

1 AN ACT concerning employment.

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

4 Section 5. The Unemployment Insurance Act is amended by
5 changing Sections 601, 900, and 2404 and by adding Section
6 901.2 as follows:

7 (820 ILCS 405/601) (from Ch. 48, par. 431)

8 Sec. 601. Voluntary leaving.

9 A. An individual shall be ineligible for benefits for the
10 week in which the individual ~~he or she~~ has left work
11 voluntarily without good cause attributable to the employing
12 unit and, thereafter, until the individual ~~he or she~~ has
13 become reemployed and has had earnings equal to or in excess of
14 the individual's ~~his or her~~ current weekly benefit amount in
15 each of four calendar weeks which are either for services in
16 employment, or have been or will be reported pursuant to the
17 provisions of the Federal Insurance Contributions Act by each
18 employing unit for which such services are performed and which
19 submits a statement certifying to that fact.

20 B. The provisions of this Section shall not apply to an
21 individual who has left work voluntarily:

22 1. Because the individual, prior to voluntarily
23 leaving: ~~he or she~~

1 (a) is deemed physically unable to perform the
2 individual's ~~his or her~~ work by a licensed and
3 practicing physician, licensed and practicing nurse
4 practitioner, or licensed and practicing physician
5 assistant and the employer is unable to accommodate
6 the individual; ~~or~~

7 (b) for claims dated December 28, 2025 through
8 December 24, 2028, is deemed to be unable to perform
9 the individual's work due to a mental health
10 disability by a licensed and practicing psychiatrist
11 and the employer is unable to accommodate the
12 individual; or

13 (c) is providing necessary ~~because the~~
14 individual's assistance to care is necessary for the
15 purpose of caring for the individual's ~~his or her~~
16 spouse, child, or parent who, according to a licensed
17 and practicing physician or as otherwise reasonably
18 verified, is in poor physical or mental health or is a
19 person with a mental or physical disability and the
20 employer is unable to accommodate the individual's
21 need to provide such assistance;

22 2. To accept other bona fide work and, after such
23 acceptance, the individual is either not unemployed in
24 each of 2 weeks, or earns remuneration for such work equal
25 to at least twice the individual's ~~his or her~~ current
26 weekly benefit amount;

1 3. In lieu of accepting a transfer to other work
2 offered to the individual by the employing unit under the
3 terms of a collective bargaining agreement or pursuant to
4 an established employer plan, program, or policy, if the
5 acceptance of such other work by the individual would
6 require the separation from that work of another
7 individual currently performing it;

8 4. Solely because of the sexual harassment of the
9 individual by another employee. Sexual harassment means
10 (1) unwelcome sexual advances, requests for sexual favors,
11 sexually motivated physical contact or other conduct or
12 communication which is made a term or condition of the
13 employment or (2) the employee's submission to or
14 rejection of such conduct or communication which is the
15 basis for decisions affecting employment, or (3) when such
16 conduct or communication has the purpose or effect of
17 substantially interfering with an individual's work
18 performance or creating an intimidating, hostile, or
19 offensive working environment and the employer knows or
20 should know of the existence of the harassment and fails
21 to take timely and appropriate action;

22 5. Which the individual ~~he or she~~ had accepted after
23 separation from other work, and the work which the
24 individual ~~he or she~~ left voluntarily would be deemed
25 unsuitable under the provisions of Section 603;

26 6.(a) Because the individual left work due to verified

1 domestic violence as defined in Section 103 of the
2 Illinois Domestic Violence Act of 1986 where the domestic
3 violence caused the individual to reasonably believe that
4 the individual's ~~his or her~~ continued employment would
5 jeopardize the individual's ~~his or her~~ safety or the
6 safety of the individual's ~~his or her~~ spouse, minor child,
7 or parent

8 if the individual provides the following:

9 (i) notice to the employing unit of the reason for
10 the individual's voluntarily leaving; and

11 (ii) to the Department provides:

12 (A) an order of protection or other
13 documentation of equitable relief issued by a
14 court of competent jurisdiction; or

15 (B) a police report or criminal charges
16 documenting the domestic violence; or

17 (C) medical documentation of the domestic
18 violence; or

19 (D) evidence of domestic violence from a
20 member of the clergy, attorney, counselor, social
21 worker, health worker or domestic violence shelter
22 worker.

