

Illinois State Pell Grants for Workforce

Frequently Asked Questions

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Illinois' Interagency Steering Committee developed this initial set of FAQs to provide foundational, consistent information about Workforce Pell to training providers, employers, and workforce system partners across the state. These FAQs reflect what is known as of the publication date; once the U.S. Department of Education finalizes the regulations and the Illinois Interagency Steering Committee has more information to share about the state's policies and processes, additional FAQs may be available.

Q1. What is Pell for Workforce, and why does it matter for Illinois?

Workforce Pell, or Pell Grants for Workforce, is an expansion of the existing Pell Grant program, established by the One Big Beautiful Bill Act (signed July 4, 2025), that extends Pell eligibility to short-term workforce training programs. For the first time, students pursuing short-term credentials in high-demand fields can access federal grant funding that does not need to be repaid. Also, for the first time, individuals who have already obtained a bachelor's degree are eligible to receive Workforce Pell Grants to obtain an additional workforce credential from an approved program.

For Illinois, this represents a significant opportunity to expand access to workforce training in sectors facing critical talent shortages.

Q2. Who is eligible to receive a Pell for Workforce Grant?

Student eligibility will follow the same federal criteria as traditional Pell Grants. Students must complete the Free Application for Federal Student Aid (FAFSA). The FAFSA becomes available each October 1 for the following award year. Additional information regarding considerations for students and guidance will be developed and made available later this year. We do not anticipate students will be able to access Pell Grant funds for short-term workforce programs until late 2026 or early 2027.

Q3. Which training programs will be eligible, and how will that list be determined?

Not all short-term programs will automatically qualify. Institutions disbursing Pell must be Title IV (of the Higher Education Act of 1965, as amended) eligible and accredited. Additionally, federal law requires eligible programs to meet three threshold criteria:

- LENGTH
- Completion rate: At least 70% of students who begin the program must complete it.
- Employment rate: At least 70% of exiters must be employed.

- Earnings gain: Pell Recipient completers must demonstrate measurable value-added earnings relative to their pre-enrollment wages, using the federal Value-Added Earnings (VAE) methodology.

In addition, programs must meet initial eligibility criteria to ensure they lead to high-demand, high-skill, and high-wage jobs and are validated by employers.

The Interagency Steering Committee is determining the state's eligibility criteria. Final program criteria and application information will be communicated when available.

Q4. What does 'high-wage' mean, and what happens to high-demand programs that don't meet the wage threshold?

The Interagency Steering Committee is developing a proposed methodology and anticipates leveraging existing definitions and criteria used in the state.

The Steering Committee recognizes that some occupations in high-demand fields may not meet the wage threshold at the time of initial employment and will take this into consideration. Additional factors recognized by the Steering Committee include wage progression, sector-specific context, and the stackability of credentials, which could all lead to higher-wage credentials, even if the entry-level wage is below the state's definition of "high-wage" occupations.

Q5. What types of institutions and providers can offer Pell for Workforce-eligible programs?

The Pell Grant is a federal Title IV program, which means the U.S. Department of Education must recognize institutions as eligible to participate in federal financial aid programs. Workforce Pell Grants will be available to a subset of programs (based on final eligibility determination and following institution application) at those institutions.

Q6. How does 'stackability' work, and can non-credit programs qualify?

Stackability, or the ability for a short-term credential to build toward a longer-term degree or occupational pathway, is one of the core design principles of Workforce Pell. Federal law requires that eligible programs either lead directly to employment or stack to a credential that does. The Interagency Steering Committee is considering how best to define the parameters and requirements for stackability in Illinois' existing context.

Q7. What is the employer validation requirement, and how will it work?

Federal law requires that Workforce Pell-eligible programs be validated by employers, meaning employers in the relevant sector must affirm that the credential is valuable for hiring or advancement. This is not optional; it is a condition of program eligibility.

The Steering Committee is developing a process for verifying this employer validation. The specific criteria, documentation requirements, and review process for employer validation are still under development.

Q8. When can institutions begin offering Workforce Pell for programs, and what is the approval timeline?

The federal effective date for Pell for Workforce is July 1, 2026. However, no institution will be in a position to begin awarding on that date. The U.S. Department of Education's institutional approval process will take time, and institutions must receive ED approval before any student can receive a Workforce Pell award.

The Steering Committee will communicate application timelines and approval workflows as soon as they are confirmed; the U.S. Department of Education will also provide additional information and communications. The Steering Committee's goal is to provide as much lead time as possible to support institutional planning.

Q9. How do we count the number of hours from an apprenticeship program for the purposes of Workforce Pell eligibility?

For Workforce Pell, you only count the related instructional hours that meet the federal clock-hour definition, not the on-the-job training hours. The number of weeks for the RTI do not have to be sequential to meet the 8-14 week requirement.

Q10. How is success of a program measured?

The statute identifies two performance metrics: completion and placement in employment. To become and remain eligible, programs must have 1) a completion rate of equal to or greater than 70 percent in 150 percent of normal completion time and 2) an employment placement rate of equal to or greater than 70 percent for students 6 months after exiting a program.