

2025 Illinois General Assembly Veto Session Report

The Illinois General Assembly concluded a two-week fall veto session in the early morning hours of Friday, October 31. Following an uneventful first week of veto session from October 14-16, the House and Senate returned to Springfield after a one-week break with a great deal to accomplish.

An energy omnibus (SB 25) focusing on battery energy storage and Chicago area public transportation governance and funding reform (SB 2111) were expected to be the most significant items under consideration. Both the energy and transit packages ended up passing after agreements were reached in the second week of veto session.

Other notable legislation that passed in veto session include a revenue package (SB 1911) to decouple Illinois from two tax changes enacted under the federal government's budget reconciliation package (HR 1), an immigration enforcement package (HB 1312), a sunset extension omnibus (HB 1437), the Public Official Safety and Privacy Act (HB 576), a tax increment financing (TIF) extension omnibus and changes to the Low-Income Senior Citizens Assessment Freeze Homestead Exemption (SB 642), updates to the Illinois Student Assistance Commission's (ISAC) scholarship programs to conform with federal requirements (HB 3065), and a Freedom of Information Act and Open Meetings Act Omnibus (SB 243) approved during the first week of veto session.

See below for a summary of key legislation that passed in veto session.

Energy Omnibus

SB 25 (Stadelman/Hoffman) creates the Clean and Reliable Grid Affordability Act (CRGA), an energy omnibus focused on battery storage. The legislation makes Illinois the first deregulated state to establish a statewide integrated resource planning process, empowering the Illinois Commerce Commission to coordinate long-term energy needs and bring new, low-cost generation online. It authorizes the procurement of 3GW of utility-scale battery storage by 2030, promotes up to 3.6GW of virtual power plant capacity by 2035, to reduce peak demand, strengthens electric and gas energy efficiency standards for ComEd, Ameren, and gas utilities, and injects roughly \$235 million annually into the Renewable Portfolio Standard to support more than 10GW of new wind and solar by 2035. Details on specific provisions are listed below. [SB 25](#) passed the Senate unanimously prior to being amended on April 10. It passed the House on October 29 by a vote of 70-37-0, and the Senate concurred by a vote of 37-22-0 on October 30. The bill now awaits the governor's signature.

Battery Energy Storage Procurement

- Requires the Illinois Power Agency (IPA) to procure 3GW of battery energy storage by December 31, 2030.

Backup Generators

- Requires air pollution construction permits for diesel backup generators at data centers to meet Tier 4 standards, which regulate emissions, and operate solely in the event of an emergency.
- Requires natural gas-powered backup generators to meet Tier 2 standards for non-road large spark-ignition engines set out by the U.S. Environmental Protection Agency (EPA) and operate solely as an emergency or standby unit.

- If a natural gas-powered backup generator becomes out of compliance with the Tier 2 standards for non-road large spark-ignition engines during a power outage, the backup generator may continue to operate for up to 24 sequential hours after becoming noncompliant with the Tier 2 standards or operate when compliance is achieved.

Siting Standards

- Establishes statewide minimum standards for battery storage project siting analogous to existing solar and wind project siting standards.
- Establishes an administrative law judge (ALJ) process to expedite siting disputes. Findings from the ALJ report are to be considered by the Illinois Commerce Commission (ICC) when issuing a final siting decision.
- Expands existing statewide minimum standards for solar and wind project siting to set per-megawatt fee minimums and maximums that counties and municipalities may charge per project, set fee minimums and maximums for building permits associated with projects, and allow properties to waive enforcement of sound limitations.

Energy Efficiency Goals

- Requires ComEd and Ameren to achieve higher annual electric energy efficiency savings goals and update gas efficiency standards for the first time in decades.
- Allows Nicor and Peoples Gas to propose new gas energy efficiency goals beginning with the 2027-2029 planning cycle. The ICC must consider whether plans are cost effective and will result in more savings than the current plan.

Statewide Integrated Resource Plan

- Establishes a statewide planning process requiring the ICC, the IPA and Illinois Finance Authority (IFA) to jointly develop a comprehensive statewide integrated resource plan every four years, with initial submission due November 15, 2026, to ensure Illinois has adequate, reliable, and affordable electricity that aligns with the state's clean energy goals.
- Based on the plan, the ICC may update the state's energy mix based on needs and decarbonization goals.
- If the plan's actions result in rate increases, the ICC must inform the General Assembly, which has the authority to suspend some, or all, of the rate increases by joint resolution before they take effect. If the General Assembly does not pass a resolution, the rate increases are automatically approved.

