

103RD GENERAL ASSEMBLY State of Illinois 2023 and 2024 SB1234

Introduced 2/2/2023, by Sen. Ram Villivalam

SYNOPSIS AS INTRODUCED:

New Act 30 ILCS 105/5.990 new

Creates the Family and Medical Leave Insurance Program Act. Requires the Department of Employment Security to establish and administer a Family and Medical Leave Insurance Program that provides family and medical leave insurance benefits to eligible employees. Sets forth eligibility requirements for benefits under the Act. Contains provisions concerning disqualification from benefits; premium payments; the amount and duration of benefits; the recovery of erroneous payments; hearings; defaulted premium payments; elective coverage; employment protection; coordination of family and medical leave; defined terms; and other matters. Amends the State Finance Act. Creates the Family and Medical Leave Insurance Account Fund. Provides phase-in periods for the collection of money and making of claims for benefits under the Act. Effective January 1, 2024.

LRB103 26030 SPS 52385 b

20

21

22

23

1 AN ACT concerning employment.

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

- Section 1. Short title. This Act may be cited as the Family and Medical Leave Insurance Act.
- Section 5. Declaration of policy and intent. Many workers 6 7 do not have access to family and medical leave programs, those 8 who do may not be in a financial position to take family or 9 medical leave that is unpaid, and employer-paid benefits meet only a relatively small part of this need. It is the public 10 policy of this State to protect working individuals and their 11 families against the economic hardship caused by the need to 12 take time off from work to care for themselves or family 13 14 members who are suffering from a serious illness, for a newborn or a newly adopted or foster child, for pregnancy and 15 16 related conditions, for the health and caregiving needs of 17 military families, or to cope with domestic and sexual violence. 18

The disparities for access to and the need for leave cut across income and other demographics. Higher income workers have greater access to paid leave than lower income workers; women workers have higher rates of unmet need for leave than men; Black, Asian American, Pacific Islander, and Native

1 American workers have higher rates of unmet need for leave

than white workers; and Hispanic workers are less likely than

non-Hispanic workers to have access to paid leave in the first

4 place.

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

Moreover, in 73% of all Illinois households with children, more than 2,000,000 homes, all parents have paying jobs. Illinois mothers are key family breadwinners in 84% of black families, 49% of Latinx families, and 48% of white families. While women make up half of the workforce, they are responsible for the majority of unpaid family household and care work, which has a significant impact on their health and well-being. Maintaining an attachment to the workforce is vital to women's economic stability; an employment gap of just one year leads to a 39% decrease in annual earnings, and that disparity increases over time. With the demographic shift toward an aging population, the need for family caregiving continues to grow. In less than 15 years, the share of the State's population of individuals aged 65 and over will grow by one-third. If any of these women take unpaid leave, her whole family, and Illinois, suffers.

The United States is the only industrialized nation in the world that does not have a mandatory workplace-based program for such income support. The negative economic impact on families and our economy is real. A U.S. Department of Labor report indicates if women participated in the labor force at the same rate as women in countries with paid leave, our

economy would benefit from more than \$500 billion in additional economic activity.

Providing parents and caregivers with paid leave from work to care for their infants and young children is critical to the healthy development of children and families. Attentive and consistent relationships between very young children and their families help children develop the ability to learn, to form positive relationships, and to exercise self-control. Without paid family and medical leave, most families are forced to choose between caring for their children and their economic security.

The majority of Illinois small business owners and entrepreneurs support a State-administered paid family and medical leave program as it ensures economic security, strengthens business recruitment and retention of employees, and mitigates the loss of income for small business owners, which comprise over 90% of businesses in the United States, including the self-employed and businesses with under 10 employees.

It is therefore desirable and necessary to develop systems that help individuals and families adapt to the competing interests of work and home, which not only benefit workers, but also benefit employers by reducing employee turnover and increasing worker productivity.

It is the intent of the General Assembly to create a family and medical leave program to relieve the serious menace to

9

10

11

12

1.3

14

15

16

17

18

19

20

21

22

23

24

25

health, morals, and welfare of Illinois families, to increase
workplace productivity, and to alleviate the enormous and
growing stress on working families of balancing the demands of
work and family needs. It is the intent of the General Assembly
that this Act shall be liberally construed in favor of
providing workers with the greatest amount of paid family and
medical leave coverage, benefits, and employment security.

