



# Agenda Item Executive Summary

Item Name A RESOLUTION OPPOSING HB 3266 REGARDING TIF DISTRICT PREVAILING WAGE LEGISLATION Committee or Board Committee

**BUDGET IMPACT**

Amount:	N/A	Budgeted:	N/A
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List what fund:	N/A
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**EXECUTIVE SUMMARY**

The Illinois Municipal League (IML) recently identified House Bill 3266 as a significant concern for municipalities using Tax Increment Financing (TIF) to support economic development. This bill proposes to require that any private project within a TIF district receiving public funds – and with a total cost over \$25,000 – must comply with the Prevailing Wage Act.

If passed, this legislation could make TIF a less effective development tool. Even if a project receives only a small amount of TIF funding, the entire project would become subject to prevailing wage requirements, increasing costs and limiting the types of contractors that can be used. These changes could discourage investment in TIF districts, reduce the value of TIF as an incentive, and make it harder for communities like Winnebago to attract new development or help small businesses grow.

The Village Board is invited to discuss the potential impact of this bill. Staff has prepared a resolution following the discussion at the Committee of the Whole meeting on November 19, 2025.

**ATTACHMENTS (PLEASE LIST)**

Draft Resolution

**ACTION REQUESTED**

- For Discussion Only
- Resolution
- Ordinance
- Motion:

**MOTION:** I MOVE TO APPROVE RESOLUTION 2025-\_\_R, A RESOLUTION OPPOSING HB 3266 REGARDING TIF DISTRICT PREVAILING WAGE LEGISLATION

Staff: Joseph Dienberg, Village Administrator Date: 11/19/2025