56 million, appropriated from the Illinois Power Agency Renewable Energy Resources Fund for purchases of renewable energy resources and related expenses
- \$2 million from the General Revenue Fund to the Climate Jobs Institute at the University of Illinois
- \$400,000 from the Carbon Dioxide Sequestration Administrative Fund to the Environmental Protection Agency for implementing the SAFE CCS Act; and \$100,000 from the Environmental Justice Grant Fund to the Environmental Protection Agency for grant issuance in accordance with the SAFE CCS Act
- \$350 million from the Energy Transition Assistance Fund, and \$28 million from the Coal to Solar and Energy Storage Initiative Fund, appropriated to the Department of Commerce and Economic Opportunity for implementing CEJA
- \$9 million from the Workforce, Technology, and Economic Development Fund to the Department of Commerce and Economic Opportunity for the Clean Energy and EV Career and Technical Education Pilot Program

REAPPROPRIATIONS

- \$430 million reappropriated to the Illinois Environmental Protection Agency for the CPRG Program, as authorized under the Inflation Reduction Act of 2022



FY27 State Budget

Equitable Transportation

Our work over the past few years to raise awareness of public transit's fiscal cliff has paid huge dividends, as the state is finally providing the necessary funding for FY27 for public transit statewide. As the Northern Illinois Transit Authority gets underway this summer, it will benefit from sufficient funding to run transit operations at an aspirational level. IEC will stay close to the transition and the agency board composition so that climate-smart advancements, such as zero-emission vehicles and bus rapid transit routes, are considered part of the new Illinois transit landscape.

The state continues to maintain steady funding for electric vehicle adoption. We see key programs that support increasing awareness of manufacturing and EV adoption maintain their funding from FY26. However, as the state continues to spend down its EV infrastructure funding from the federal government, there is no additional funding to replenish key funds that were crucial for converting state fleets and school buses to EVs and building out charging infrastructure.

ELECTRIC VEHICLES

- \$225,000 appropriated for administration for EV Rebate, flat from FY 26
- \$12 million appropriated from the Road Fund for the EV Rebate Program
- \$14.6 million to the Electric Vehicle Charging and Ethanol Fuel Research Program
- \$24.8 million from the State Garage Revolving Fund for converting the state fleet to zero-emission vehicles.
- \$10 million for CEJA admin cost to Central Management Services, including state fleet electrification, flat from FY 26
- \$2 million for EV-related marketing campaign for increasing EVs and manufacturing opportunities, flat from FY 26
- \$1 million reappropriated for electric bus and charging infrastructure program, down from \$8.25 million
- \$57.5 million, reappropriated from the Build Illinois Bond Fund for electrification infrastructure projects, down from \$70 million in 2027

PUBLIC TRANSIT

- \$1.3 billion is appropriated to the Illinois Department of Transportation (IDOT) for the purpose of supporting the Public Transportation Fund to the purpose of Northern Illinois Transit Authority (NITA)
- \$100 million is appropriated to IDOT to support making a grant to NITA for additional financial assistance
- \$23 million is appropriated from the road fund to NITA to reimburse the service boards to the reduced fare programs
- \$11.5 million is appropriated from the road fund to NITA to support ADA paratransit
- \$176 million is reappropriated to the Downstate Mass Transportation Capital Improvement Fund for IDOT to support downstate transit systems
- \$91.1 million is reappropriated to the Multi-modal Transportation Bond Fund for IDOT to support downstate transit systems



FY27 State Budget

Conservation & Sustainable Agriculture

For years, IEC has worked alongside our coalition partners and state lawmakers to protect critical conservation and agricultural investments despite a challenging fiscal environment. During the FY27 budget process, we continued that work and saw those efforts pay off with restored funding for the Crop Insurance Rebate Initiative, better known as Fall Covers for Spring Savings (FCSS), which helps farmers adopt cover crops and improve soil health. We also pushed for increased funding for Illinois' Soil and Water Conservation Districts (SWCDs), which provide essential technical assistance and conservation services to farmers. While we advocated extensively to raise SWCD operational funding to \$10 million, the final budget maintained stable support with \$3 million for conservation cost-share programs and \$4.5 million for district operations.

