



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5457

Introduced 2/13/2026, by Rep. Jed Davis

SYNOPSIS AS INTRODUCED:

New Act

Creates the Home Construction Cost Reduction Act. Provides that the Act shall only apply to single-family homes. Provides that municipalities may not prohibit factory-built, single-family homes that comply with (1) a national building safety code; (2) rules adopted by State agencies that satisfy the requirements of the Act; and (3) all local architectural, aesthetic, and design standards applicable to site-built homes in the same district. Provides that a State agency may not impose requirements on home construction that are inconsistent with any national building safety code unless the State agency provides (i) a housing cost impact statement; (ii) a compelling public safety concern that would be addressed by the additional requirements; and (iii) notice to the General Assembly in the manner specified in the Act. Provides that each housing cost impact statement shall include (1) an estimate, in dollars, of how the proposed rule would increase the cost to construct a single-family home or factory-built home; (2) an estimate of how the proposed rule would increase the time required to construct a single-family home or factory-built home; (3) a description of how the proposed rule deviates from national building safety codes; (4) whether a lower-cost compliance alternative to the proposed rule exists; and (5) whether the requirements of the proposed rule would disproportionately affect rural or low-income homebuyers. Provides that a rule adopted after the effective date of the Act without a housing cost impact statement is void. Provides that, if a State agency fails to approve or deny a construction-related permit within 45 days, then the permit is deemed approved. Provides that the State shall waive all State-level permitting, inspection, and plan review fees for the construction of starter homes. Provides that a State agency may not increase any permitting, inspection, or plan review fee applicable to the construction of single-family homes for 5 years following the effective date of the Act. Provides that, on or before January 31 of each year, the Department of Commerce and Economic Opportunity shall submit a written report containing specified information to the General Assembly. Provides that the Act is repealed 5 years after the effective date of the Act. Effective immediately.

LRB104 16663 RTM 30067 b

A BILL FOR

1 AN ACT concerning safety.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Illinois Home Construction Cost Reduction Act.

6 Section 5. Legislative intent. The General Assembly
7 recognizes the common public interest in promoting
8 homeownership, protecting working families, advancing
9 regulatory transparency, protecting public safety, and
10 reducing the cost of constructing single-family homes in
11 Illinois by:

12 (1) limiting Illinois-specific construction of energy
13 modules that exceed the standards of the United States
14 Department of Housing and Urban Development or the
15 International Residential Code;

16 (2) preventing unnecessary regulatory expansion;

17 (3) requiring clear disclosure of cost impacts; and

18 (4) providing fee relief for the construction of
19 starter homes.

20 Section 10. Applicability. This Act applies only to
21 single-family homes and within zoning districts that allow
22 single-family homes. This Act neither requires nor authorizes

1 duplexes, multifamily homes, accessory dwelling units, town
2 homes, or increased residential density. Moreover, this Act
3 does not compel a municipality to allow any form of
4 multifamily construction and it does not override existing
5 zoning districts, historic districts, or overlay or
6 subdivision requirements.

7 Section 15. Definitions. As used in this Act:

8 "Factory-built home" includes modular, manufactured, and
9 panelized homes that comply with a national building safety
10 code.

11 "Session day" means a calendar day in which either chamber
12 of the Illinois General Assembly is scheduled to convene in
13 regular session, veto session, special session, or joint
14 session.

15 "Housing cost impact statement" means the cost analysis
16 required for new regulations.

17 "National building safety code" means a set of safety
18 standards produced by a national or multinational entity that
19 has been adopted as a standard by states and units of local
20 government in the United States. "National building safety
21 code" includes, but is not limited to, the Manufactured Home
22 Construction Safety Code established by the United States
23 Department of Housing and Urban Development and the
24 International Building Code and the International Residential
25 Code established by the International Code Council.

1 "Single-family home" means a detached, single-family
2 residential structure.

3 "Starter home" means a single-family home containing not
4 more than 1,600 square feet of heated living space.

5 Section 20. Factory-built home acceptance with local
6 architectural control. A municipality may not prohibit
7 factory-built single-family homes that comply with:

8 (1) a national building safety code;

9 (2) rules adopted by State agencies that satisfy the
10 requirements of this Act; and

11 (3) all local architectural, aesthetic, and design
12 standards applicable to site-built homes in the same
13 district.

14 Section 25. Material neutrality. A municipality may not
15 prohibit the use of building materials that comply with a
16 national building safety code and conform to local design
17 standards, including, but not limited to, brick and stone
18 ratios, facade requirements, and roof pitch.

19 Section 30. Prerequisites to construction-related
20 rulemaking.

21 (a) A State agency may not file for publication in the
22 Illinois Register any proposed rule or amendment that would
23 impose requirements on home construction that are inconsistent

1 with any national building safety code unless the State agency
2 first provides to the Joint Committee on Administrative Rules
3 (i) a housing cost impact statement and (ii) a compelling
4 public safety concern that would be addressed by the
5 additional requirements. This subsection (a) applies to, but
6 is not limited to, EV charger readiness mandates, electric
7 HVAC-only rules, solar-ready or battery-ready mandates,
8 Illinois-only insulation standards, and stormwater
9 requirements.

