

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 various threshold criteria:

- Program length: 8–14 weeks, 150–599 clock hours or equivalent credit hours (4-16)
- 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 measured for a program?

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.

Q11. How do I stay up to date on Workforce Pell implementation in Illinois?

Illinois Community College Board (ICCB) maintains a centralized Workforce Pell information website. The site includes webinar recordings, presentation slides, FAQs, and additional resources to help stay informed. <https://www.iccb.org/programs-and-initiatives/workforce-pell/>

Q12. If a student starts in the fall under Workforce Pell but then wants to transition to a degree program can they utilize regular Pell in the spring or will they have to sit out until the fall to utilize regular Pell?

Students may transition from a Workforce Pell-funded program into a certificate or degree program and use the regular Pell Grant in the following semester. However, students cannot receive both Workforce Pell and a standard Pell Grant during the same enrollment period (for

example, being enrolled simultaneously in a short-term certificate program and a semester-long degree program).

Q13. What U.S. agency oversees Workforce Pell Implementation?

The U.S. Department of Education oversees the implementation of the Workforce Pell Grant program.

Q14. What is the State Workforce Board's role in approving programs for Workforce Pell?

The program approval process is still being finalized; however, the statute requires that the Governor consult with the State Workforce Board in approving program applications, based on recommendations from an interagency review team. The State Workforce Board also plays a role in informing Workforce Pell policy implementation in Illinois, particularly around employer engagement and validation.

Q15. Will union apprenticeship programs be able to have candidates utilize these funds?

Yes. Union apprenticeship programs may partner if the Institution of Higher Education program is approved for Workforce Pell and the candidate meets student eligibility requirements. Based on the currently proposed regulations, no more than 25% of instruction may be delivered by an ineligible third-party provider, reinforcing institutional responsibility for program quality, oversight, and compliance.

Q16. If an institution already has an established program (longer than 12 months) but that program does not meet the length criteria for Workforce Pell (8-14 weeks), and if the institution creates a shorter or longer version of that program to meet the Workforce Pell length criteria, will we have to offer that new program for 12 months before it can be eligible for approval? Example: A 6-week CDL program that has been offered for decades, and the institution starts offering an 8-week program.

Yes, the program must meet both the length of time (8-14 weeks) and clock hour/credit hour requirements for at least 12 months prior to seeking approval.