Agenda Item X.XX



433 West Van Buren Street, Suite 450 Chicago, IL 60607 cmap.illinois.gov | 312-454-0400

MEMORANDUM

CMAP Climate Committee
CMAP Intergovernmental Affairs Staff
July 2, 2025
Legislative update
Information

Strengthen Communities funding initiative

CMAP's Strengthen Communities funding initiative, which appropriates \$2 million to the agency to support the planning functions and programs required in the Illinois Regional Planning Act, was successfully incorporated into the final FY26 budget. The FY26 budget appropriates \$2 million via the Department of Human Services to CMAP for operational expenses. CMAP staff will work with DHS to access the funds and utilize them to strengthen CMAP's technical assistance offerings in alignment with the Regional Planning Act.

FY26 Budget

The General Assembly passed the FY26 budget (SB2510) on May 31 in the final hours before scheduled adjournment. Shortly after, the General Assembly passed companion budget implementation (HB1075) and revenue (HB2755) legislation. The \$55.2 billion budget increases spending by about 4% compared to the current fiscal year. Included in this package is a \$100 million Budget Reserve for Immediate Disbursements and Governmental Efficiencies (BRIDGE) fund to address any unanticipated delays in funding or failures of revenue. The revenue package, totaling approximately \$800 million, included some new taxes on sports betting, tobacco and vape products, and additional taxes on foreign and out-of-state corporations. Taken together, the final budget package accounts for an approximate \$500 million shortfall in revenue projections since the Governor put forward his FY26 budget proposal in February.

On June 16, Governor Pritzker signed into law the FY26 budget, along with companion budget implementation and revenue legislation. These take effect on July 1, 2025.

Transit funding and reform

The General Assembly concluded its spring session without passing legislation to address transit funding and reform. Representative Delgado (SB2111 HA1) and Senator Villivalam (HB3438 SFA2) each filed bills in the final week of session addressing a series of governance reforms to the northeastern Illinois transit system. The bills would create a new Northern Illinois Transit Authority (NITA) to oversee operations of Metra, Pace, and CTA. The Senate bill also included several funding options that would raise revenues for transit operations and capital.

Following the introduction of a few amendments, the Senate bill passed by a vote of 32-22 during the final moments of session. The House did not take up the Senate bill, nor did the House bill advance to a floor vote.

Lawmakers are expected to work through the summer to address governance and funding issues raised throughout the committee hearings and legislative debate.

The General Assembly is not scheduled to reconvene until veto session in the fall, although legislative leadership have left the door open for a possible special session earlier if necessary.

General legislative activity

The General Assembly adjourned its regular session on May 31 and will return in the fall for the veto session, scheduled for October 14–16 and 28–30.

CMAP staff tracks legislation before the General Assembly that impacts the region and is relevant to the agency's work. CMAP staff has outlined below key pieces of legislation passed during the recent regular session that may be of interest to the Climate Committee.

It should be noted this is not an exhaustive list of legislation tracked by CMAP staff. For more information on other tracked legislation of interest, please contact Ryan Gougis, IGA Specialist at rgougis@cmap.illinois.gov.

FY26 Budget, BIMP, and Revenue

<u>SB2510</u> – **FY26 Budget** (Sen. Sims, Jr./Rep. Welch) **Description:** Makes appropriations and reappropriations for capital and operating expenditures and other purposes for State Fiscal Year 2026. **Status:** Signed into Law on 6/16/2025 (Public Act 104-0003)

HB1075 - FY26 BIMP (Rep. Gabel/Sen. Sims)

Description: Creates the Fiscal Year 2026 Budget Implementation Act. Adds, deletes, and makes changes to various statutory provisions as needed to implement the State budget for Fiscal Year 2026. **Status:** Signed into Law on 6/16/2025 (Public Act 104-0002)

HB2755 – FY26 Revenue Omnibus (Rep. Tarver, II/Sen. Villanueva)

