



Office of the Governor

JB Pritzker

FISCAL YEAR 2026 BUDGET HIGHLIGHTS

OVERVIEW

The Fiscal Year 2026 General Funds budget is a \$55.1 billion plan that builds on Illinois' fiscal progress while continuing transformative investments in early childhood, K-12 and higher education, health and social service programs, workforce and economic development, violence prevention efforts, as well as investments in natural resources and infrastructure. The Fiscal Year 2026 budget package includes Senate Bill 2510 (Fiscal Year 2026 appropriations), House Bill 1075 (Fiscal Year 2026 Budget Implementation bill), House Bill 2755 (Revenue bill), and House Bill 3374 (Fiscal Year 2026 bond authorization bill).

The Fiscal Year 2026 General Funds budget plan reflects projected revenues of \$55.297 billion and expenditures of \$55.080 billion, resulting in an estimated \$217 million surplus.

Highlights from the budget package include:

Commitment to Fiscal Responsibility – 7th Balanced Budget

This budget builds on six years of historic fiscal progress with balanced budgets, nine credit rating upgrades, elimination of the bill backlog, and a forecasted balance of \$2.5 billion in the State's Budget Stabilization Fund ("rainy-day" fund) by the end of Fiscal Year 2026.

- Deposits a projected **\$161 million** in the Budget Stabilization Fund during Fiscal Year 2026, following a deposit of an estimated \$250 million in Fiscal Year 2025.
- Creates a **\$100 million** "bridge" reserve fund to help cover short-term emergencies and revenue shortfalls to support enacted Fiscal Year 2026 appropriations, seeded with the transfer of surplus amounts from other accounts in the State Treasury with large balances and the ability to replenish themselves.
- Sets aside **\$75 million** for expected additional contributions that will be needed to address adjusting the Tier 2 pensionable earnings cap to the Social Security Wage Base for State Tier 2 employees, while committing an additional **\$200 million** to reducing state pension liabilities through the State's buyout program.

Early Childhood Education and Childcare Funding

The Fiscal Year 2026 budget continues the funding commitment for the third year of Smart Start Illinois, the Governor's early childhood initiative to eliminate preschool deserts and stabilize the childcare workforce. Year Three investments include:

- **\$748 million** in Early Childhood Grant Block funding, which extends access to support services and high-quality preschool slots for families with children up to age three and has resulted in more than 11,000 new seats added in the last two years.
- **\$200 million** investment for nation-leading Early Childhood Workforce Compensation Contracts to stabilize operational funding for childcare providers.
- **\$21.6 million** in operational funding for the Illinois Department of Early Childhood (IDEC) created by PA 103-0594. During Fiscal Year 2026, IDEC will continue building up the operational infrastructure to support the centralization of early childhood education resources currently provided through other agencies.
- **\$10 million** for Quality Contracts through Smart Start.

K-12 Education

- **\$307 million** increase for the Evidence-Based Funding (EBF) Formula to fully fund tier funding and bring total EBF commitments to \$8.94 billion.
 - \$2.1 billion aggregate EBF increase during the Pritzker Administration
- **\$1.3 million** increase for Career and Technical Education Programs to expand access to underserved students, utilizing an updated, equity-based formula.
- **\$3.5 million** for Social and Emotional Learning Hubs and the Resilience Education to Advance Community Healing Program.
- **\$19.9 million** increase, for a total of **\$1.16 billion** in funding for grants for transportation and special education
- **\$30 million** for the third year of funding for the Teacher Vacancy Grant Pilot Program.
 - Grant recipients across 170 school districts have hired more than 12,434 teachers, supported 2,333 educators in earning teacher licensure or endorsements, and established retention initiatives focused on more than 15,988 current teachers.

Higher Education

- **\$10 million** increase in Monetary Award Program (MAP) for a total of **\$721.6 million**. This amount will allow approximately 8,400 more grants to be awarded.
- **\$50 million** for AIM HIGH merit scholarship programs.
- **\$47 million**, or 3%, General Funds increase for public universities (**\$38 million**) and community colleges (**\$9 million**) for operational funding.
- **\$2.9 million** for the Common App Initiative.
- **\$13 million** for Mental Health Early Action on Campus Act grants to universities and community colleges.
- Continued funding for community college investment in dual-credit and non-credit workforce grant programs.