Section 10. Definitions. In this Act:

"Average weekly wage" means the amount derived by dividing by 12 an employee's total earnings, including wages, gratuities, bonuses, commissions, and any other compensation that constitutes remuneration, earned during the guarter with the highest earnings in the applicable benefit year, or the amount derived by dividing by 12 an employee's total earnings, including wages, gratuities, bonuses, commissions, and any other compensation that constitutes remuneration, to fulfill a contract for a covered business entity, earned in the quarter with the highest earnings in the applicable benefit year, or for individuals not currently employed or under contract, the amount derived by dividing by 12 of an individual's total earnings, including wages, gratuities, bonuses, commissions, and any other compensation that constitutes remuneration, earned during the quarter with the highest earnings earned in the 4 quarters prior to the last day of employment or end of contract.

- (2) "Benefit year" means the period of 52 consecutive weeks beginning on the Sunday immediately preceding the first day that family and medical leave under this Act commences for the covered individual.
 - (3) "Care" includes, but is not limited to, physical or psychological care, emotional support, visitation, arranging for care or a change in care, assistance with essential daily living matters, and personal attendant services.
 - (4) "Child" means a biological, adopted, or foster child, a stepchild, grandchild, or legal ward, or a child for whom an employee stands in loco parentis, a person to whom the employee stood in loco parentis when the person was a minor child, a child of the spouse of an employee, or a child of a party to a civil union or legal guardianship, or any other individual whose close association with the employee is the equivalent of a child as determined by the employee, regardless of age or dependency status.
 - (5) "Civil union" means a civil union as defined in the Illinois Religious Freedom Protection and Civil Union Act.
 - (6) "Consecutive leave" means leave that is taken without interruption based upon an employee's regular work schedule or contract and does not include breaks in employment in which an employee is not regularly scheduled to work. For example, when an employee is normally scheduled to work from September through June and is not scheduled to work during July and August, a leave taken continuously during May, June, and

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

- 1 September shall be considered a consecutive leave.
 - (7) "Contributions" or "premiums" means the payments made by an employer, a covered business entity, or a self-employed individual to the Family and Medical Leave Insurance Fund, as required by this Act.
 - (8) "Covered business entity" means a business or trade that contracts with one or more individuals for services and is required to report the payment of services to such individuals on IRS Form 1099-MISC or IRS Form 1099-K for more than 25% of its Illinois workforce. Such individuals are included in the covered business entity's workforce if the contracts for services include, but are not limited to, oral contracts, and services written arranged application software designed to run on smartphones and other mobile devices and software designed to run inside a web browser. Covered business entities and individuals who contract for services with covered business entities are considered employers or employees where the context dictates.
 - (9) "Covered individual" means either:
 - (A) an individual who is or has been employed by any combination of employers in the State of Illinois and meets the financial eligibility requirements of subsection (f) of Section 20;
 - (B) a self-employed individual who has: (i) elected coverage under Section 25 and (ii) reported earnings to the Illinois Department of Revenue from self-employment

- that meet the financial eligibility requirements of subsection (f) of Section 20, as if the individual were an employee;
 - (C) an individual who contracts for services with a covered business entity;
 - (D) a domestic worker; or
 - (E) a former employee, self-employed individual, individual who contracts for services with a covered business entity, or a domestic worker, and has:
 - (i) met the financial eligibility requirements of subsection (f) of Section 20 at the time of separation from employment or the end of a contract; and
 - (ii) been separated from employment or the end of a contract for not more than 52 weeks at the start of the family or medical leave taken by the former employee, self-employed individual, individual who contracts for services with a covered business entity, or is a domestic worker.

A covered individual is considered to be employed in the State of Illinois if: (i) the individual works in Illinois; (ii) the individual performs some work in Illinois and the employer's base of operations or the place from which the work is directed and controlled is in Illinois; or (iii) the base of operations or place from which the work is directed or controlled is not in any state in which some part of the work is performed, but the individual's residence is in this State.

