



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5265

Introduced 2/10/2026, by Rep. Elizabeth "Lisa" Hernandez

SYNOPSIS AS INTRODUCED:

30 ILCS 105/5.1038 new
30 ILCS 559/20-15
30 ILCS 559/20-17 new
110 ILCS 805/2-28 new

Amends the Illinois Works Job Program Act. Establishes the Illinois Municipal Works Preapprenticeship and Service Trainee Program to be administered by the Department of Commerce and Economic Opportunity. Provides that the goal of the Program is to create a network of community-based organizations within the region served by Morton College that will recruit, prescreen, and provide preapprenticeship and service trainee skills training to create a qualified, diverse pipeline of workers who are prepared for careers in the construction and building trades and in the union service trades that have collective bargaining agreements with municipalities, the health care sector, and other service sectors. Creates the Illinois Municipal Works Preapprenticeship and Service Trainee Fund. Provides that the Fund shall be administered by the Department. Provides that the Fund shall be used to provide funding directly to Morton College and, through Morton College, to trade unions, municipal employers, health care employers, and other service sector employers who are associated with the Program. Provides that every July 1, \$250,000 shall be transferred from the Rebuild Illinois Projects Fund to the Illinois Municipal Works Preapprenticeship and Service Trainee Fund. Sets forth an annual report for Morton College. Provides for bid credits for employing apprentices who have completed the Program. Amends the Public Community College Act. Provides that the Illinois Community College Board shall monitor the Program. Provides that, by no later than July 1, 2031, the State Board shall recommend legislation to the General Assembly that will, based upon the experience of Morton College, establish and fund an Illinois Pipeline for the Advancement of the Union Service Workforce Program. Effective immediately.

LRB104 20123 HLH 33574 b

1 AN ACT concerning finance.

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

4 Section 5. The State Finance Act is amended by adding
5 Section 5.1038 as follows:

6 (30 ILCS 105/5.1038 new)

7 Sec. 5.1038. The Illinois Municipal Works
8 Preapprenticeship and Service Trainee Fund.

9 Section 10. The Illinois Works Jobs Program Act is amended
10 by changing Section 20-15 and by adding Section 20-17 as
11 follows:

12 (30 ILCS 559/20-15)

13 (Text of Section before amendment by P.A. 104-458)

14 Sec. 20-15. Illinois Works Preapprenticeship Program;
15 Illinois Works Bid Credit Program.

16 (a) The Illinois Works Preapprenticeship Program is
17 established and shall be administered by the Department. The
18 goal of the Illinois Works Preapprenticeship Program is to
19 create a network of community-based organizations throughout
20 the State that will recruit, prescreen, and provide
21 preapprenticeship skills training, for which participants may

1 attend free of charge and receive a stipend, to create a
2 qualified, diverse pipeline of workers who are prepared for
3 careers in the construction and building trades. Upon
4 completion of the Illinois Works Preapprenticeship Program,
5 the candidates will be skilled and work-ready.

6 (b) There is created the Illinois Works Fund, a special
7 fund in the State treasury. The Illinois Works Fund shall be
8 administered by the Department. The Illinois Works Fund shall
9 be used to provide funding for community-based organizations
10 throughout the State. In addition to any other transfers that
11 may be provided for by law, on and after July 1, 2019 at the
12 direction of the Director of the Governor's Office of
13 Management and Budget, the State Comptroller shall direct and
14 the State Treasurer shall transfer amounts not exceeding a
15 total of \$50,000,000 from the Rebuild Illinois Projects Fund
16 to the Illinois Works Fund.

17 (b-5) In addition to any other transfers that may be
18 provided for by law, beginning July 1, 2024 and each July 1
19 thereafter, or as soon thereafter as practical, the State
20 Comptroller shall direct and the State Treasurer shall
21 transfer \$27,500,000 from the Capital Projects Fund to the
22 Illinois Works Fund.

23 (c) Each community-based organization that receives
24 funding from the Illinois Works Fund shall provide an annual
25 report to the Illinois Works Review Panel by April 1 of each
26 calendar year. The annual report shall include the following

1 information:

2 (1) a description of the community-based
3 organization's recruitment, screening, and training
4 efforts;

5 (2) the number of individuals who apply to,
6 participate in, and complete the community-based
7 organization's program, broken down by race, gender, age,
8 and veteran status; and

9 (3) the number of the individuals referenced in item (2)
10 of this subsection who are initially accepted and placed
11 into apprenticeship programs in the construction and
12 building trades.