- **\$15 million** continued funding for the Pipeline for the Advancement of the Healthcare (PATH) Workforce Program to train for high-demand medical positions.
 - 15,578 students had completed at end of Fiscal Year 2024. 85% of graduates are employed within 6 months of completion.

Health and Social Service Programs

- Reproductive Healthcare and Birth Equity:
 - **\$24 million** to support and promote reproductive care through community-based providers, supporting full-spectrum care.
 - **\$27.9 million** to maintain maternal and child home visiting programs.
 - **\$1 million** to continue supporting the Diaper Distribution Pilot program.
 - Award from the Centers for Medicare & Medicaid Services positions Illinois to participate in the Transforming Maternal Health Model and receive **\$17 million** over 10 years for a pilot targeting physical, mental health, and social needs for parents and babies in Aurora and Rockford.
- Home Illinois -- **\$263.7 million** for Home Illinois to address the challenges of homelessness including:
 - \$91.5 million for the One System Initiative for shelters and other services for homeless populations.
 - \$62.3 million for supportive housing, homelessness prevention services, shelter diversions, to address racial disparities, and to provide access to counsel.
 - \$50 million for court-based rental assistance.
 - \$42 million for emergency and transitional housing.
 - \$25 million in Rapid Rehousing services, including short-term rental assistance and targeted support services.
- Department of Children and Family Services
 - **\$2.5 billion** in funding, a \$1.2 billion increase since FY19, to provide services to some of the youngest vulnerable Illinoisans.
 - **\$4 million** increase for 100 additional positions at DCFS and **\$16 million** for scholarships for more than 1,000 youths.
 - **\$17 million** increase to help maintain a competitive wage structure for DCFS providers.
 - Funding to continue Illinois Connect implementation for more efficient case management.
- Department of Human Services
 - **\$3 billion** all funds for the developmental disabilities division at DHS, an increase of **\$1.3 billion** (70%) since 2019 with a **\$56.3 million** General Funds increase in furtherance of the *Ligas* consent decree. Includes:
 - An \$0.80/hour rate increases for **Direct Service Providers**.

- **\$31.2 million** for continued progress on placements, including \$14.3 million to annualize fiscal year 2025 placements and \$16.9 million for 630 new placements.
 - **\$17.5 million** resulting in a more than \$1,600 annual increase for over 12,000 families in the Home-Based Adults with DD Waiver program.
 - **\$9.7 million** to adjust for the SSI increase of 2.5% for people served through the Home and Community-Based Waiver.
 - Over **\$212 million** in General Funds for Smart Start Illinois to support child care providers, children, and parents through efforts such as upgrading management systems, investing in the Home Visiting Program, and implementing Workforce Compensation Contracts.
 - **\$116 million** to maintain services for the Office of Firearm Violence Prevention at DHS to continue core strategies of Community Violence Interventions, Youth Development, and Community Convenors.
 - **\$175 million** increase for the Child Care Assistance Program (CCAP) to support care for 150,000 children.
 - **\$105 million** increase for the Home Services Program for liability and caseload growth.
 - **\$12.5 million** increase for mental health care and treatment supports through the *Williams* and *Colbert* consent decrees.
 - Support for continued transformation of Illinois' State Operated Developmental Centers (SODCs) to transition at least 100 residents in SODCs to appropriate community-based settings.
 - **\$5 million** for a Re-integration Program incentive providing up to \$50,000 per resident for CILA providers upon residents' moves from SODCs to community-based group homes.
 - **\$7.5 million** for a 3% COLA for Temporary Assistance for Needy Families (TANF) cash assistance.
- Department of Healthcare and Family Services (HFS)
 - Funding for medical assistance to 3.5 million Illinoisans, including:
 - Approximately 1.6 million children;
 - Almost 550,000 seniors and adults with disabilities;
 - More than 590,000 non-disabled adults; and
 - More than 785,000 adults eligible through the Affordable Care Act.
 - **\$191.8 million** for comprehensive behavioral health services integrated with physical healthcare.
 - Expands access and invests more resources into mental health and substance use treatment services.
 - **\$132.8 million** for the continued implementation of the Pathways to Success Program to provide care coordination, mentoring, and support services to eligible children.
 - **\$27.7 million** to develop an in-state network of Psychiatric Residential Treatment Facilities for individuals under age 21.
 - **\$132 million** for the Health Benefits for Immigrant Seniors (HBIS) program, \$110 million from the General Revenue Fund.