23 (b) If the individual does not meet the provisions of
24 subparagraph (a), the individual shall be held to have
25 voluntarily terminated employment for the purpose of
26 determining the individual's eligibility for benefits

1 pursuant to subsection A.

2 (c) Notwithstanding any other provision to the
3 contrary, evidence of domestic violence experienced by an
4 individual, or the individual's ~~his or her~~ spouse, minor
5 child, or parent, including the individual's statement and
6 corroborating evidence, shall not be disclosed by the
7 Department unless consent for disclosure is given by the
8 individual.

9 7. Because, due to a change in location of employment
10 of the individual's spouse, the individual left work to
11 accompany the individual's ~~his or her~~ spouse to a place
12 from which it is impractical to commute or because the
13 individual left employment to accompany a spouse who has
14 been reassigned from one military assignment to another.
15 The employer's account, however, shall not be charged for
16 any benefits paid out to the individual who leaves work
17 under a circumstance described in this paragraph.

18 C. Within 90 days of the effective date of this amendatory
19 Act of the 96th General Assembly, the Department shall
20 promulgate rules, pursuant to the Illinois Administrative
21 Procedure Act and consistent with Section 903(f)(3)(B) of the
22 Social Security Act, to clarify and provide guidance regarding
23 eligibility and the prevention of fraud.

24 D. On or before January 1, 2030, the Department shall file
25 a report with the General Assembly setting forth the estimated
26 fiscal impact of subparagraph (b) of paragraph 1 of subsection

1 B of Section 601 on the Unemployment Insurance Trust Fund.

2 (Source: P.A. 99-143, eff. 7-27-15.)

3 (820 ILCS 405/900) (from Ch. 48, par. 490)

4 Sec. 900. Recoupment and recovery.→

5 A. Whenever an individual has received any sum as benefits
6 for which he or she is found to have been ineligible, the
7 individual must be provided written notice of the individual's
8 ~~his or her~~ appeal rights, including the ability to request
9 waiver of any recoupment ordered and the standard for such
10 waiver to be granted. Thereafter, the amount thereof may be
11 recovered by suit in the name of the People of the State of
12 Illinois, or, from benefits payable to the individual ~~him~~, may
13 be recouped:

14 1. At any time, if, to receive such sum, the
15 individual ~~he~~ knowingly made a false statement or
16 knowingly failed to disclose a material fact.

17 2. Within 3 years from any date prior to January 1,
18 1984, on which the individual ~~he~~ has been found to have
19 been ineligible for any other reason, pursuant to a
20 reconsidered finding or a reconsidered determination, or
21 pursuant to the decision of a Referee (or of the Director
22 or Director's ~~his~~ representative under Section 604) which
23 modifies or sets aside a finding or a reconsidered finding
24 or a determination or a reconsidered determination; or
25 within 5 years from any date after December 31, 1983, on

1 which the individual ~~he~~ has been found to have been
2 ineligible for any other reason, pursuant to a
3 reconsidered finding or a reconsidered determination, or
4 pursuant to the decision of a Referee (or of the Director
5 or Director's ~~his~~ representative under Section 604) which
6 modifies or sets aside a finding or a reconsidered finding
7 or a determination or a reconsidered determination.
8 Recoupment pursuant to the provisions of this paragraph
9 from benefits payable to an individual for any week may be
10 waived upon the individual's request, if the sum referred
11 to in paragraph A was received by the individual without
12 fault on the individual's ~~his~~ part and if such recoupment
13 would be against equity and good conscience. Such waiver
14 may be denied with respect to any subsequent week if, in
15 that week, the facts and circumstances upon which waiver
16 was based no longer exist.