10 (b) A State agency may not impose any mandate on a
11 factory-built home that is more restrictive than the mandate
12 applicable to an on-site constructed single-family home. A
13 factory-built home shall be accepted as meeting this State's
14 construction standards if it complies with a national building
15 safety code and the requirements of this Act.

16 Section 35. House cost impact statements.

17 (a) Before adopting, amending, or implementing any rule,
18 regulation, interpretation, or guidance affecting
19 single-family homes or factory-built homes, State agencies
20 shall prepare a housing cost impact statement. Each housing
21 cost impact statement shall include:

22 (1) an estimate, in dollars, of how the proposed rule
23 would increase the cost to construct a single-family home
24 or factory-built home;

25 (2) an estimate of how the proposed rule would

1 increase the time required to construct a single-family
2 home or factory-built home;

3 (3) a description of how the proposed rule deviates
4 from national building safety codes;

5 (4) a description of whether a lower-cost compliance
6 alternative to the proposed rule exists; and

7 (5) a description of whether the requirements of the
8 proposed rule would disproportionately affect rural or
9 low-income homebuyers.

10 (b) A State agency may not enforce a rule that affects the
11 construction of a single-family home that complies with a
12 national building safety code unless the State agency provides
13 the General Assembly with notice of the rule's adoption. The
14 notice must be provided to the General Assembly at least 20
15 session days before enforcement. If enforcing the rule is
16 estimated to increase the cost to construct a single-family
17 home or factory-built home by \$3,500 or more, then the notice
18 must be provided to the General Assembly at least 40 session
19 days before enforcement.

20 (c) Each housing cost impact statement shall be:

21 (1) published on the State agency's website;

22 (2) submitted to the General Assembly; and

23 (3) maintained in a publicly accessible archive for no
24 less than 10 years.

25 (d) A rule adopted after the effective date of this Act
26 without a housing cost impact statement that complies with the

1 requirements of this Section is void.

2 Section 40. Permit timeline. State agencies shall approve
3 or deny construction-related permits within 45 days. Failure
4 to act within the 45 days shall be deemed as approval of the
5 permit.

6 Section 45. Fee reductions and waivers. The State shall
7 waive all State-level permitting, inspection, and plan review
8 fees for the construction of starter homes. A State agency may
9 not increase any permitting, inspection, or plan review fee
10 applicable to the construction of single-family homes for 5
11 years following the effective date of this Act. A State agency
12 may not create, rename, or reclassify any fee to circumvent
13 this Section.

14 Section 50. Basement requirements. A municipality may
15 approve single-family homes with single-grade or other
16 non-basement designs if the designs are consistent with (i) a
17 national building safety code and (ii) standard engineering
18 practices.

19 Section 55. Licensure, training, or inspection mandates.
20 State agencies may not add new certifications, licenses,
21 specialty inspections, or training requirements that exceed
22 the requirements of national building safety codes.

1 Section 60. Private cause of action; existing remedies.
2 Neither this Act nor any rules adopted under this Act:

3 (1) provide a private cause of action for damages or
4 create a standard of care, obligation, or duty that
5 provides a basis for a private cause of action for
6 damages; or

7 (2) abrogate a statutory or common law cause of
8 action, administrative remedy, or defense otherwise
9 available and existing before the effective date of this
10 Act.

11 Section 65. Anti-speculation and local option protections.
12 A municipality may, by ordinance, provide for an expedited
13 permitting process or otherwise expedite the approval of an
14 applicant's permit to construct a single-family home if the
15 applicant intends to own and occupy the property.

16 Section 70. Rulemaking restriction.

17 (a) State agencies shall not reinterpret, expand, or
18 modify this Act through administrative rulemaking or by
19 redesignating mandates as guidelines. State agencies shall not
20 issue interpretations, technical advisories, informal
21 policies, or non-rulemaking directives with the intention or
22 result of subverting this Act.

23 (b) A State agency may not condition inspections or the

1 approval of permits on compliance with requirements that
2 exceed any national building safety code, unless the
3 requirements are imposed by a rule adopted in compliance with
4 this Act.

5 (c) State agencies shall repeal any rule, mandate, or
6 requirement that exceeds all national building safety codes
7 within 18 months after the effective date of this Act. The
8 Department of Commerce and Economic Opportunity shall publish
9 a public list of repealed mandates.

10 (d) Any directive issued in violation of this Section is
11 void.

12 Section 75. Annual report from the Department of Commerce
13 and Economic Opportunity.

14 (a) On or before January 31 of each year, the Department of
15 Commerce and Economic Opportunity shall submit a written
16 report to the General Assembly, which shall include:

17 (1) an estimate, in dollars, of how much the Act has
18 reduced the cost to build a single-family home;

19 (2) the number of fees waivers granted because of the
20 Act;

21 (3) the number of housing cost impact statements
22 produced by State agencies;

23 (4) an estimate of the number of mandates avoided
24 because of the Act;

25 (5) a summary of State agency compliance with the Act;

1 and

2 (6) recommendations for modifications to the Act,
3 including extending the repeal date of the Act.

4 (b) The report issued under this Section shall not exceed
5 3 pages.

6 Section 95. Repeal. This Act is repealed 5 years after the
7 effective date of this Act.

8 Section 97. Severability. The provisions of this Act are
9 severable under Section 1.31 of the Statute on Statutes.

10 Section 99. Effective date. This Act takes effect upon
11 becoming law.