



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5173

Introduced 2/10/2026, by Rep. Theresa Mah

SYNOPSIS AS INTRODUCED:

20 ILCS 1305/1-95
20 ILCS 4095/16

Amends the Department of Human Services Act. In provisions concerning the transition program grants to assist eligible community agencies with active or pending Section 14(c) certificates to transition away from subminimum wages for workers with disabilities, requires the Department of Human Services to ensure equitable access to transition grants for all eligible holders of Section 14(c) certificates by (i) avoiding the concentration of funding among a limited number of grant recipients and (ii) promoting equity in the distribution of funds by being inclusive of all geographic regions of the State, provider sizes, and transition needs. Provides that every applicant that applies for grant funds and meets the grant criteria established by the Department shall be awarded a grant in an amount based upon the Department's funding criteria. Requires grant recipients to submit progress reports to the Department twice annually on a form developed by the Department in consultation with the Illinois Council on Developmental Disabilities. Sets forth the information required in the reports. Requires the Department to aggregate data collected from the reports and make it publicly available on an annual basis. Amends the Employment and Economic Opportunity for Persons with Disabilities Task Force Act. Requires the Department to ensure that there is project management for statewide implementation of the multi-year plan under the Dignity in Pay Act, Public Act 103-1060, through December 31, 2029. Sets forth a list of project management responsibilities. Requires the Department to ensure the availability of ongoing technical assistance to eligible Section 14(c) certificate holders throughout the transition period ending on December 31, 2029. Sets forth the type of technical assistance to be provided. Provides that funds appropriated for Section 14(c) transition purposes may be used for (i) transition program grants to eligible providers, (ii) statewide project management and coordination, and (iii) technical assistance and capacity-building supports. Effective immediately.

LRB104 19790 KTG 33240 b

1 AN ACT concerning State government.

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

4 Section 5. The Department of Human Services Act is amended
5 by changing Section 1-95 as follows:

6 (20 ILCS 1305/1-95)

7 Sec. 1-95. Transition program grants.

8 (a) The Department of Human Services shall establish a
9 Section 14(c) transition program to award transition grants to
10 eligible community agencies with active or pending Section
11 14(c) certificates to aid in the transition away from
12 subminimum wages for workers with disabilities. The goal of
13 Section 14(c) transition program grants is to develop new
14 opportunities and programs and grow capacity to respond to the
15 needs of individuals with disabilities in their geographic
16 area, including, but not limited to, supported employment,
17 customized employment, self-employment, entrepreneurship, and
18 diverse day programs that support meaningful days, choice, and
19 community integration. The Department shall ensure equitable
20 access to transition grants for all eligible holders of
21 Section 14(c) certificates by (i) avoiding the concentration
22 of funding among a limited number of grant recipients and (ii)
23 promoting equity in the distribution of funds by being

1 inclusive of all geographic regions of the State, provider
2 sizes, and transition needs. Every applicant that applies for
3 grant funds and meets the grant criteria established by the
4 Department shall be awarded a grant in an amount based upon the
5 Department's funding criteria.

6 (b) Eligibility for Section 14(c) transition program
7 grants shall be contingent upon community agencies submitting
8 a transition plan. The Department shall provide example plans
9 that community agencies may adapt. By January 1, 2025, the
10 transition program grant funds shall be awarded in compliance
11 with the Grant Accountability and Transparency Act.

12 (c) Grants shall be made by the Department to eligible
13 holders of Section 14(c) certificates, consistent with the
14 Grant Accountability and Transparency Act, to assist workers
15 with disabilities who are working for subminimum wages to
16 transition to competitive integrated employment and to support
17 eligible Section 14(c) certificate holders. Grant funding
18 shall be used to:

19 (1) provide competitive integrated employment;

20 (2) assist individuals with disabilities who were
21 employed at subminimum wages to find and retain
22 competitive integrated employment; or

23 (3) provide integrated community participation and
24 wraparound services for individuals with disabilities who
25 were employed at subminimum wages.

26 (c-5) As a condition of receiving a transition grant under

1 this Section each grant recipient shall submit progress
2 reports to the Department twice annually on a form developed
3 by the Department in consultation with the Illinois Council on
4 Developmental Disabilities. The first report shall be
5 submitted no later than October 31st and the second report
6 shall be submitted no later than April 30th of each grant year.
7 The progress report shall include, at a minimum:

8 (1) the number of people served who were previously
9 paid subminimum wages;

10 (2) employment outcomes, including competitive
11 integrated employment, supported employment, and non-work
12 community participation;

13 (3) wage data before and after transition activities;

14 (4) hours worked and employment retention indicators;

15 (5) types of services and supports provided using
16 grant funds;

17 (6) barriers encountered and corrective actions taken;

18 and

19 (7) expenditures aligned to approved grant activities.