13 (d) The Department shall create and administer the
14 Illinois Works Bid Credit Program that shall provide economic
15 incentives, through bid credits, to encourage contractors and
16 subcontractors to provide contracting and employment
17 opportunities to historically underrepresented populations in
18 the construction industry.

19 The Illinois Works Bid Credit Program shall allow
20 contractors and subcontractors to earn bid credits for use
21 toward future bids for public works projects contracted by the
22 State or an agency of the State in order to increase the
23 chances that the contractor and the subcontractors will be
24 selected.

25 Contractors or subcontractors may be eligible to earn bid
26 credits for employing apprentices who have completed the

1 Illinois Works Preapprenticeship Program or the Illinois
2 Municipal Works Preapprenticeship and Service Trainee Program.

3 Contractors or subcontractors shall earn bid credits at a rate
4 established by the Department and based on labor hours worked
5 by apprentices who have completed the Illinois Works
6 Preapprenticeship Program or the Illinois Municipal Works
7 Preapprenticeship and Service Trainee Program. In order to
8 earn bid credits, contractors and subcontractors shall provide
9 the Department with certified payroll documenting the hours
10 performed by apprentices who have completed the Illinois Works
11 Preapprenticeship Program or the Illinois Municipal Works
12 Preapprenticeship and Service Trainee Program. Contractors and
13 subcontractors can use bid credits toward future bids for
14 public works projects contracted or funded by the State or an
15 agency of the State in order to increase the likelihood of
16 being selected as the contractor for the public works project
17 toward which they have applied the bid credit. The Department
18 shall establish the rate by rule and shall publish it on the
19 Department's website. The rule may include maximum bid credits
20 allowed per contractor, per subcontractor, per apprentice, per
21 bid, or per year.

22 The Illinois Works Credit Bank is hereby created and shall
23 be administered by the Department. The Illinois Works Credit
24 Bank shall track the bid credits.

25 A contractor or subcontractor who has been awarded bid
26 credits under any other State program for employing

1 apprentices who have completed the Illinois Works
2 Preapprenticeship Program is not eligible to receive bid
3 credits under the Illinois Works Bid Credit Program relating
4 to the same contract.

5 The Department shall report to the Illinois Works Review
6 Panel the following: (i) the number of bid credits awarded by
7 the Department; (ii) the number of bid credits submitted by
8 the contractor or subcontractor to the agency administering
9 the public works contract; and (iii) the number of bid credits
10 accepted by the agency for such contract. Any agency that
11 awards bid credits pursuant to the Illinois Works Credit Bank
12 Program shall report to the Department the number of bid
13 credits it accepted for the public works contract.

14 Upon a finding that a contractor or subcontractor has
15 reported falsified records to the Department in order to
16 fraudulently obtain bid credits, the Department may bar the
17 contractor or subcontractor from participating in the Illinois
18 Works Bid Credit Program and may suspend the contractor or
19 subcontractor from bidding on or participating in any public
20 works project. False or fraudulent claims for payment relating
21 to false bid credits may be subject to damages and penalties
22 under applicable law.

23 (e) The Department shall adopt any rules deemed necessary
24 to implement this Section. In order to provide for the
25 expeditious and timely implementation of this Act, the
26 Department may adopt emergency rules. The adoption of

1 emergency rules authorized by this subsection is deemed to be
2 necessary for the public interest, safety, and welfare.

3 (Source: P.A. 103-8, eff. 6-7-23; 103-305, eff. 7-28-23;
4 103-588, eff. 6-5-24; 103-605, eff. 7-1-24; 104-2, eff.
5 6-16-25.)

6 (Text of Section after amendment by P.A. 104-458)

7 Sec. 20-15. Illinois Works Preapprenticeship Program;
8 Illinois Works Bid Credit Program.

9 (a) The Illinois Works Preapprenticeship Program is
10 established and shall be administered by the Department. The
11 goal of the Illinois Works Preapprenticeship Program is to
12 create a network of community-based organizations throughout
13 the State that will recruit, prescreen, and provide
14 preapprenticeship skills training, for which participants may
15 attend free of charge and receive a stipend, to create a
16 qualified, diverse pipeline of workers who are prepared for
17 careers in the construction and building trades. Upon
18 completion of the Illinois Works Preapprenticeship Program,
19 the candidates will be skilled and work-ready.