Independent System Operator and Interconnection Studies

- Repeals the existing Interconnection Working Group provisions and replaces them with a new process intended to formalize and reform existing interconnection dispute resolution processes used by the ICC.
- Requires the ICC and IPA to conduct a joint study to evaluate whether the state should establish an Illinois-operated independent system operator, consolidate the state's Regional Transmission Organization (RTO) membership into a single RTO, or maintain the existing separated RTO structure. The study will evaluate which options are most feasible and most consistent with the state's policy goals.

Municipalities and Local Reform

- Requires municipal utilities and electric cooperatives to file their own integrated resource plans with the IPA every five years beginning January 1, 2027, to evaluate the utility's current energy portfolio, forecast future load, and time generation retirement. Municipal

and cooperative utilities are not required to implement their plan recommendations, but must file them to promote transparency and statewide consistency.

- Prohibits counties and municipalities from adopting ordinances to prohibit the installation of solar panels and solar devices. This provision does not apply to home rule units (generally, municipalities with a population of more than 25,000 residents and Cook County).

Nuclear

- Repeals the 40-year moratorium on the construction of new large-scale nuclear reactors over 300MW.
- Increases a variety of nuclear-safety related fees.
- Places additional fees on new reactors that begin operation in 2026 and for reactors with a plume exposure pathway beyond the boundaries of the nuclear site.

Geothermal

- Establishes a \$20M pilot Thermal Energy Network Grant Program.
- Establishes a \$10M per year Geothermal Homes and Businesses Program, beginning in 2028.

Immigration Enforcement

HB 1312 (Welch/Harmon) contains various provisions to protect Illinois residents from recent federal immigration crackdowns across the state, particularly focusing on the common immigration touchpoint locations of hospitals, licensed daycare centers, public institutions of higher education, and state courthouses. Details on specific provisions are listed below. [HB 1312](#) passed the House unanimously, prior to being amended. It passed the Senate by a vote of 40-18-0 on October 30, and the House concurred by a vote of 75-33-0 later on October 31. The bill now awaits the governor's signature.

General Protections

- Allows Illinois residents to sue immigration agents who violate their Constitutional right to due process and protection from unreasonable searches and seizures.
- Establishes a \$10,000 statutory penalty for violations and permits additional punitive damages when agents conceal their identities, fail to wear body cameras, or use unmarked or out-of-state vehicles.
- Prohibits employers from retaliating against employees by threatening to contact or report immigration authorities.

Hospitals

- Requires hospitals to adopt written policies for interactions with law enforcement and immigration agents, restricts the disclosure of patient immigration information, and mandates staff training and multilingual patient notices.
- Hospitals that fail to comply may face fines of up to \$500 per day.

Public Higher Education Institutions

- Prohibits schools from disclosing immigration or citizenship information about students or employees.
- Requires procedures for responding to law enforcement and immigration actions, and mandates public posting of immigration-related rights and resources.

Licensed Day Care Centers

- Prohibits centers from disclosing children's or families' immigration status.
- Requires written policies for law enforcement interactions, biannual updates of emergency contacts, and notification to families and regulators if immigration enforcement occurs nearby.

Courts

- Prohibits civil immigration enforcement and arrests within 1,000 feet of a state courthouse to ensure access to justice and court participation.

Chicagoland Transit Reform

SB 2111 (Villivalam/Delgado) creates the Interagency Coordinating Committee on Transit Innovation, Integration, and Reform Act, establishing the Northern Illinois Transit Authority (NITA) to replace the current Regional Transportation Authority (RTA) as the agency governing transit in the Chicago area. The bill restructures regional transit governance and updates various provisions to improve coordination, planning, and service delivery across Northern and Downstate Illinois. It also includes a \$1.5B revenue package to fund these improvements to public transportation. [SB 2111](#) passed the Senate by a vote of 48-4-0, prior to being amended. It passed the House by a vote of 72-32-0 on October 31, and the Senate concurred by a vote of 36-21-0 on October 31. The bill now awaits the governor's signature.

Governance

- Establishes NITA, replacing the RTA, as a stronger agency governing the Chicago area public transportation service providers,
- Provides NITA with the authority to establish a universal fare system and coordinated scheduling between the Chicago Transit Authority (CTA), Metra, and Pace.
- Establishes a new NITA Board comprised of twenty members: five appointed by the Mayor of Chicago; five by the Cook County Board President; five by the Governor of Illinois; and five by the collar counties of Lake, McHenry, DuPage, Kane, and Will.
- Prohibits NITA from increasing service fares within its first year of existence.

