
Over 280 NEW LAWS are going into effect in 2026

Listed below are some new laws that may have a significant impact on our clients.

New Illinois Bivens Act (HB 1312) Allows civil suits and damages for constitutional violations committed during civil immigration enforcement, expands whistleblower protections, and establishes safeguards against civil arrest for individuals attending court proceedings. It also enacts broad “sanctuary” protections across hospitals, schools, and child care centers by limiting immigration-related disclosures and law enforcement access, requiring institutional policies and procedures, and providing enforcement mechanisms and civil remedies.

Workplace Transparency Act Amendments (HB 3638) Expands the definition of unlawful employment practices to include wage-hour, safety, and labor violations. Invalidates unilateral contract terms that shorten filing deadlines, designate non-Illinois venue or law, or restrict concerted activity. Enhances protections for participation in legal proceedings and confidentiality rules in settlements.

AI in Employment Decisions (HB 3773) Amends the Illinois Human Rights Act to prohibit discriminatory decision-making using AI tools in hiring, promotion, discipline, or termination. Employers must notify employees when AI is used and disclose its evaluative functions; zip codes cannot serve as proxies for protected characteristics.

Guaranteed K–12 Education Regardless of Immigration Status (HB 3247) Prohibits Illinois schools from denying enrollment or educational services to students or staff due to actual or perceived immigration status. Schools may not collect or share immigration information and must develop protocols for law enforcement visits, including requiring a judicial warrant for immigration-related entries.

Corporate Tax Reform (HB 2755) Introduces the “Finnigan” method for combined reporting, modifies GILTI deduction levels, and changes interest expense add-back rules—effective for tax years ending December 31, 2025.

Statewide Grocery Tax Repeal (FY2026 Budget / HB 2755) Eliminates the 1% statewide grocery tax. However, local jurisdictions that have approved ordinances by October 1, 2025, may continue levying their own 1% grocery tax.

Illinois Receivership Act (HB 0028) Creates a uniform framework for court-appointed receivers, authorizing courts to appoint a receiver to take possession of, manage, and, if approved, dispose of real property and related business assets. The Act clarifies the powers and duties of receivers and courts, while excluding most small residential properties, governmental receivers (unless elected), and receivers appointed under the Illinois Mortgage Foreclosure Law.

Safe Gun Storage Act (SB 0008) Sets new safe-storage requirements to prevent access by minors or at-risk individuals. Includes civil penalties and shortens the required reporting timeframe for lost or stolen firearms from 72 to 48 hours.

New “Anti-Squatter” Bill (SB 1563) Amends the Code of Civil Procedure to clarify that the Eviction Article does not limit law enforcement’s authority to enforce criminal trespass laws or other Criminal Code violations. It also confirms that police may remove persons or property from premises when criminal trespass is present.

Amendment to the Mobile Home Landlord and Tenant Rights Act (HB 2849) Restricts park owners from passing common-area utility costs onto tenants by prohibiting such charges where utilities are billed by a public utility, capping recoverable costs at 80% when usage is not separately metered, and requiring annual disclosure of cost-allocation methods and access to underlying utility bills upon request.

Pipeline Impact Compensation (SB 1697) Requires pipeline companies to compensate landowners for any property damage or disturbance caused during installation, including costs related to access and restoration. This law places a clearer financial obligation on pipeline operators and strengthens landowner protections.

Amendment to the State Employees Group Insurance Act of 1971 (SB 0773) Expands insurance coverage requirements by mandating infertility diagnosis and treatment coverage, including pre-implantation screening procedures, for group health policies with pregnancy benefits issued or renewed on or after January 1, 2026. It also requires large group and individual policies to cover annual menopause health visits for individuals age 45 and older without cost-sharing, while setting defined applicability periods and making conforming changes across multiple insurance statutes.

Amendment to the Pharmacy Practice Act (HB 3489) Expands the definition of the “practice of pharmacy” to include assessing patients and dispensing all contraceptives, including emergency contraception, rather than only hormonal contraceptives. It also amends the Illinois Public Aid Code to require Medicaid coverage for pharmacist-provided contraceptive care, including emergency contraception.

Amendment to the Fair Patient Billing Act (HB 1431) Requires hospitals that charge outpatient facility fees to adopt a clear, written policy explaining how patients are notified of those fees, what they cover, why they are charged, and how patients can obtain more information. It authorizes the Illinois Attorney General to enforce compliance through investigations, civil penalties, and referral to the Illinois Department of Public Health for repeated violations.

Amendment To The Caregiver Advise, Record, and Enable Act (HB 1332) Requires hospitals to offer patients the opportunity to designate an emergency contact both upon admission and again before discharge. This measure strengthens patient support, communication, and care coordination.

Enactment of the Family Neonatal Intensive Care Leave Act (HB 2978) Effective June 1, 2026 Allows eligible Illinois employees to take job-protected, unpaid leave when their child is in a neonatal intensive care unit (“NICU”). Employees of employers with 16 to 50 workers may take up to 10 days, and those with 51 or more may take up to 20 days.

Expansion of “Bullying” Definition (HB 3851) Expands the School Code’s definitions of bullying and cyberbullying to include posting or distributing sexually explicit images and, beginning in the 2026–2027 school year, the electronic distribution of AI-generated digital replicas. It also adds definitions for artificial intelligence, generative artificial intelligence, and digital replicas.

Updates to the Illinois Police Training Act (SB 1953) Requires disclosure of complete law enforcement personnel files to hiring agencies after a final offer of employment and expanding immunity for entities releasing those records. It replaces qualified immunity with full immunity for the Training Standards Board and prior employers when providing employment record information for law enforcement hiring decisions.

Amendment to the Illinois Human Rights Act (SB 2487) Specifies that the Illinois Department of Human Rights (“IDHR”) will no longer automatically require fact-finding conferences in workplace discrimination cases; instead, conferences will be held only if both parties request one within 90 days and agree to extend the investigation by 120 days, or at IDHR's discretion.

Amendment to the Affordable Housing Planning and Appeal Act (HB 3616) Requires the Illinois Housing Development Authority to collect and publish detailed affordability data across multiple income tiers for owner-occupied and rental housing, issue a statewide report to the General Assembly at least every five years, clarify that the data is informational only and not used to determine exemptions, and expand the Act’s legislative findings.

Rooftop Safety Standards (SB 1742) Requires parapets, guardrails, or masonry extensions on new or renovated low-sloped roofs, with municipalities surveying building compliance by January 1, 2027.

Veteran-Inclusive SNAP Eligibility (SB 0032) Broadens SNAP eligibility thresholds, allowing veteran and military households access with gross income up to 200% of the non-farm poverty guidelines.

Amendment to the Victims' Economic Security and Safety Act (HB 1278) Prohibits employers from retaliating against employees or withholding employer-issued equipment because it was used to document domestic or sexual violence or other violent crimes against the employee or a family or household member. It also requires employers to provide employees access to relevant recordings or digital materials on those devices, while preserving compliance with lawful investigations and reasonable workplace policies.

Amendment to the Civil Administrative Code of Illinois (SB 0058) Allows the Department of Commerce and Economic Opportunity to enter into grants, contracts, or agreements to offer technical help for regional manufacturing partnerships. These partnerships can involve employer associations representing manufacturers, secondary and postsecondary institutions like public universities and community colleges, and workforce stakeholders such as local workforce innovation boards and areas.



Scan the QR code for a comprehensive list of the new Illinois laws.

Contact us to schedule a free consultation to explore how these new laws may impact you or your business.

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