

SB3266



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3266

Introduced 2/3/2026, by Sen. Mattie Hunter

SYNOPSIS AS INTRODUCED:

305 ILCS 5/11-3.1

from Ch. 23, par. 11-3.1

Amends the Illinois Public Aid Code. Provides that, to the extent permitted under federal law and regulations, the Department of Human Services shall, as soon as practical after the effective date of the amendatory Act but not later than March 1, 2027, implement an electronic benefits transfer system that uses industry-standard commercial electronic funds transfer technology, including, at a minimum, the use of cards with EMV chips.

LRB104 18410 RPS 31852 b

A BILL FOR

1 AN ACT concerning public aid.

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

4 Section 5. The Illinois Public Aid Code is amended by
5 changing Section 11-3.1 as follows:

6 (305 ILCS 5/11-3.1) (from Ch. 23, par. 11-3.1)

7 Sec. 11-3.1. Any recipient of financial aid which is
8 payable to the recipient at regular intervals may elect to
9 have the aid deposited, and the Illinois Department of Human
10 Services is authorized to deposit the aid, directly in the
11 recipient's savings account or checking account or in any
12 electronic benefits transfer account or accounts in a
13 financial institution approved by the Illinois Department of
14 Human Services and in accordance with the rules and
15 regulations of the Department of Human Services. The Illinois
16 Department of Human Services and any electronic benefits
17 transfer financial institutions or contractor shall encourage
18 financial institutions to provide checking account and savings
19 account services to recipients of public aid.

20 Any recipient of financial aid or benefits distributed by
21 means other than electronic benefits transfer under Articles
22 III, IV, and VI of this Code may elect to receive the aid by
23 means of direct deposit transmittals to his or her account

1 maintained at a bank, savings and loan association, or credit
2 union or by means of electronic benefits transfer in a
3 financial institution approved by the Illinois Department of
4 Human Services and in accordance with rules and regulations of
5 the Illinois Department of Human Services. The Illinois
6 Department of Human Services may distribute financial aid or
7 food stamp benefits by means of electronic benefits transfer
8 and may require recipients to receive financial aid or food
9 stamp benefits by means of electronic benefits transfer,
10 provided that any electronic benefits transfer made under this
11 Section shall be accomplished in compliance with the
12 Electronic Fund Transfer Act and any relevant rules
13 promulgated thereunder. The Illinois Department of Human
14 Services may provide for a method of compensation for services
15 in accordance with the rules and regulations of the Illinois
16 Department of Human Services, the United States Department of
17 Agriculture, the United States Department of Health and Human
18 Services, and the State Comptroller and the State Treasurer.
19 The Illinois Department of Human Services shall require a
20 convenient density of distribution points for recipients of
21 public aid to have adequate options to access aid held in an
22 electronic benefits transfer account. No fee may be charged to
23 recipients for reasonable access to public aid benefits held
24 in such an account. Deposits into a financial institution for
25 electronic benefits transfer accounts shall be subject to
26 community reinvestment and to serving public benefits

1 recipients pursuant to relevant criteria of the State
2 Treasurer, Comptroller, and the Illinois Department of Human
3 Services. The Electronic Benefits Transfer Fund is hereby
4 created for the purpose of electronically disbursing public
5 aid benefits.

6 The electronic benefits transfer contractor shall inform
7 the Department of Human Services whenever it has distributed
8 financial aid to individuals by means of electronic benefits
9 transfer. The Illinois Department of Human Services shall
10 determine the amount to be reimbursed to the contractor and
11 shall direct the State Treasurer to transfer this portion of
12 the amount previously vouchered by the Department of Human
13 Services and approved by the Comptroller pursuant to Section
14 9.05(c) of the State Comptroller Act to the contractor from
15 the Electronic Benefits Transfer Fund created under Section
16 9.05(b) of the State Comptroller Act in accordance with the
17 rules and regulations of the Illinois Department of Human
18 Services, the United States Department of Agriculture, the
19 United States Department of Health and Human Services, the
20 State Comptroller, and the State Treasurer.

21 To the extent permitted under federal law and regulations,
22 the Department of Human Services shall, as soon as practical
23 after the effective date of this amendatory Act of the 104th
24 General Assembly but not later than March 1, 2027, implement
25 an electronic benefits transfer system that uses
26 industry-standard commercial electronic funds transfer

1 technology, including, at a minimum, the use of cards with EMV
2 chips.

3 (Source: P.A. 95-331, eff. 8-21-07.)