

## 100TH GENERAL ASSEMBLY State of Illinois 2017 and 2018 HB2462

by Rep. Anna Moeller

## SYNOPSIS AS INTRODUCED:

820 ILCS 112/10 820 ILCS 112/30

Amends the Equal Pay Act of 2003. Prohibits an employer from: (i) screening job applicants based on their wage or salary history, (ii) requiring that an applicant's prior wages satisfy minimum or maximum criteria, and (iii) requesting or requiring as a condition of being interviewed or as a condition of continuing to be considered for an offer of employment that an applicant disclose prior wages or salary. Prohibits an employer from seeking the salary, including benefits or other compensation or salary history, of a job applicant from any current or former employer. Limits defenses. Provides for penalties and injunctive relief.

LRB100 08995 JLS 19141 b

FISCAL NOTE ACT MAY APPLY

1 AN ACT concerning employment.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Equal Pay Act of 2003 is amended by changing

  Sections 10 and 30 as follows:
- 6 (820 ILCS 112/10)
- 7 Sec. 10. Prohibited acts.
- 8 (a) No employer may discriminate between employees on the
  9 basis of sex by paying wages to an employee at a rate less than
  10 the rate at which the employer pays wages to another employee
  11 of the opposite sex for the same or substantially similar work
  12 on jobs the performance of which requires <u>substantially similar</u>
  13 equal skill, effort, and responsibility, and which are
  14 performed under similar working conditions, except where the
  15 payment is made under:
- 16 (1) a seniority system;
- 17 (2) a merit system;
- 18 (3) a system that measures earnings by quantity or quality of production; or
- 20 (4) a differential based on any other factor other 21 than: (i) sex or (ii) a factor that would constitute 22 unlawful discrimination under the Illinois Human Rights 23 Act, provided that the factor:

1	(A) is not based on or derived from a differential
2	in compensation based on sex or another protected
3	<pre>characteristic;</pre>
4	(B) is job-related with respect to the position and
5	consistent with a business necessity; and
6	(C) accounts for the entire differential.
7	Such defense shall not apply if the employee
8	demonstrates that an alternative employment practice
9	exists that would serve the same business purpose without
10	producing such differential and that the employer has
11	refused to adopt such alternative practice.
12	An employer who is paying wages in violation of this Act
13	may not, to comply with this Act, reduce the wages of any other
14	employee.
15	Nothing in this Act may be construed to require an employer
16	to pay, to any employee at a workplace in a particular county,
17	wages that are equal to the wages paid by that employer at a
18	workplace in another county to employees in jobs the
19	performance of which requires equal skill, effort, and
20	responsibility, and which are performed under similar working
21	conditions.
22	(b) It is unlawful for any employer to interfere with,
23	restrain, or deny the exercise of or the attempt to exercise
24	any right provided under this Act. It is unlawful for any
25	employer to discharge or in any other manner discriminate
26	against any individual for inquiring about, disclosing,

comparing, or otherwise discussing the employee's wages or the wages of any other employee, or aiding or encouraging any person to exercise his or her rights under this Act. It is unlawful for an employer to require an employee to sign a contract or waiver that would prohibit the employee from disclosing or discussing information about the employee's wages.

- (b-5) It is unlawful for an employer to screen job applicants based on their wage or salary history, including by requiring that an applicant's prior wages, including benefits or other compensation, satisfy minimum or maximum criteria or requesting or requiring as a condition of being interviewed, as a condition of continuing to be considered for an offer of employment, as a condition of an offer of employment or an offer of compensation, or as a condition of employment that an applicant disclose prior wages or salary.
- (b-10) It is unlawful for an employer to seek the wage or salary history, including benefits or other compensation, of any job applicant from any current or former employer.
- (c) It is unlawful for any person to discharge or in any other manner discriminate against any individual because the individual:
  - (1) has filed any charge or has instituted or caused to be instituted any proceeding under or related to this Act;
  - (2) has given, or is about to give, any information in connection with any inquiry or proceeding relating to any

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1 right provided under this Act; or

(Source: P.A. 93-6, eff. 1-1-04.)

- 2 (3) has testified, or is about to testify, in any inquiry or proceeding relating to any right provided under this Act; or -
- 5 (4) fails to comply with any wage history inquiry.
- 7 (820 ILCS 112/30)
- 8 Sec. 30. Violations; fines and penalties.
- 9 (a) If an employee is paid by his or her employer less than 10 the wage to which he or she is entitled in violation of Section 11 10 of this Act, the employee may recover in a civil action the 12 entire amount of any underpayment together with interest, compensatory damages if the employee demonstrates that the 1.3 employer acted with malice or reckless indifference, punitive 14 15 damages as may be appropriate, injunctive relief as may be 16 appropriate, and the costs and reasonable attorney's fees as may be allowed by the court and as necessary to make the 17 employee whole. At the request of the employee or on a motion 18 19 of the Director, the Department may make an assignment of the wage claim in trust for the assigning employee and may bring 20 21 any legal action necessary to collect the claim, and the 22 employer shall be required to pay the costs incurred in collecting the claim. Every such action shall be brought within 23 24 5 years from the date of the underpayment. For purposes of this Act, "date of the underpayment" means each time wages are 25

1 underpaid.

- (a-5) If an employer violates subsection (b), (b-5), or (b-10) of Section 10, the employee may recover in a civil action any damages incurred, special damages not to exceed \$10,000, injunctive relief as may be appropriate, and costs and reasonable attorney's fees as may be allowed by the court and as necessary to make the employee whole. If special damages are available, an employee may recover compensatory damages only to the extent such damages exceed the amount of special damages. Such action shall be brought within 5 years from the date of the violation.
- (b) The Director is authorized to supervise the payment of the unpaid wages <u>under subsection</u> (a) or <u>damages under subsection</u> (b), (b-5), or (b-10) of Section 10 owing to any employee or employees under this Act and may bring any legal action necessary to recover the amount of unpaid wages, <u>damages</u>, and penalties <u>or to seek injunctive relief</u>, and the employer shall be required to pay the costs. Any sums recovered by the Director on behalf of an employee under this Section shall be paid to the employee or employees affected.
- (c) Employers who violate any provision of this Act or any rule adopted under the Act are subject to a civil penalty for each employee affected as follows:
  - (1) An employer with fewer than 4 employees: first offense, a fine not to exceed \$500; second offense, a fine not to exceed \$2,500; third or subsequent offense, a fine

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- 1 not to exceed \$5,000.
- 2 (2) An employer with 4 or more employees: first
  3 offense, a fine not to exceed \$2,500; second offense, a
  4 fine not to exceed \$3,000; third or subsequent offense, a
  5 fine not to exceed \$5,000.

An employer or person who violates subsection (b), (b-5), (b-10), or (c) of Section 10 is subject to a civil penalty not to exceed \$5,000 for each violation for each employee affected.

- (d) In determining the amount of the penalty, the appropriateness of the penalty to the size of the business of the employer charged and the gravity of the violation shall be considered. The penalty may be recovered in a civil action brought by the Director in any circuit court.
- 14 (Source: P.A. 99-418, eff. 1-1-16.)