20 (b) There is created the Illinois Works Fund, a special
21 fund in the State treasury. The Illinois Works Fund shall be
22 administered by the Department. The Illinois Works Fund shall
23 be used to provide funding for community-based organizations
24 throughout the State. In addition to any other transfers that
25 may be provided for by law, on and after July 1, 2019 at the

1 direction of the Director of the Governor's Office of
2 Management and Budget, the State Comptroller shall direct and
3 the State Treasurer shall transfer amounts not exceeding a
4 total of \$50,000,000 from the Rebuild Illinois Projects Fund
5 to the Illinois Works Fund.

6 (b-5) In addition to any other transfers that may be
7 provided for by law, beginning July 1, 2024 and each July 1
8 thereafter, or as soon thereafter as practical, the State
9 Comptroller shall direct and the State Treasurer shall
10 transfer \$27,500,000 from the Capital Projects Fund to the
11 Illinois Works Fund.

12 (c) Each community-based organization that receives
13 funding from the Illinois Works Fund shall provide an annual
14 report to the Illinois Works Review Panel by April 1 of each
15 calendar year. The annual report shall include the following
16 information:

17 (1) a description of the community-based
18 organization's recruitment, screening, and training
19 efforts;

20 (2) the number of individuals who apply to,
21 participate in, and complete the community-based
22 organization's program, broken down by race, gender, age,
23 and veteran status; and

24 (3) the number of the individuals referenced in item (2)
25 of this subsection who are initially accepted and placed
26 into apprenticeship programs in the construction and

1 building trades.

2 (d) The Department shall create and administer the
3 Illinois Works Bid Credit Program that shall provide economic
4 incentives, through bid credits, to encourage contractors and
5 subcontractors to provide contracting and employment
6 opportunities to historically underrepresented populations in
7 the construction industry.

8 The Illinois Works Bid Credit Program shall allow
9 contractors and subcontractors to earn bid credits for use
10 toward future bids for public works projects contracted by the
11 State or an agency of the State in order to increase the
12 chances that the contractor and the subcontractors will be
13 selected.

14 Contractors or subcontractors may be eligible to earn bid
15 credits for employing apprentices who have been verified by
16 the Department to have completed the Illinois Works
17 Preapprenticeship Program, the Climate Works Preapprenticeship
18 Program, ~~or~~ the Highway Construction Careers Training Program,
19 or the Illinois Municipal Works Preapprenticeship and Service
20 Trainee Program. Contractors or subcontractors shall earn bid
21 credits at a rate established by the Department and based on
22 labor hours worked by apprentices who have been verified by
23 the Department to have completed the Illinois Works
24 Preapprenticeship Program, the Climate Works Preapprenticeship
25 Program, ~~or~~ the Highway Construction Careers Training Program,
26 or the Illinois Municipal Works Preapprenticeship and Service

1 Trainee Program. In order to earn bid credits, contractors and
2 subcontractors shall provide the Department with certified
3 payroll documenting the hours performed by apprentices who
4 have been verified by the Department to have completed the
5 Illinois Works Preapprenticeship Program, the Climate Works
6 Preapprenticeship Program, ~~or~~ the Highway Construction Careers
7 Training Program, or the Illinois Municipal Works
8 Preapprenticeship and Service Trainee Program. Contractors and
9 subcontractors can use bid credits toward future bids for
10 public works projects contracted or funded by the State or an
11 agency of the State in order to increase the likelihood of
12 being selected as the contractor for the public works project
13 toward which they have applied the bid credit. The Department
14 shall establish the rate by rule and shall publish it on the
15 Department's website. The rule may include maximum bid credits
16 allowed per contractor, per subcontractor, per apprentice, per
17 bid, or per year.

18 The Illinois Works Credit Bank is hereby created and shall
19 be administered by the Department. The Illinois Works Credit
20 Bank shall track the bid credits.

21 A contractor or subcontractor who has been awarded bid
22 credits under any other State program for employing
23 apprentices who have completed the Illinois Works
24 Preapprenticeship Program is not eligible to receive bid
25 credits under the Illinois Works Bid Credit Program relating
26 to the same contract.

1 The Department shall report to the Illinois Works Review
2 Panel the following: (i) the number of bid credits awarded by
3 the Department; (ii) the number of bid credits submitted by
4 the contractor or subcontractor to the agency administering
5 the public works contract; and (iii) the number of bid credits
6 accepted by the agency for such contract. Any agency that
7 awards bid credits pursuant to the Illinois Works Credit Bank
8 Program shall report to the Department the number of bid
9 credits it accepted for the public works contract.