14

15

16

17

18

20

21

22

23

24

- 1 "Department" means the Department of Employment 2 Security.
- (11) "Director" means the Director of Employment Security 3 and any transaction or exercise of authority by the Director 4 5 shall be deemed to be performed by the Department.
- "Domestic or sexual violence" 6 means domestic 7 violence, sexual assault, or stalking.
- (13) "Domestic violence" means abuse, as defined in 8 9 Section 103 of the Illinois Domestic Violence Act of 1986, by a 10 family or household member, as defined in Section 103 of the 11 Illinois Domestic Violence Act of 1986, or as defined in this 12 Act.
 - (14) "Domestic worker" has the meaning set forth in Section 10 of the Domestic Workers' Bill of Rights. "Domestic worker" also includes independent contractors, proprietors, and partnerships who engage in "domestic work", as defined in Section 10 of the Domestic Workers' Bill of Rights Act.
- 19 (14) "Employ" means to suffer or permit to work.
- (15) "Employee" means any individual or person who works for an employer for wage, remuneration, or other compensation, and works any number of hours, whether full-time or part-time or on a temporary or contingent basis, and any individual who contracts for services with a covered business entity or is a domestic worker. Except for individuals or persons that 26 contract for services with a covered business entity or

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

- domestic workers who contract for services, "employee" does not include any individual:
 - (A) who has been and will continue to be free from control and direction over the performance of the individual's work, both under the individual's contract of service with the individual's employer and in fact; and
 - (B) who performs work which is either outside the usual course of business or is performed outside all of the places of business of the employer unless the employer is in the business of contracting with third parties for the placement of employees; and
 - (C) who is in an independently established trade, occupation, profession or business.
 - (16) "Employer" means any individual, person, partnership, association, limited liability company, trust, estate, joint-stock company, insurance company, employment and labor placement agency, or business where wages are made directly or indirectly by the agency or business for work undertaken by the employee under hire to a third party pursuant to a contract between the agency or business with the third party, or corporation, whether domestic or foreign, or the receiver, trustee in bankruptcy, trustee, or person that has in its employ one or more employees performing services for "Employer" also includes any employer subject Unemployment Insurance Act and any business or trade defined as a covered business entity in this Act. All employees

- 1 performing services within this State for any employing unit
- 2 that maintains 2 or more separate establishments within this
- 3 State shall be deemed to be employed by a single employing unit
- 4 for all purposes of this Act.
- 5 (17) "Employment benefits" means all benefits provided or
- 6 made available to employees by an employer, including, but not
- 7 limited to, life insurance, health insurance, disability
- 8 insurance, sick leave, annual or vacation leave, paid time
- 9 off, educational benefits, and pensions.
- 10 (18) "Family member" means an employee's child, spouse or
- 11 party to a civil union or legal guardianship, parent,
- 12 grandparent, grandchild, sibling, or any other individual
- 13 related by blood, marriage, or civil union, or whose close
- 14 relationship with the employee is the equivalent of a family
- relationship as determined by the employee.
- 16 (19) "Family and medical leave" means leave taken by a
- 17 covered individual:
- 18 (A) to participate in the providing of care for a
- 19 family member of the covered individual made necessary by
- a serious health condition of the family member;
- 21 (B) to be with a child during the first 12 months after
- the child's birth, the first 12 months after the placement
- of the child for adoption or foster care, the first 12
- 24 months after the child becomes a legal ward, or the first
- 25 12 months after in loco parentis status of the child is
- 26 acquired;

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

- (C) for the covered individual's own serious health condition, including, but not limited to, conditions in connection with pregnancy, recovery from childbirth, related conditions even though the covered individual does not receive treatment from a health care provider during the absence, including, but not limited to, absence due to morning sickness, a physical limitation arising from pregnancy, or exposure to chemicals or hazardous material that may be harmful, or any related condition;
- (D) because of any qualifying exigency arising out of the fact that a family member is on active duty (or has been notified of an impending call or order to active duty) in the Armed Forces of the United States;
- (E) because the covered individual's or the covered individual's family member is the victim of domestic or sexual violence and the covered individual requests leave because the victim is: (i) experiencing or has experienced an incident of or ongoing domestic or sexual violence; (ii) seeking medical attention for, or recovering from, physical, emotional, or psychological injuries caused by domestic or sexual violence; (iii) obtaining services from victim services organization; (iv) obtaining psychological or other counseling; (v) participating in safety planning, temporarily or permanently relocating, or taking other actions to increase the safety of the victim or the victim's family members from future domestic or

sexual violence to ensure safety or economic security; or (vi) seeking legal assistance or remedies to ensure the health and safety of the victim or the victim's family members, including preparing for or participating in any civil or criminal legal proceeding related to or derived from domestic or sexual violence;

