



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB2733

Introduced 2/6/2025, by Rep. Steven Reick

#### SYNOPSIS AS INTRODUCED:

305 ILCS 5/12-4.33a new

Amends the Administration Article of the Illinois Public Aid Code. Provides that subject to appropriation and any necessary federal waivers or approvals, the Department of Human Services shall develop and implement a transitional benefits program for Temporary Assistance for Needy Families (TANF) and the Supplemental Nutrition Assistance Program (SNAP) that is designed in such a way that a TANF or SNAP beneficiary will not experience an immediate loss of benefits should the beneficiary's income exceed the maximum allowable income under the TANF or SNAP program. Provides that the transitional benefits offered shall gradually step down the beneficiary's monthly benefit proportionate to the increase in the beneficiary's income. Sets forth monthly benefits amounts based on monthly household income. Requires beneficiaries to comply with TANF and SNAP work requirements. Provides that, subject to appropriation, the Department shall implement, by July 1, 2026, a program to allow recipients to receive transitional child care benefits without the requirement that such recipients first be eligible for full child care benefits. Provides that transitional child care benefits shall be determined on a sliding scale for recipients with household incomes in excess of the eligibility level for full benefits. Sets forth the sliding benefit schedule for the program. Requires the Department to track the number of participants in the program and issue an annual report to the General Assembly by September 1, 2027 and by September 1 each year thereafter, detailing the effectiveness of the program in encouraging recipients to secure employment earning an income greater than the maximum wage eligible for the full child care benefit. Requires the Department to pursue all necessary waivers from the federal government to implement the program. Provides that upon federal approval, the Department shall limit any initial application for the SNAP, TANF, or the Child Care Assistance Program to a one-page form that is easily accessible on the Department's website. Provides that persons participating in TANF, SNAP, or the Child Care Assistance Program who are required to complete a periodic eligibility review form, may submit such form as an attachment to their Illinois income tax return. Requires the Department of Human Services and the Department of Revenue to adopt rules. Effective immediately.

LRB104 10154 KTG 20226 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 adding Section 12-4.33a as follows:

6 (305 ILCS 5/12-4.33a new)

7 Sec. 12-4.33a. Transitional benefits; TANF, SNAP, and the  
8 Child Care Assistance Program.

9 (a) Subject to appropriation and any necessary federal  
10 waivers or approvals, the Department of Human Services shall  
11 develop and implement a transitional benefits program for  
12 Temporary Assistance for Needy Families (TANF) and the  
13 Supplemental Nutrition Assistance Program (SNAP) that is  
14 designed in such a way that a TANF or SNAP beneficiary will not  
15 experience an immediate loss of benefits should the  
16 beneficiary's income exceed the maximum allowable income under  
17 the TANF or SNAP program. The transitional benefits offered  
18 shall provide for a transition to self-sufficiency while  
19 incentivizing work and financial stability.

20 The transitional benefits offered shall gradually step  
21 down the beneficiary's monthly benefit proportionate to the  
22 increase in the beneficiary's income. The determination for a  
23 beneficiary's transitional benefit shall be as follows:

1           (1) 100% of the monthly benefit for beneficiaries with  
2           monthly household incomes less than or equal to 175% of  
3           the federal poverty level;

4           (2) 80% of the monthly benefit for beneficiaries with  
5           monthly household incomes greater than 175% but less than  
6           or equal to 180% of the federal poverty level;

7           (3) 60% of the monthly benefit for beneficiaries with  
8           monthly household incomes greater than 180% but less than  
9           or equal to 185% of the federal poverty level;

10           (4) 40% of the monthly benefit for beneficiaries with  
11           monthly household incomes greater than 185% but less than  
12           or equal to 190% of the federal poverty level; and

13           (5) 20% of the monthly benefit for beneficiaries with  
14           monthly household incomes greater than 190% but less than  
15           or equal to 200% of the federal poverty level.

16           Beneficiaries receiving transitional benefits under this  
17           subsection shall comply with all requirements of each program,  
18           TANF or SNAP, for which they are eligible, including work  
19           requirements. Transitional benefits received under this  
20           subsection shall not be included in the 60-month lifetime  
21           limit for TANF benefits under Section 4-1.12 of this Code.

22           The Department shall adopt rules, excluding emergency  
23           rules under Section 5-45 of the Illinois Administrative  
24           Procedure Act, to implement this subsection.