20 (c-6) The Department shall aggregate data collected under
21 subsection (c-5) to support an analysis of statewide
22 transition progress and alignment with the multi-year plan
23 required under Section 16 of the Employment and Economic
24 Opportunity for Persons with Disabilities Task Force Act.
25 Aggregated non-identifiable data shall be made available to
26 the public beginning January 1, 2027, and every January 1

1 thereafter.

2 (d) Beginning on January 1, 2026, the Department of Human
3 Services shall provide an annual status report to the Governor
4 and the General Assembly, incorporating data from each grant
5 recipient, to demonstrate progress toward identified
6 benchmarks.

7 (Source: P.A. 103-1060, eff. 1-21-25.)

8 Section 10. The Employment and Economic Opportunity for
9 Persons with Disabilities Task Force Act is amended by
10 changing Section 16 as follows:

11 (20 ILCS 4095/16)

12 Sec. 16. Multi-year plan toward elimination of Section
13 14(c) certificates. By no later than July 1, 2025, the
14 Employment and Economic Opportunity for Persons with
15 Disabilities Task Force, with the Illinois Council on
16 Developmental Disabilities and an academic partner with
17 relevant subject matter expertise, shall create a multi-year
18 plan of recommended actions, outcomes, and benchmarks in
19 accordance with paragraphs (1) through (3) to help the State
20 successfully eliminate on and after December 31, 2029 the use
21 of certificates authorized under Section 14(c) of the federal
22 Fair Labor Standards Act of 1938.

23 (1) The multi-year plan shall include, but not be
24 limited to, all of the following:

1 (A) Identification, gathering, and analytics of
2 data to inform the work of the Task Force, including,
3 but not limited to:

4 (i) the total number of entities utilizing
5 Section 14(c) certificates;

6 (ii) the total number of persons with
7 disabilities who are paid subminimum wages and the
8 total number of persons with disabilities who are
9 paid at least the applicable minimum wages;

10 (iii) the total number of persons with
11 disabilities working in facility-based employment
12 paid at or above minimum wage.

13 (B) Recommended actions, including additional
14 statutory, regulatory, or policy measures, including
15 State-supported activities to assist providers in
16 employing people with disabilities.

17 (C) Recommended measurable outcomes for each year
18 of the plan.

19 (D) Recommended benchmarks for each year of the
20 plan.

21 (2) In developing the multi-year plan, the Task Force
22 shall consider:

23 (A) The total available approximate number of
24 people with disabilities paid subminimum wages who
25 want to transition to competitive integrated
26 employment with supports.

1 (B) The total available approximate number of
2 people with disabilities who do not wish to pursue
3 competitive integrated employment and who would
4 benefit from alternative meaningful day opportunities.

5 (C) Existing State employment programs designed to
6 support workers with disabilities.

7 (D) An evaluation of capacity limits in providers'
8 contracts with the Department of Human Services'
9 Division of Rehabilitation Services and Division of
10 Developmental Disabilities.

11 (E) The personal choice of persons with
12 disabilities regarding employment goals and planning
13 in person-centered planning processes.

14 (F) The use of existing and emerging technologies
15 that could assist persons with disabilities in
16 achieving employment goals.

17 (G) The impact of access to reliable
18 transportation on achieving employment goals and
19 ongoing employment.

20 (H) An analysis that shall include data on:

21 (i) the activities of youth with disabilities
22 within one year of exiting high school;

23 (ii) the count of schools holding Student
24 Transition Employment Program and Pre-Employment
25 Transition Services contracts with the Division of
26 Rehabilitation Services that includes the count of

1 students with ongoing cases who transition to
2 adult services;

3 (iii) the number of students 14 1/2 through 22
4 years of age with individualized education plans
5 indicating a need for home and community-based
6 adult services.

7 (I) The potential changes to State law,
8 regulations, or policies to protect means-tested
9 benefits for persons with disabilities as they pursue
10 employment-related goals.

11 (J) Dissemination of information regarding
12 employment supports and benefits to individuals with
13 disabilities, consumers of public services, employers,
14 service providers, and State and local agency staff.
15 Information shall include the Ticket to Work program,
16 Work Incentives Planning and Assistance Programs,
17 Illinois ABLE, and Health Benefits for Workers with
18 Disabilities.