17 Recovery by suit in the name of the People of the State of
18 Illinois, recoupment pursuant to paragraph 2 of this
19 subsection A from benefits payable to an individual for any
20 week, and, notwithstanding any provision to the contrary in
21 the Illinois State Collection Act of 1986, withholding
22 pursuant to subsection E shall be permanently waived if the
23 sum referred to in this subsection A was received by the
24 individual without fault on the individual's ~~his or her~~ part
25 and if such recoupment would be against equity and good
26 conscience, and the sum referred to in this subsection A was

1 received by the individual on or after March 8, 2020, but prior
2 to the last day of a disaster period established by the
3 gubernatorial disaster proclamation in response to COVID-19,
4 dated March 9, 2020, and any consecutive gubernatorial
5 disaster proclamation in response to COVID-19. To be eligible
6 for permanent waiver under this paragraph, an individual must
7 request a waiver pursuant to this paragraph within 45 days of
8 the mailing date of the notice from the Department that the
9 individual may request a waiver. A determination under this
10 paragraph may be appealed to a Referee within the time limits
11 prescribed by Section 800 for an appeal from a determination.
12 Any such appeal, and any appeal from the Referee's decision
13 thereon, shall be governed by the applicable provisions of
14 Sections 801, 803, 804, and 805. This paragraph shall not
15 apply with respect to benefits that are received pursuant to
16 any program that the Department administers as an agent of the
17 federal government and for which the individual is found to
18 have been ineligible.

19 B. Whenever the claims adjudicator referred to in Section
20 702 decides that any sum received by a claimant as benefits
21 shall be recouped, or denies recoupment waiver requested by
22 the claimant, the Department ~~he~~ shall promptly notify the
23 claimant of the ~~his~~ decision and the reasons therefor. The
24 decision and the notice thereof shall state the amount to be
25 recouped, the weeks with respect to which such sum was
26 received by the claimant, and the time within which it may be

1 recouped and, as the case may be, the reasons for denial of
2 recoupment waiver. The claims adjudicator may reconsider the
3 ~~his~~ decision within one year after the date when the decision
4 was made. Such decision or reconsidered decision may be
5 appealed to a Referee within the time limits prescribed by
6 Section 800 for appeal from a determination. Any such appeal,
7 and any appeal from the Referee's decision thereon, shall be
8 governed by the applicable provisions of Sections 801, 803,
9 804 and 805. No recoupment shall be begun until the expiration
10 of the time limits prescribed by Section 800 of this Act or, if
11 an appeal has been filed, until the decision of a Referee has
12 been made thereon affirming the decision of the claims
13 adjudicator ~~Claims Adjudicator~~.

14 C. Any sums recovered under the provisions of this Section
15 shall be treated as repayments to the Department of sums
16 improperly obtained by the claimant.

17 D. Whenever, by reason of a back pay award made by any
18 governmental agency or pursuant to arbitration proceedings, or
19 by reason of a payment of wages wrongfully withheld by an
20 employing unit, an individual has received wages for weeks
21 with respect to which the individual ~~he~~ has received benefits,
22 the amount of such benefits may be recouped or otherwise
23 recovered as herein provided. An employing unit making a back
24 pay award to an individual for weeks with respect to which the
25 individual has received benefits shall make the back pay award
26 by check payable jointly to the individual and to the

1 Department.

2 E. The amount recouped pursuant to paragraph 2 of
3 subsection A from benefits payable to an individual for any
4 week shall not exceed 25% of the individual's weekly benefit
5 amount.