- (F) when a public health emergency or other disaster, as defined in the Disaster Relief Act or Section 11 of the Illinois Emergency Management Agency Act, has been declared by a municipal, State, or federal official, and until 10 weeks following the official termination or suspension of the public health emergency or other disaster, leave under this Act shall be implemented. Such leave shall be provided for any reason related to a public health emergency or other disaster, including, but not limited to:
 - (i) the covered individual is subject to an individual or general federal, State, or local quarantine or isolation order related to a public health emergency or other disaster;
 - (ii) the covered individual has been advised by a health care provider to self-quarantine, or is otherwise under quarantine, including self-imposed quarantine, due to concerns related to a public health emergency or other disaster;
 - (iii) the employee is experiencing symptoms

related to a public health emergency or other disaster and is seeking a medical diagnosis;

- (iv) the covered individual is seeking preventive care or other care or treatment related to a public health emergency or other disaster;
- (v) the covered individual is caring for a family member who is subject to an order described in clause (i), has been advised as described in clause (ii), is experiencing symptoms or seeking preventive care as described in clause (iii) or clause (iv), or whose caregiving facility or caregiver is partially or completely unavailable due to precautions related to a public health emergency or other disaster;
- (vi) the covered individual is caring for a child of such covered individual if the school or place of the care of the child has been partially or completely closed, or the child care provider of such child is partially or completely unavailable due to precautions related to a public health emergency or other disaster, including when the school or place of care is (I) is physically closed but providing virtual learning instruction; (II) requires or makes optional virtual learning instruction; or (III) requires or makes available a hybrid of in-person and virtual learning instruction models;
 - (vii) the covered individual is experiencing any

other substantially similar condition specified by a federal, State, or local government public health or other official;

(viii) the covered individual's hours of work have been reduced, the covered individual has been furloughed, the covered individual has been terminated from employment, or the covered individual's contract for services has terminated; or

- (ix) the employer is not following the recommended health and safety guidance issued by a federal, State, or local public official related to a public health emergency or other disaster; or
- (G) To care for a child if the child's school or place of care has been partially or completely closed or if the childcare provider is partially or completely unavailable to provide for the child's well-being.

"Family and medical leave" does not include any period of time during which a covered individual is paid benefits pursuant to the Workers' Compensation Act because the covered individual is unable to perform the duties of the covered individual's employment due to the covered individual's own disability or paid benefits pursuant to the Unemployment Insurance Act.

(20) "Family and medical leave benefits" means any payments that are payable to an individual for all or part of a period of family and medical leave.

- under federal, State, or local law, or the laws of a foreign nation, to provide health care services, any other person who has been authorized to provide health care by a licensed health care provider, or any other individual determined by the Department to be capable of providing health care services.
 - (22) "Intermittent leave" means a nonconsecutive leave consisting of intervals, each of which is at least one day within a consecutive 12-month period.
 - (23) "Parent" means a biological parent, foster parent, adoptive parent, stepparent, or parent-in-law of the covered individual or a person who is or was a legal guardian of, or who stood in loco parentis to, the covered individual when the covered individual was a child, or any other individual whose close association with the covered individual is the equivalent of a parent as determined by the covered individual.
 - (24) "Placement for adoption" means the time when a covered individual adopts a child or becomes responsible for a child pending adoption by the covered individual or the covered individual's family member.
 - (25) "Qualifying exigency" means a need arising out of a covered individual's family member's active duty service or notice of an impending call or order to active duty in the Armed Forces, including, but not limited to, providing for the