25           (b) To more effectively transition persons receiving child  
26           care benefits under Section 9A-11 of this Code, the Department

1 of Human Services shall, subject to appropriation, by July 1,  
2 2026, implement a program to allow recipients to receive  
3 transitional child care benefits without the requirement that  
4 such recipients first be eligible for full child care  
5 benefits.

6 For purposes of this Section, "full child care benefits"  
7 refer to the full benefits awarded to a recipient based on the  
8 income eligibility amount established by the Department,  
9 subject to appropriation, to qualify for the benefits and do  
10 not include the transitional child care benefits that are  
11 awarded to recipients whose income surpasses the eligibility  
12 level for full benefits to continue. The program established  
13 in accordance with this subsection shall be voluntary and  
14 designed such that a recipient may begin receiving the  
15 transitional child care benefit without having first qualified  
16 for the full child care benefit or any other tier of the  
17 transitional child care benefit.

18 Transitional child care benefits shall be determined on a  
19 sliding scale as follows for recipients with household incomes  
20 in excess of the eligibility level for full benefits:

21 (1) 80% of the State base rate for recipients with  
22 non-exempt household incomes greater than the eligibility  
23 level for full benefits but less than or equal to 240% of  
24 the federal poverty level;

25 (2) 60% of the State base rate for recipients with  
26 non-exempt household incomes greater than 240% but less

1 than or equal to 260% of the federal poverty level;

2 (3) 40% of the State base rate for recipients with  
3 non-exempt household incomes greater than 260% but less  
4 than or equal to 280% of the federal poverty level; and

5 (4) 20% of the State base rate for recipients with  
6 non-exempt household incomes greater than 280% but less  
7 than or equal to 300% of the federal poverty level.

8 As used in this Section, "State base rate" means the rate  
9 established by the Department for provider payments that  
10 accounts for geographic area, type of facility, duration of  
11 care, and age of the child, as well as any enhancements  
12 reflecting after-hours or weekend care, accreditation or  
13 licensure status, as determined by the Department. Recipients  
14 shall be responsible for paying the remaining sliding fee to  
15 the child care provider.

16 A participating recipient shall be allowed to opt out of  
17 the program at any time, but such person shall not be allowed  
18 to participate in the program a second time.

19 The Department shall track the number of participants in  
20 the program and issue an annual report to the General Assembly  
21 by September 1, 2027 and by September 1 each year thereafter,  
22 detailing the effectiveness of the program in encouraging  
23 recipients to secure employment earning an income greater than  
24 the maximum wage eligible for the full child care benefit. The  
25 report shall also detail the costs of administration and the  
26 increased amount of State income tax paid as a result of the

1 program.

2 The Department shall pursue all necessary waivers from the  
3 federal government to implement the program. If the Department  
4 is unable to obtain such waivers, the Department shall  
5 implement the program to the degree possible without such  
6 waivers.

7 The Department shall adopt rules, excluding emergency  
8 rules under Section 5-45 of the Illinois Administrative  
9 Procedure Act, to implement this subsection.

10 (c) Upon approval by the Centers for Medicare and Medicaid  
11 Services, the Food and Nutrition Services within the United  
12 States Department of Agriculture, or any other relevant  
13 federal agency, the Department of Human Services shall limit  
14 any initial application for the Supplemental Nutrition  
15 Assistance Program, the Temporary Assistance for Needy  
16 Families program, or the Child Care Assistance Program to a  
17 one-page form that is easily accessible on the Department's  
18 website.

19 Persons who are participating in the Supplemental  
20 Nutrition Assistance Program, the Temporary Assistance for  
21 Needy Families program, or the Child Care Assistance Program,  
22 who are required to complete a periodic eligibility review  
23 form, may submit such form as an attachment to their Illinois  
24 income tax return if the person's eligibility review form is  
25 due before or at the same time that the individual files the  
26 Illinois income tax return. The Department shall limit

1 periodic eligibility review forms associated with these  
2 programs to a one-page form that is easily accessible on both  
3 the Department of Human Services' website and the Department  
4 of Revenue's website.

5 The Department of Human Services and the Department of  
6 Revenue shall adopt rules, excluding emergency rules under  
7 Section 5-45 of the Illinois Administrative Procedure Act, to  
8 implement this subsection.

9 Section 99. Effective date. This Act takes effect upon  
10 becoming law.