6 In addition to the remedies provided by this Section, when
7 an individual has received any sum as benefits for which the
8 individual ~~he~~ is found to be ineligible, the Director may
9 request the Comptroller to withhold such sum in accordance
10 with Section 10.05 of the State Comptroller Act and the
11 Director may request the Secretary of the Treasury to withhold
12 such sum to the extent allowed by and in accordance with
13 Section 6402(f) of the federal Internal Revenue Code of 1986,
14 as amended. Benefits paid pursuant to this Act shall not be
15 subject to such withholding. Where the Director requests
16 withholding by the Secretary of the Treasury pursuant to this
17 Section, in addition to the amount of benefits for which the
18 individual has been found ineligible, the individual shall be
19 liable for any legally authorized administrative fee assessed
20 by the Secretary, with such fee to be added to the amount to be
21 withheld by the Secretary.

22 F. The amount of benefits that an individual received for
23 which the individual was determined to be ineligible, plus any
24 penalties and interest provided for by this Act and rules
25 adopted under this Act, may be recovered in any manner
26 provided for in Sections 2206, 2400, 2401, 2401.1, 2402, and

1 2403 for the recovery of past-due contributions, interest, and
2 penalties from employers, and those Sections of this Act shall
3 apply to an individual who received benefits for which the
4 individual was determined to be ineligible.

5 G. The Director may cooperate with and enter into
6 agreements with the State Treasurer for the recovery of
7 unclaimed property held by the State Treasurer in the name of
8 (i) an individual who received benefits for which the
9 individual was determined to be ineligible or (ii) an employer
10 who owes contributions, interest, or penalties under this Act.
11 The amount of unclaimed property the Director is authorized to
12 recover under this subsection is limited to (i) the amount of
13 benefits an individual received for which the individual was
14 determined to be ineligible and any penalties and interest
15 provided for in this Act and rules adopted under this Act or
16 (ii) the amount of contributions, interest, and penalties owed
17 by the employer. Any funds recovered under this subsection
18 with respect to an individual who received benefits for which
19 the individual was determined to be ineligible shall be
20 returned to the fund from which they were withdrawn.

21 (Source: P.A. 102-26, eff. 6-25-21.)

22 (820 ILCS 405/901.2 new)

23 Sec. 901.2. Return of debit card funds.

24 (a) As allowed for under federal law, the Director is
25 authorized to directly request and accept the return of funds

1 from a debit card issuer for any debit card account that
2 received benefits, if there is no transfer of funds through
3 the benefits system to the debit card account during the
4 preceding 12 months and if the account has never been
5 activated.

6 (b) As provided under federal law, the Director may
7 directly request and accept the return of funds from a debit
8 card issuer for any debit card account that received benefits
9 and was activated if no transaction has been conducted on the
10 account during the preceding 12 months and the individual
11 associated with the account received benefits for which the
12 individual was determined to be ineligible. The amount that
13 the Director is authorized to accept from the debit card
14 issuer under this subsection is limited to the amount of
15 benefits an individual received for which the individual was
16 determined to be ineligible and any penalties and interest
17 provided for in this Act and rules adopted under this Act.

18 (c) Any funds recovered under this Section shall be
19 returned to the fund from which they were withdrawn.

20 (820 ILCS 405/2404) (from Ch. 48, par. 724)

21 Sec. 2404. Court may enjoin delinquent employing unit. Any
22 employing unit which willfully refuses or fails to pay any
23 contribution, interest, or penalties found to be due to the
24 Director by the Director's ~~his~~ final determination and
25 assessment, or refuses or fails to file new hire reports or

1 reports of wages paid to the workforce as required by this Act,
2 after 30 days' written notice of intent to proceed under this
3 Section, sent by the Director to the employing unit at its last
4 known address by registered or certified mail, may be enjoined
5 from operating any business as an "employer", as defined in
6 this Act, anywhere in this State, while such contribution,
7 interest, or penalties remain unpaid, or while either new hire
8 reports or reports of wages paid to the workforce as required
9 by this Act remain unfiled, upon the complaint of the Director
10 in the Circuit Court of the county in which the employing unit
11 resides or has or had a place of business within the State. The
12 provisions of this Section shall be deemed cumulative and in
13 addition to any provision of this Act relating to the
14 collection of contributions by the Director.

15 (Source: Laws 1965, p. 1792.)