- care or other needs of the military member's family member, making financial or legal arrangements for the military member, attending counseling, attending military events or ceremonies, spending time with the military member during a rest and recuperation leave or following return from deployment or making arrangements following the death of the military member. "Armed Forces" includes the Army, Navy, Air Force, Marine Corps, Coast Guard, and National Guard or Reserves.
 - (26) "Self-employed individual" means a sole proprietor that meets the specifications under the definition of the term "employee", a member of a limited liability company or limited liability partnership, or an individual who resides in Illinois and whose net profit or loss from a business is required to be reported to the Illinois Department of Revenue.
 - (27) "Serious health condition" means an illness, injury, impairment, or physical or mental condition that requires inpatient care in a hospital, hospice, or residential medical care facility or continuing medical treatment, counseling, or continuing supervision by a health care provider or victim services organization. "Serious health condition" includes, but is not limited to, conditions in connection with pregnancy, recovery from childbirth, or any related condition.
- (28) "Sexual assault" means any conduct proscribed by: (i)
 Article 11 of the Criminal Code of 2012 except Sections 11-35
 and 11-45; or (ii) Sections 12-13, 12-14, 12-14.1, 12-15, and

- 1 12-16 of the Criminal Code of 2012.
- 2 (29) "Stalking" means any conduct proscribed by the
- 3 Criminal Code of 2012 in Sections 12-7.3, 12-7.4, and 12-7.5.
- 4 (30) "Statewide average weekly wage" means the wage
- 5 determined by the Department of Employment Security pursuant
- 6 to paragraph 2 of subsection B of Section 401 of the
- 7 Unemployment Insurance Act.
- 8 (31) "12-month period" means, with respect to an employee
- 9 who establishes a valid claim for family and medical leave
- 10 benefits during a period of family and medical leave, the 365
- 11 consecutive days that begin with the first day that the
- 12 employee first establishes the claim.
- 13 (32) "Fund" means the Family and Medical Leave Insurance
- 14 Fund established in Section 35.
- 15 (33) "Victim" or "survivor" means an individual who has
- been subjected to domestic or sexual violence.
- 17 (34) "Victim services organization" means a nonprofit,
- 18 nongovernmental organization that provides assistance to
- 19 victims of domestic or sexual violence, including rape crisis
- 20 centers, organizations carrying out a domestic violence
- 21 program, organizations operating a shelter or providing
- 22 counseling services, or a legal services organization or other
- organization providing assistance through the legal process.
- 24 (35) "Wages" means any remuneration owed an individual
- 25 pursuant to employment, an employment contract or agreement
- 26 between 2 or more parties or a contract for services with a

- 1 covered business entity, whether paid directly or indirectly,
- 2 including, but not limited to, salaries, commissions,
- 3 gratuities, and bonuses, and reasonable cash value of board,
- 4 rent, housing, lodging, payment in kind and all remuneration
- 5 paid in any medium other than cash, and whether the amount is
- 6 determined on a time, task, piece, or any other basis of
- 7 calculation.
- 8 (36) "Weekly benefit amount" means the amount of wage
- 9 replacement paid to a covered individual on a weekly basis
- 10 while the covered individual is on family and medical leave,
- 11 as provided in Section 40.
- 12 Section 15. Family and medical leave insurance program.
- 13 (a) The Department shall establish and administer a family
- and medical leave insurance program.
- 15 (b) The Department shall establish procedures and forms
- for filing claims for benefits under this Act.
- 17 (c) The Department shall use information sharing and
- 18 integration technology to facilitate the disclosure of
- 19 relevant information or records by the Department.
- 20 (d) Information contained in the files and records
- 21 pertaining to an employee, an individual who contracts for
- 22 services with a covered business entity, a self-employed
- 23 individual, any covered individual under this Act, or a family
- 24 member of such individual is confidential and not open to
- 25 inspection other than by public employees in the performance