- **\$15 million** increase for Federally Qualified Health Centers to help partially offset healthcare coverage loss due to federal actions.

Other Safety Net Investments:

- **\$25 million** for a new community pharmacy program to support local brick and mortar pharmacies.
- Continues the **Medical Debt Relief Pilot Program** for eligible Illinois residents.
 - To date, this program has provided over \$330 million in debt relief for more than 290,000 Illinoisans.
- **\$53 million** across the Department of Insurance and the Department of Healthcare and Family Services to fully implement the State-Based Marketplace.
- Department on Aging
 - **\$28.7 million** increase to fund a \$0.75/hour wage increase for the Department on Aging's Community Care Program (CCP).
 - **\$63 million** to support Home-Delivered Meals for seniors.
 - **\$2.2 million** increase for the Adult Protective Services (APS) program.
 - **\$2.0 million** increase in Planning and Services Grants to Area Agencies on Aging to address Alzheimer's Disease, dementia and social isolation of seniors.
 - **\$3.5 million** for Illinois Care Connections to provide eligible seniors with adaptive technology, tablets, and wi-fi hotspots to improve communication with families, as well as certain durable medical equipment.
- Department of Public Health
 - **\$6 million** increase for the Office of Health Care Regulation to support licensing, inspecting, and certifying healthcare facilities for compliance with state and federal regulations.
 - **\$450,000** for the Certified Nursing Assistant (CNA) Intern Program.
 - **\$250,000** for the Certified Medication Aide program to allow medications to be provided by non-licensed CNAs.
 - Maintains **\$8.5 million** to respond to unexpected public health threats and emergencies.
 - Maintains funding for the Breast and Cervical Cancer Program at **\$14.5 million**.

Public Safety and Violence Prevention

- **\$10 million** for Homeland Security Preparedness and Response grants.
- **\$7.5 million** in new funding for the Illinois Nonprofit Security Grant Program.
- **\$40 million** in grants and reimbursements for local law enforcement training expenses.
- Prioritizes gun violence reduction programs and resources through Reimagine Public Safety, providing an additional **\$46 million** in state support to maintain programs and services.
- Illinois Criminal Justice Information Authority

- **\$180 million** for Restore, Reinvest, and Renew (R3) Program. Over the last five fiscal years, R3 invested a total of \$250 million in grants to 400 grantees.
 - **\$15 million** to support local law enforcement agencies.
 - **\$13 million** for Adult Redeploy and diversion programs.
 - **\$5 million** for the CJIA portion of the Home Illinois initiative to prevent and end homelessness in Illinois.
- Department of Corrections
 - **\$20.1 million** increase to begin electronic health records software implementation.
 - **\$10 million** for new partnerships with university health service programs to supplement contractual medical staff.
- Department of Juvenile Justice (DJJ)
 - Includes **\$10 million** for IYC Lincoln to open as the first central Illinois youth center.
 - **\$2 million** increase for expenses associated with high school education services for individuals in custody.
 - **\$4 million** increase from the Reimbursement and Education Fund for contractual expenses associated with DJJ's youth centers.
- Illinois State Police (ISP)
 - **\$9.6 million** to continue two FY25 cadet classes to hire and train 112 additional sworn troopers
 - **\$1.3 million** to maintain the Safe2Help program, a statewide school safety initiative encouraging students to "Seek Help Before Harm."
 - **\$1.75 million** for contractual services for expenses related to in-car and body-worn cameras and to outfit every ISP vehicle with automated external defibrillators.
 - **\$10 million** federal funds increase to Illinois State Police Federal Projects Fund to administer the Motor Carrier Safety Assistance Program formerly administered by the Illinois Department of Transportation.