10 Upon a finding that a contractor or subcontractor has
11 reported falsified records to the Department in order to
12 fraudulently obtain bid credits, the Department may bar the
13 contractor or subcontractor from participating in the Illinois
14 Works Bid Credit Program and may suspend the contractor or
15 subcontractor from bidding on or participating in any public
16 works project. False or fraudulent claims for payment relating
17 to false bid credits may be subject to damages and penalties
18 under applicable law.

19 (e) The Department shall adopt any rules deemed necessary
20 to implement this Section. In order to provide for the
21 expeditious and timely implementation of this Act, the
22 Department may adopt emergency rules. The adoption of
23 emergency rules authorized by this subsection is deemed to be
24 necessary for the public interest, safety, and welfare.

25 (Source: P.A. 103-8, eff. 6-7-23; 103-305, eff. 7-28-23;
26 103-588, eff. 6-5-24; 103-605, eff. 7-1-24; 104-2, eff.

1 6-16-25; 104-458, eff. 6-1-26.)

2 (30 ILCS 559/20-17 new)

3 Sec. 20-17. Illinois Municipal Works Preapprenticeship and
4 Service Trainee Program.

5 (a) The Illinois Municipal Works Preapprenticeship and
6 Service Trainee Program is established and shall be
7 administered by the Department. The goal of the Illinois
8 Municipal Works Preapprenticeship and Service Trainee Program
9 is to create a network of community-based organizations within
10 the region served by Morton College that will recruit,
11 prescreen, and provide preapprenticeship and service trainee
12 skills training, for which participants may attend free of
13 charge and receive a stipend, to create a qualified, diverse
14 pipeline of workers who are prepared for careers in the
15 construction and building trades and in the union service
16 trades that have collective bargaining agreements with
17 municipalities, the health care sector, and other service
18 sectors.

19 (b) There is created the Illinois Municipal Works
20 Preapprenticeship and Service Trainee Fund, a special fund in
21 the State treasury. The Fund shall be administered by the
22 Department. The Fund shall be used to provide funding directly
23 to Morton College and, through Morton College, to trade
24 unions, municipal employers, health care employers, and other
25 service sector employers who are associated with the Illinois

1 Municipal Works Preapprenticeship and Service Trainee Program.
2 In addition to any other transfers that may be provided for by
3 law, on and after July 1, 2026 and every July 1 thereafter, at
4 the direction of the Director of the Governor's Office of
5 Management and Budget, the State Comptroller shall direct and
6 the State Treasurer shall transfer amounts not exceeding a
7 total of \$250,000 from the Rebuild Illinois Projects Fund to
8 the Fund.

9 (c) With regard to funds that Morton College receives from
10 the Illinois Municipal Works Preapprenticeship and Service
11 Trainee Fund, Morton College shall provide an annual report to
12 the Illinois Works Review Panel and the Illinois Community
13 College Board by April 1 of each calendar year. The annual
14 report shall include the following information:

15 (1) a description of Morton College's recruitment,
16 screening, and training efforts;

17 (2) the number of individuals who apply to,
18 participate in, and complete the program, broken down by
19 race, gender, age, veteran status, and primary language;

20 (3) the number of the individuals referenced in item
21 (2) of this subsection who are initially accepted and
22 placed into apprenticeship programs in the construction
23 and building trades or in union service trainee programs
24 with municipal, healthcare, or other service sector
25 employers; and

26 (4) such other information as Morton College deems

1 necessary or advisable to identify and document successful
2 aspects of the program and to resolve systemic hinderances
3 to the program's success.

4 Section 15. The Public Community College Act is amended by
5 adding Section 2-28 as follows:

6 (110 ILCS 805/2-28 new)

7 Sec. 2-28. Pipeline for the Advancement of the Trade Union
8 and Service Union Workforce. The State Board shall monitor
9 implementation and progress of the Illinois Municipal Works
10 Preapprenticeship and Service Trainee Program. By no later
11 than July 1, 2031, the State Board, in collaboration with
12 Morton College, shall recommend legislation to the General
13 Assembly that will, based upon the experience of Morton
14 College, establish and fund an Illinois Pipeline for the
15 Advancement of the Union Service Workforce Program.

16 Section 95. No acceleration or delay. Where this Act makes
17 changes in a statute that is represented in this Act by text
18 that is not yet or no longer in effect (for example, a Section
19 represented by multiple versions), the use of that text does
20 not accelerate or delay the taking effect of (i) the changes
21 made by this Act or (ii) provisions derived from any other
22 Public Act.

23 Section 99. Effective date. This Act takes effect upon

1 becoming law.