19 (K) The education and training needs of staff
20 working in community-based provider agencies toward
21 advancing competitive, integrated work options for
22 persons with disabilities, in areas including, but not
23 limited to:

24 (i) employment options;

25 (ii) non-employment options;

26 (iii) home and community-based services and

1 supports;

2 (iv) self-advocacy;

3 (v) benefits planning;

4 (vi) asset building;

5 (vii) assistive technology;

6 (viii) certification programs; and

7 (ix) mental health services and supports.

8 (L) Agreements between State agencies and
9 community-based providers that promote flexibility and
10 allow for expansion.

11 (M) Ongoing review of rates and reimbursements
12 that support various employment programs for persons
13 with disabilities, including competitive, integrated
14 employment, customized employment, and supported
15 employment.

16 (N) The need to further engage the private
17 business community to hire persons with disabilities
18 through incentives that may include specialized
19 educational opportunities, distribution of literature
20 at points of interaction with government licensing
21 agencies, and tax incentives to hiring persons with
22 disabilities.

23 (O) The availability and need for adequate
24 benefits planning services for workers with
25 disabilities.

26 (P) The availability and need for meaningful day

1 services for individuals with disabilities who prefer
2 not to work.

3 (Q) Enhanced service and support needs of aging
4 adults with developmental disabilities who have been
5 engaged in subminimum wage work, including, but not
6 limited to, activities of daily living, behavioral
7 supports, and medical supports, including
8 administration of medications while participating in
9 employment supports and community day services through
10 the Department of Human Services.

11 (3) In developing the multi-year plan, the Task Force
12 shall consult with employment service providers, people
13 with disabilities, disability trade associations, and
14 disability advocacy organizations.

15 (4) The Task Force shall submit the multi-year plan to
16 the Governor and the General Assembly by no later than
17 July 1, 2025. Annual reports on implementation shall be
18 required by no later than January 1 of each subsequent
19 year through January 1, 2030.

20 (5) The Task Force shall provide annual updates to the
21 Governor and the General Assembly through January 1, 2035
22 on the employment of persons with disabilities in
23 Illinois.

24 (6) The Governor shall appoint at least 2 additional
25 members to the Task Force who represent organizations that
26 are current Section 14(c) certificate holders. The

1 Director of Labor, or the Director's designee, shall serve
2 on the Task Force in a non-voting, advisory capacity until
3 July 1, 2025.

4 (7) The Department of Human Services shall ensure that
5 there is project management for statewide implementation
6 of the multi-year plan under the Dignity in Pay Act,
7 Public Act 103-1060, through December 31, 2029. Project
8 management responsibilities shall include: (i) the
9 development and maintenance of a comprehensive
10 implementation plan with milestones; (ii) coordination
11 across State agencies, service providers, and technical
12 assistance entities; (iii) monitoring progress toward
13 achieving statutory benchmarks; (iv) the identification
14 and mitigation of risk; and (v) the preparation of
15 required reports to the Governor and General Assembly in
16 partnership with the Illinois Council on Developmental
17 Disabilities and the Employment and Economic Opportunity
18 for Persons with Disabilities Task Force.

19 Project management functions may be administered
20 through an intergovernmental agreement or a grant with an
21 entity that demonstrates expertise in developmental
22 disability systems transformation.

23 (8) The Department of Human Services shall ensure the
24 availability of ongoing technical assistance to eligible
25 Section 14(c) certificate holders throughout the
26 transition period ending on December 31, 2029. Technical

1 assistance shall include (i) individualized provider
2 coaching, (ii) cohort-based learning opportunities, (iii)
3 open office hours for real-time problem-solving, (iv)
4 support for financial modeling, service redesign, and
5 workforce development, and (v) assistance to State
6 agencies to align policies and systems with transition
7 goals and recommendations outlined in the multi-year plan.
8 Technical assistance shall be provided by entities with
9 demonstrated expertise in disability employment systems
10 and provider transformation.

11 (9) Funds appropriated for Section 14(c) transition
12 purposes may be used for (i) transition program grants to
13 eligible providers, (ii) statewide project management and
14 coordination, and (iii) technical assistance and
15 capacity-building supports. The Department shall balance
16 investments to ensure provider participation, statewide
17 consistency, and long-term system sustainability.

18 (Source: P.A. 103-1060, eff. 1-21-25.)

19 Section 99. Effective date. This Act takes effect upon
20 becoming law.