Economic Development

- Department of Commerce and Economic Opportunity
 - **\$59.5 million** in new funding to support programs including the Fast-Track Workforce Program (\$7.5 million), the Food Insecurity Grant Program (\$5 million), the Employer Training and Investment Program (\$17 million), Enterprise Fund programming (\$25 million), and the Leverage for Federal Programs Grant Program (\$5 million).
 - Over **\$125 million** in funding for the promotion of Illinois Tourism.
 - Continues funding for core initiatives, including business attraction and development, workforce training, energy transformation, economic assistance programs, foreign trade, administration of federal funds, and tourism and film production.

- **\$330 million** for weatherization programs for low-income residents.
- **\$325 million** for Workforce Innovation and Opportunity Act grants.
- Support for job creation and business development, including the Made in Illinois program (**\$1 million**), Job Training Programs (**\$3 million**), and the Make it in Illinois campaign (**\$500,000**).
- Includes continued funding for research and development investments, including the Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) Phase I Matching grant program (**\$6.5 million**), and the Innovation Vouchers Program (**\$3 million**).

Environmental, Natural, and Cultural Resources

- Environmental Protection Agency
 - **\$4.6 million** increase to expand the Household Hazardous Waste Collection Program.
 - **\$3.5 million** increase for Brownfields Community-wide Assessment Program.
 - Two new federally funded programs the Energy Audit Training Program (**\$2 million**) and the Energy Code Enforcement Program (**\$7 million**).
 - **\$14 million** for EV rebates for eligible participants.
 - **\$1.66 billion** new and reappropriated funds for IJJA water infrastructure programs, including emerging contaminants in small and disadvantaged communities (**\$90 million**) and Lead Service Line Replacement grants (**\$845.9 million**).
 - **\$431 million** for the federal Climate Pollution Reduction Grants Program.
- Department of Natural Resources
 - **\$3.6 million** increase for the Office of Land Management for additional headcount for state parks in Fiscal Year 2026.
 - **\$1 million** for the Office of Law Enforcement for all personal services and related costs of a Fiscal Year 2026 class of 10 conservation police officer trainees.
 - **\$1.5 million** increase from the State Boating Act Fund for a point-of-sale system at state recreational facilities.

Capital and Transportation Funding

The Fiscal Year 2026 capital budget represents a continuation of the historic Rebuild Illinois program and other ongoing capital initiatives. Since passing Rebuild Illinois in 2019, nearly **\$27.8 billion** had been expended as of December 31, 2024.

House Bill 3374, the bond authorization bill, includes \$1.4 billion in new bond authorization to enhance Rebuild Illinois.

This bond authorization, as well as existing pay-as-you-go funding authority, will fund items such as:

- **\$500 million** to the Department of Central Management Services and the Department of Commerce and Economic Opportunity (DCEO) for the new Surplus to Success Program to prepare idle state surplus properties for successful economic development and for investment in site readiness grants to local governments for economic development.
- **\$6.2 billion** for new Illinois Department of Transportation (IDOT) construction projects, including \$4.5 billion for road and bridge construction.
- **\$300 million** to the Capital Development Board for demolition and deferred maintenance projects at state facilities.
- **\$60 million** for the Department of Natural Resources (DNR) to continue improvements at Adeline Jay Geo-Karis Illinois Beach State Park.
- **\$35 million** for DNR's Open Space Lands Acquisition and Development (OSLAD) grants.
- **\$75 million** for DCEO's prime sites business development programs.
- **\$50 million** for the Rebuild Illinois Enterprise Grant Program.
- **\$50 million** for the Illinois Works Pre-apprenticeship Program.
- **\$30 million** for Tech Innovation Hubs.
- **\$24 million** for Manufacturing Training Academies.
- **\$11.2 million** for additional economic and workforce development projects at DCEO.
- **\$65 million** for essential upgrades to IT systems related to electronic health records at DOC and DHS.