Description: Makes changes to various Acts concerning the following revenue provisions: tax amnesty; the business interest deduction; deposits into the Road Fund; civil penalties under the Environmental Protection Act; short-term rentals; tobacco products; grocery taxes; the 9-8-8 suicide prevention system; marketplace facilitators and remote retailers; motor fuel taxes; affordable housing property tax credits; and tobacco and cigarette taxes. Creates the American Hostage Tax Liability Postponement Act. Creates the Advancing Innovative Manufacturing for Illinois Tax Credit Act. Creates the Digital Advertisement Tax Act. Contains other provisions. Effective immediately, except that certain provisions take effect July 1, 2025, certain provisions take effect January 1, 2026, and certain provisions take effect January 1, 2027.

Status: Signed into Law on 6/16/2025 (Public Act 104-0006)

Climate Mitigation & Resiliency

HB2419 - EPA-LOCAL SITING REVIEW (Rep. Hirschauer/Sen. Villa)

Description: Amends the Environmental Protection Act. Provides that, when determining whether certain local siting review criteria have been met, the county board of the county or the governing body of the municipality, as applicable, shall consider, among other things, vehicle emissions. Requires the county board or governing body to conduct a hearing in a manner accessible to individuals with disabilities and individuals who are not native speakers of English, with certain requirements for certification that constitutes prima facie evidence of compliance. Allows the governing Authority to request the Department of Transportation to perform studies of the emissions associated with traffic. In provisions regarding the governing Authority requesting the Department of Transportation to perform traffic impact studies, including studies of the emissions associated with traffic, provides that the Department of Transportation may charge a fee to cover the costs of the emissions study. **Status:** Sent to the Governor on 6/24/2025

SB1697 - CARBON CAPTURE-COMPENSATION (Sen. Fine/Rep. Hoffman)

Description: Amends the Carbon Dioxide Transportation and Sequestration Act. Removes language providing that if, after July 1, 2026, the Pipeline and Hazardous Materials Safety Administration has not adopted final revisions to specified pipeline safety rules, the Commission may only approve a certificate of authority if it finds that the applicant has met all of the requirements of the Act, has already acquired all of its other necessary approvals, and is compliant with any requirements or conditions adopted by the Commission. Provides that a nonconsenting pore space owner's compensation shall include just compensation and any operations term or injection term payments made upon or after the initiation of injection provided to consenting pore space owners in consideration of allowing use of their pore space for sequestration of carbon dioxide. Provides that a nonconsenting pore space owner's compensation shall be no less than the average total payment package, considered as a whole with respect to an individual owner, provided in agreements to similarly situated consenting pore space owners for use of their pore space by the same sequestration operator for the same sequestration project (instead of provided in agreements during the previous 365 days to similarly situated consenting pore space owners). Amends the Safety and Aid for the Environment in Carbon Capture and Sequestration Act. Provides that an affected landowner is entitled to reasonable compensation from an applicant that has been granted a certificate of authority under this Act for damages resulting from access to the landowner's property for required activities taken to construct the pipeline, including, but not limited to, compensation for specified damages. Sets forth provisions concerning payment of the compensation; attorney's fees; and an applicant entering into an agreement with the Department of Agriculture that governs the mitigation of agricultural impacts associated with the construction of the proposed pipeline. Status: Sent to the Governor on 6/27/2025

SB1859 - CLIMATE DISPLACEMENT ACT (Sen. Guzman/Rep. Guzzardi)

Description: Creates the Climate Displacement Task Force Act for the purpose of making recommendations regarding climate displacement within the State. Contains provisions concerning the appointment of members to the Task Force and the duties of the Task Force. Requires the Climate Displacement Illinois Task Force to submit 2 reports, with specific requirements, no later than June 30, 2026, and June 30, 2027, respectively. Requires monthly meetings. Provides for the dissolution of the Task Force. Repeals the Act on December 31, 2028. **Status:** Sent to the Governor on 6/27/2025

Water Resources Management

HB1699 - WASTEWATER OPERATOR PROGRAM (Rep. Avelar/Sen. Ellman)