Funding

- \$860M by redirecting the state sales tax on motor fuel purchases to public transportation operations. 85% of this funding will go to NITA, and 15% will go to the Downstate Public Transportation Fund.
- \$200M would come from sweeping Road Fund interest and providing that funding to public transportation. 90% of this funding will go to NITA, and 10% will go to the Downstate Public Transportation Fund.
- \$478M from allowing the RTA to increase sales tax by 0.25% in Cook and collar counties for NITA operations.
- Increases passenger vehicle highway tolls by \$0.45 and commercial vehicle tolls by 30% and provides for an annual increase tied to inflation and capped at 4%. All additional toll revenues will go to roadway capital projects.

Decoupling, Film Tax Credit Changes, and STAR Bond Language

SB 1911 (Sims/Tarver) is legislation to decouple Illinois from two of the federal tax changes passed as a part of the federal budget reconciliation package (HR 1). HR 1 modified and

renamed Global Intangible Low-Taxed Income (GILTI) to Net CFC (Controlled Foreign Corporation) Tested Income (NCTI). SB 1911 switches Illinois to NCTI and collects NCTI income in Illinois' tax base. This change preserves an estimated \$90M in state corporate income tax revenue in FY 2026. The legislation also preserves an estimated \$121.1M in corporate income tax revenue and \$23M in personal income tax revenue in FY 2026 by decoupling from the bonus depreciation provisions from HR 1. In addition to the decoupling changes, SB 1911 makes a variety of changes to the state's Film Production Services Tax Credit and establishes a statutory framework for sales tax and revenue (STAR) bond projects. [SB 1911](#) passed the Senate unanimously prior to being amended on May 5. It passed the House by a vote of 76-33-0 on October 30, and the Senate concurred by a vote of 37-19-1 on October 31. The bill now awaits the governor's signature.

Sunset Extension Omnibus

HB 1437 (Mayfield/Cunningham) is a sunset extension omnibus extending the sunset date of various acts, commissions, and task forces. [HB 1437](#) passed the House before being amended by a vote of 74-38-0 on April 10. It passed the Senate by a vote of 41-16-0 on October 30, and the House concurred by a vote of 74-26-0 on October 31. The bill now awaits the governor's signature.

TIF Extension Omnibus and Senior Homestead Exemption Changes

SB 642 (Collins/Tarver) is a Tax Increment Financing (TIF) extension omnibus that extends project timelines in the City of Chicago, the Village of Millstadt, the City of Mattoon, and the City of Sterling. Additionally, the bill increases the income threshold to qualify for the Low-Income Senior Citizens Assessment Freeze Homestead Exemption from \$65,000 in tax year 2025 to \$75,000 in tax year 2026, \$77,000 in tax year 2027, and \$79,000 in tax year 2028 and thereafter. [SB 642](#) passed the Senate by a vote of 45-5-0 before the Senior Homestead Exemption language was added on October 15. It passed the House unanimously on October 31, and the Senate unanimously concurred on October 31. The bill now awaits the governor's signature.

Public Official Safety and Privacy Act

HB 576 (Stuart/Johnson) creates the Public Official Safety and Privacy Act. This bill seeks to enhance the privacy and security of public officials by restricting the disclosure of their personal information, providing legal protections and penalties for violations, and allowing the use of work addresses in place of home addresses on official records. [HB 576](#) passed the House by a vote of 110-1-1 on October 28. It passed the Senate by a vote of 48-11-0 on October 30. The bill now awaits the governor's signature.

Higher Education Scholarships

HB 3065 (West/Peters) is a response to legal challenges threatening eight diversity scholarships from the Illinois Student Assistance Commission (ISAC). The bill aligns with federal policy and shields these scholarship programs from litigation by using income rather than race as qualifying characteristics for the scholarship programs. [HB 3065](#) passed the House unanimously prior to being amended on April 10. It passed the Senate unanimously on October 30, and the House unanimously concurred on October 31. The bill now awaits the governor's signature.

FOIA and OMA Omnibus

SB 243 (Porfirio/Didech) encompasses the 2025 FOIA and OMA Omnibus. The bill changes the Open Meetings Act to include a variety of clean-up provisions intended to streamline government functioning in Illinois. [SB 243](#) passed the Senate unanimously on April 9 prior to being amended. It passed the House unanimously on May 31. Although the Senate did not concur before spring session adjourned, the bill was taken up again during veto session, where the Senate unanimously concurred on October 15.