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, 20, and 30 as follows:
- 6 (820 ILCS 112/10)
- 7 Sec. 10. Prohibited acts.
- (a) No employer may discriminate between employees on the 8 9 basis of sex by paying wages to an employee at a rate less than the rate at which the employer pays wages to another employee 10 of the opposite sex for the same or substantially similar work 11 on jobs the performance of which requires substantially 12 13 similar skill, effort, and responsibility, and which are 14 performed under similar working conditions, except where the payment is made under: 15
- 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	characteristic;
4	(B) is job-related with respect to the position
5	and consistent with a business necessity; and
6	(C) accounts for the differential.
7	No employer may discriminate between employees by paying
8	wages to an African-American employee at a rate less than the
9	rate at which the employer pays wages to another employee who
10	is not African-American for the same or substantially similar
11	work on jobs the performance of which requires substantially
12	similar skill, effort, and responsibility, and which are
13	performed under similar working conditions, except where the
14	payment is made under:
15	<pre>(1) a seniority system;</pre>
16	(2) a merit system;
17	(3) a system that measures earnings by quantity or
18	quality of production; or
19	(4) a differential based on any other factor other
20	than: (i) race or (ii) a factor that would constitute
21	unlawful discrimination under the Illinois Human Rights
22	Act, provided that the factor:
23	(A) is not based on or derived from a differential
24	in compensation based on race or another protected
25	characteristic:

(B) is job-related with respect to the position

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

and consistent with a business necessity; and

2 (C) accounts for the differential.

An employer who is paying wages in violation of this Act may not, to comply with this Act, reduce the wages of any other employee.

Nothing in this Act may be construed to require an employer to pay, to any employee at a workplace in a particular county, wages that are equal to the wages paid by that employer at a workplace in another county to employees in jobs the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working conditions.

(b) It is unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise any right provided under this Act. It is unlawful for any employer to discharge or in any other manner discriminate 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, salary, benefits, or other compensation. An employer may, however, prohibit а human resources supervisor, or any other employee whose job responsibilities

require or allow access to other employees' wage or salary information from disclosing that information without prior written consent from the employee whose information is sought or requested.

(b-5) It is unlawful for an employer or employment agency, or employee or agent thereof, to (1) screen job applicants based on their current or prior wages or salary histories, including benefits or other compensation, by requiring that the wage or salary history of an applicant satisfy minimum or maximum criteria, (2) request or require a wage or salary history as a condition of being considered for employment, 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 (3) request or require that an applicant disclose wage or salary history as a condition of employment.

(b-10) It is unlawful for an employer to seek the wage or salary history, including benefits or other compensation, of a job applicant from any current or former employer. This subsection (b-10) does not apply if:

(1) the job applicant's wage or salary history is a matter of public record under the Freedom of Information Act, or any other equivalent State or federal law, or is contained in a document completed by the job applicant's current or former employer and then made available to the public by the employer, or submitted or posted by the

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

employer to comply with State or federal law; or

- (2) the job applicant is a current employee and is applying for a position with the same current employer.
- (b-15) Nothing in subsections (b-5) and (b-10) shall be construed to prevent an employer or employment agency, or an employee or agent thereof, from:
  - (1) providing information about the wages, benefits, compensation, or salary offered in relation to a position; or
  - (2) engaging in discussions with an applicant for employment about the applicant's expectations with respect to wage or salary, benefits, and other compensation, including unvested equity or deferred compensation that the applicant would forfeit or have canceled by virtue of the applicant's resignation from the applicant's current employer. If, during such discussion, the applicant voluntarily and without prompting discloses that the applicant would forfeit or have canceled by virtue of the applicant's resignation from the applicant's current employer unvested equity or deferred compensation, an employer may request the applicant to verify the aggregate amount of such compensation by submitting a letter or document stating the aggregate amount of the unvested equity or deferred compensation from, at the applicant's choice, one of the following: (1) the applicant's current employer or (2) the business entity that administers the

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

funds that constitute the unvested equity or deferred 1 2 compensation.

(b-20) An employer is not in violation of subsections (b-5) and (b-10) when a job applicant voluntarily and without prompting discloses his or her current or prior wage or salary history, including benefits or other compensation, on the condition that the employer does not consider or rely on the voluntary disclosures as a factor in determining whether to offer a job applicant employment, in making an offer of compensation, or in determining future wages, salary, benefits, or other compensation.

(b-25) It is unlawful for an employer with 15 or more employees to fail to include the pay scale and benefits for a position in any job posting. If an employer with 15 or more employees engages a third party to announce, post, publish, or otherwise make known a job posting, the employer shall provide the pay scale and benefits to the third party and the third party shall include the pay scale and benefits in the job posting. An employer is liable for a third party's failure to include the pay scale and benefits in the job posting. An employer shall announce, post, or otherwise make known all opportunities for promotion to all current employees no later than the same calendar day that the employer makes an external job posting for the position. Nothing in this subsection requires an employer to make a job posting. As used in this subsection, "pay scale and benefits" means the wage or salary,