Description: Amends the Environmental Protection Act. In a provision regarding operator certification for sewage works, provides that the Environmental Protection Agency shall establish an operator-in-training wastewater operator program by which a person who does not possess a high school diploma

or its equivalent may act as an operator-in-training working under a certified wastewater operator. Allows the Agency to adopt rules. Amends the Public Water Supply Operations Act. In a provision regarding community water supply operator certification, provides that the Agency shall establish an operator-in-training community water-supply operator program by which a person who does not possess a high school diploma or its equivalent may act as an operator-in-training working under a certified community wastewater operator. Allows the Agency to adopt rules. **Status:** Sent to the Governor on 6/17/2025

HB2391 - EPA-WASTEWATER INDUSTRY USE (Rep. Muhl/Sen. Simmons)

Description: Amends the Environmental Protection Act. In a provision regarding wastewater reuse, provides that, notwithstanding any other provision of law, the use of treated municipal wastewater from a publicly owned treatment works is authorized for irrigation and industrial use (rather than only irrigation) when conducted in accordance with a permit issued under certain provisions of the Act. **Status:** Sent to the Governor on 6/20/2025

HB2409 – PFAS-FIREFIGHTING PPE (Rep. Kelly/Sen. Villivalam)

Description: Description: Amends the PFAS Reduction Act. Provides that the amendatory Act may be referred to as the Deputy Chief Pete Bendinelli PFAS PPE Act. Provides that, beginning January 1, 2026, any person, firm, association, partnership, corporation, organization, joint venture, importer, or domestic distributor of firefighting agents or firefighting equipment that sells firefighting personal protective equipment containing PFAS chemicals to any person, local government, or State agency shall provide written notice to the purchaser at the time of sale which shall state: (i) that the firefighting personal protective equipment contains PFAS chemicals; and (ii) the reason PFAS chemicals are added to the equipment. Requires the seller and the purchaser of the equipment to retain a copy of the required notice on file for at least 3 years from the date of the purchase. Provides that, upon the request of the Agency, the seller shall furnish the notice, or written copies, and associated sales documentation to the Agency within 60 days of such request. Provides that, beginning January 1, 2027, a person that sells firefighting personal protective equipment to any person, local government, or State agency shall not manufacture, knowingly sell, offer for sale, distribute for sale, or distribute for use in the State any firefighting personal protective equipment containing intentionally added PFAS chemicals. Defines "auxiliary firefighting personal protective equipment". Provides that, beginning January 1, 2030, a person that sells auxiliary firefighting personal protective equipment to any person, local government, or State agency shall not knowingly manufacture, sell, offer for sale, distribute for sale, or distribute for use in the State any auxiliary firefighting personal protective equipment containing intentionally added PFAS chemicals. Defines terms.

Status: Sent to the Governor on 6/20/2025

HB2516 - PFAS PRODUCT BAN (Rep. Rashid/Sen. Morrison)

Description: Amends the PFAS Reduction Act. Provides that, beginning January 1, 2032, a person may not sell, offer for sale, or distribute for sale in this State certain products if the product contains intentionally added PFAS. Provides that "product" does not include a prosthetic or orthotic device or any item that is a medical device or drug or that is otherwise used in a medical setting or in medical applications regulated by the United States Food and Drug Administration. Requires the Environmental Protection Agency to prepare and submit a report to the General Assembly that includes an assessment of statutory and regulatory authority, administrative infrastructure, research capabilities, and funding necessary to develop and implement a program for the review of certain fluoropolymers used in consumer products and their potential threat to human health and the environment. Effective immediately.

Status: Sent to the Governor on 6/24/2025

SB1723 - EPA-SOLE-SOURCE AQUIFER (Sen. Faraci/Rep. Ammons)

Description: Amends the Environmental Protection Act. Provides that no person shall conduct a carbon sequestration activity within a sequestration facility that overlies, underlies, or passes through a sole-source aquifer. Specifies that this provisions does not deprive the Environmental Protection Agency of the authority to deny a carbon sequestration permit. Defines "sole-source aquifer". **Status:** Sent to the Governor on 6/18/2025