This year's budget protects many important conservation investments, but significant needs remain. Demand for conservation programs continues to outpace available resources, and many programs require additional funding to fully meet the needs of farmers, local conservation districts, land managers, and communities working to address water quality challenges, habitat loss, and climate impacts.

- \$960,000 allocated to the Department of Agriculture for Crop Insurance Rebate Initiative (Fall Covers for Spring Savings), an increase of \$300,000 from enacted FY26 budget
- \$3 million for Soil and Water Conservation Districts (SWCDs) for landowner cost-share, streambank stabilization, nutrient loss reduction, sustainable agriculture, and \$4.5 million for administrative and operating expenses
- \$2 million for Local Food Infrastructure Grant Act implementation
- \$12 million (reappropriated) for acquisition, preservation, and stewardship of high-quality natural areas (Natural Areas Acquisition Fund)
- \$6 million (newly appropriated) for continued acquisition and stewardship of priority natural areas (Natural Areas Acquisition Fund)
- \$156.5 million reappropriated to DNR for local government grants and related expenses (Open Space Land Acquisition and Development Fund)
- \$1.1 million for land acquisition, planning, development, easements, and ecosystem-based management (Partners for Conservation Fund)
- \$250,000 for long-term contracts, easements, landowner cost-share, and conservation monitoring in the Illinois River Basin (CREP)
- \$750,000 cost-share for state non-federal match: easements, landowner assistance, and monitoring (CREP)
- \$24.5 million for land acquisition and protection through IDNR for Open Land Trust
- \$1.5 million allocated for EPA grants/contracts addressing nonpoint source pollution and water-quality issues
- \$3 million to DCEO for Rebuild IL Projects to address flooding in the American Bottom region



FY27 State Budget

Clean Water & Waste

IEC has worked over the last few years to continue building Illinois lawmakers' awareness and advocacy around clean water issues, and we're succeeding in building out champions' fight for clean drinking water for all. We saw an increase in funding for local governments to support lead service line replacements (LSLR), which will significantly impact efforts to clean up the many toxic lead pipes that need to be replaced throughout the state.

The challenges of groundwater governance swelled this year as agencies discussed their challenges and opportunities during a subject-matter hearing with the Senate. What was clear from these conversations was that the state needs a better governance structure, clear expectations, accountability, and transparency over drinking water for millions of Illinoisans.

- \$4 million appropriated for the Lead Poisoning Screening, Prevention, and Abatement Fund
- \$50 million reappropriated for grant to school districts for lead abatement projects, flat from FY26
- \$440 million is appropriated to the Drinking Water State Revolving Fund for lead service line replacement
- \$75 appropriated for grant to local governments for lead service line replacement inventory and technical assistance, \$65m increase from FY26
- \$9.2 million reappropriated for financial assistance for lead service line replacement, a 2.2 million increase from FY26
- \$758 million for financial assistance for lead service line replacement, a \$ 528 million increase from FY 26
- \$40m appropriated to EPA for financial assistance programs to implement LSLR and Notification Act
- \$200 million appropriated to the drinking water state revolving fund for financial assistance to local governments for drinking water infrastructure, up from \$63m for FY26
- \$90 million appropriated from the federal Infrastructure Investment Jobs Act to address emerging contaminants
- \$23 million for financial assistance to local governments for drinking water infrastructure projects associated with emerging contaminants
- FY27: \$37 million appropriated from DWSRFs addressing emerging contaminants
- \$14.4 million reappropriated from Build IL Bond Fund to IEPA for Water Revolving Fund
- \$20.3 million reappropriated from Build IL Bond Fund to IEPA for green infrastructure financial assistance program to address water quality issues
- \$82.7 million reappropriated from the Anti-pollution Bond Fund to IEPA for grants to local government for the construction of sewage treatment works
- \$11.2 million reappropriated from Build IL Bond Fund to IEPA for local government and privately owned community water supplies for sewer systems, wastewater treatment facilities, and drinking water infrastructure projects
- \$6.1 million reappropriated from Build IL Bond Fund to IEPA for local government and privately owned community water supplies for sewer systems, wastewater treatment facilities and drinking water infrastructure projects





ilenviro.org

Phone: 217-544-5954

Email: iec@ilenviro.org

 @ilenviro

 @ilenviro

 @ilenviro

 @ilenviro

 /Illinois Environmental Council