- or the wage or salary range, and a general description of the
- 2 benefits and other compensation the employer reasonably
- 3 expects to offer for the position.
- 4 (c) It is unlawful for any person to discharge or in any 5 other manner discriminate against any individual because the
- 6 individual:
- 7 (1) has filed any charge or has instituted or caused 8 to be instituted any proceeding under or related to this 9 Act:
- 10 (2) has given, or is about to give, any information in 11 connection with any inquiry or proceeding relating to any 12 right provided under this Act;
- 13 (3) has testified, or is about to testify, in any 14 inquiry or proceeding relating to any right provided under 15 this Act; or
- 16 (4) fails to comply with any wage or salary history 17 inquiry.
- 18 (Source: P.A. 101-177, eff. 9-29-19; 102-277, eff. 1-1-22.)
- 19 (820 ILCS 112/20)
- Sec. 20. Recordkeeping requirements. An employer subject to any provision of this Act shall make and preserve records that document the name, address, and occupation of each employee, the wages paid to each employee, the pay scale and benefits, as defined in subsection (b-25) of Section (10), for
- 25 <u>a position</u>, and any other information the Director may by rule

2

3

4

5

6

7

8

12

1.3

14

15

16

17

18

19

20

21

22

23

24

25

deem necessary and appropriate for enforcement of this Act. An employer subject to any provision of this Act shall preserve those records for a period of not less than 5 years and shall make reports from the records as prescribed by rule or order of Director, unless the records relate to an ongoing investigation or enforcement action under this Act, in which case the records must be maintained until their destruction is authorized by the Department or by court order.

- 9 (Source: P.A. 96-467, eff. 8-14-09.)
- 10 (820 ILCS 112/30)
- 11 Sec. 30. Violations; fines and penalties.
  - (a) If an employee is paid by his or her employer less than the wage to which he or she is entitled in violation of Section 10 or 11 of this Act, the employee may recover in a civil action the entire amount of any underpayment together with interest, compensatory damages if the employee demonstrates that the employer acted with malice or reckless indifference, punitive damages as may be appropriate, injunctive relief as may be appropriate, and the costs and reasonable attorney's fees as may be allowed by the court and as necessary to make the employee whole. At the request of the employee or on a motion of the Director, the Department may make an assignment of the wage claim in trust for the assigning employee and may bring any legal action necessary to collect the claim, and the employer shall be required to pay the costs incurred in

- 1 collecting the claim. Every such action shall be brought
- 2 within 5 years from the date of the underpayment. For purposes
- 3 of this Act, "date of the underpayment" means each time wages
- 4 are underpaid.
- 5 (a-5) If an employer violates subsection (b), (b-5),
- 6 (b-10), or (b-20), or (b-25) of Section 10, the employee may
- 7 recover in a civil action any damages incurred, special
- 8 damages not to exceed \$10,000, injunctive relief as may be
- 9 appropriate, and costs and reasonable attorney's fees as may
- 10 be allowed by the court and as necessary to make the employee
- 11 whole. If special damages are available, an employee may
- 12 recover compensatory damages only to the extent such damages
- 13 exceed the amount of special damages. Such action shall be
- 14 brought within 5 years from the date of the violation.
- 15 (b) The Director is authorized to supervise the payment of
- 16 the unpaid wages under subsection (a) or damages under
- 17 subsection (b), (b-5), (b-10), or (b-20), or (b-25) of Section
- 18 10 owing to any employee or employees under this Act and may
- 19 bring any legal action necessary to recover the amount of
- 20 unpaid wages, damages, and penalties or to seek injunctive
- 21 relief, and the employer shall be required to pay the costs.
- 22 Any sums recovered by the Director on behalf of an employee
- 23 under this Section shall be paid to the employee or employees
- 24 affected.
- 25 (c) Employers who violate any provision of this Act or any
- 26 rule adopted under the Act, except for a violation of

- 1 <u>subsection (b-25) of Section 10,</u> are subject to a civil
  2 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 not to exceed \$5,000.
  - (2) An employer with between 4 and 99 employees: first offense, a fine not to exceed \$2,500; second offense, a fine not to exceed \$3,000; third or subsequent offense, a fine not to exceed \$5,000.
  - (3) An employer with 100 or more employees who violates any Section of this Act except for Section 11 shall be fined up to \$10,000 per employee affected. An employer with 100 or more employees that is a business as defined under Section 11 and commits a violation of Section 11 shall be fined up to \$10,000.

Before any imposition of a penalty under this subsection, an employer with 100 or more employees who violates item (b) of Section 11 and inadvertently fails to file an initial application or recertification shall be provided 30 calendar days by the Department to submit the application or recertification.

An employer or person who violates subsection (b), (b-5), (b-10), (b-20), or (c) of Section 10 is subject to a civil penalty not to exceed \$5,000 for each violation for each employee affected.

19

20

21

22

- (c-5) The Department may initiate investigations of 1 alleged violations of subsection (b-25) of Section (10) upon 2 3 receiving a complaint from any individual, or at the Department's discretion. Any individual may submit a complaint 4 5 of a violation of subsection (b-25) of Section (10) to the Department within one year after the date the individual 6 learned of the violation. If the Department has determined 7 that a violation of subsection (b-25) of Section (10) has 8 9 occurred, the employer has 7 days upon receipt of notice of a violation from the Department to remedy the violation. The 10 11 employer shall demonstrate to the Department that the 12 violation has been remedied or the employer shall be subject to a civil penalty of \$100 per day for each day that a 13 14 violation continues after the 7-day notice period. Each job posting not in compliance with the requirements of subsection 15 (b-25) of Section (10) shall be considered a separate 16 17 violation.
  - 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.
- 23 (Source: P.A. 101-177, eff. 9-29-19; 102-36, eff. 6-25-21.)
- 24 Section 99. Effective date. This Act takes effect January 25 1, 2024.