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

of their official duties. However, the employee, an individual who contracts for services with a covered business entity, a self-employed individual, a covered individual, or authorized representative of an employee, an individual who contracts for services with a covered business entity, self-employed individual, or covered individual may review the records or receive specific information from the records on the presentation of the signed authorization of the employee, individual who contracts for services with a covered business entity, the self-employed individual, or the covered individual. An employer, covered business entity, or the employer's or covered business entity's duly authorized representative may review the records of an employee employed by the employer, individual who contracts for services with a covered business entity, or self-employed individual connection with a pending claim, with the exception of any protected health information provided to the Department by an entity covered by the Health Insurance Portability and Accountability Act or information related to a use of leave authorized under paragraph (E) of item (19) of Section 10. At the Department's discretion, other persons may review records when such persons are rendering assistance to the Department at any stage of the proceedings on any matter pertaining to the administration of this Act. An employer and a covered business entity must keep at its place of business for not less than 5 years from the date of a request for leave records from which

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

the information needed by the Department for purposes of this Act may be obtained. The records shall at all times be open to the inspection of the Department pursuant to rules adopted by the Department. An employer or covered business entity subject to any provision of this Act shall make and preserve records that document the name, address, and occupation of each employee, individual who contracts for services with a covered business entity, or domestic worker, the wages and any other compensation paid, benefits provided, and contract for services for each employee, individual with a contract for services with a covered business entity, or domestic worker, and any other information the Director may by rule deem necessary and appropriate for enforcement of this Act. An employer or covered business entity 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 the 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.

(e) The Department shall develop and implement an outreach program to ensure that individuals who may be eligible to receive family and medical leave benefits under this Act are made aware of these benefits. Outreach information shall explain, in an easy-to-understand format, eligibility

12

13

14

15

16

18

19

20

21

22

23

24

25

- requirements, the claims process, weekly benefit amounts, 1 2 maximum benefits payable, notice requirements, reinstatement 3 nondiscrimination rights, confidentiality, and coordination of leave under this Act and other 5 collective bargaining agreements, and employer and covered business entity policies. Outreach information shall 6 7 available in English, Spanish, Polish, Russian, 8 Mandarin, and in other languages that are spoken as a primary 9 language by a significant portion of the State's population, 10 as determined by the Department.
 - (f) An employee, individual who contracts for services with a covered business entity, or domestic worker may make a claim for benefits under this Act on and after January 1 of the year one year after the Department begins collecting employer and covered business entity premium contributions under this Act.

17 Section 20. Eligibility for benefits.

(a) The Department may require that a claim for family and medical leave benefits under this Act be supported by a certification. For a claim for family and medical leave under paragraph (A), (B), or (C) of item (19) of Section 10, the certification shall be issued by a health care provider of the employee's, the individual who contracts for services for a covered business entity's, or the covered individual's choosing who is providing care to the employee or 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

employee's family member if applicable or the individual who contracts for services with a covered business entity or such individual's family member if applicable, or covered individual or the covered individual's family member, however, for a claim under paragraph (C) for leave for conditions in connection with pregnancy, recovery after childbirth, or any related conditions, leave shall be granted even though the covered individual does not receive treatment from a health care provider during the absence. For a claim for family and medical leave because of a qualifying exigency under paragraph (D), documentation shall be sufficient if it includes: (i) a copy of the family member's active duty orders; (ii) other documentation issued by the Armed Forces; or (iii) other documentation permitted by the Department. For a claim for family and medical leave under paragraph (E) of item (19) of Section 10, any one of the following is acceptable for certification, and only one of the following documents shall be required: a police report, court document, document issued by a healthcare provider, or a signed statement from an attorney, a member of the clergy, or a victim services organization or advocate. It is up to the employee, individual who contracts for services with a covered business entity, or covered individual to determine which documentation to submit. If documentation has been submitted, the Department or the employer or covered business entity shall not request or require any other documentation if the reason for the initial

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

- or subsequent claims for family and medical leave is related to the same incident of violence or the same perpetrator of the violence. For leave under paragraphs (F) and (G) of item (19) of Section 10, a statement signed by the covered individual is acceptable documentation for certification.
 - (b) The eligibility for benefits of an employee, an individual who contracts with a covered business entity, or a domestic worker is not affected by a strike or lockout at the factory, establishment, or other premises at which the employee is or was last employed.
 - (c) An employee, individual who contracts for services with a covered business entity, or domestic worker who has received benefits under this Act may not lose any other employment benefits, including seniority or pension rights, accrued before the date that family and medical commenced. The employer or covered business entity shall maintain during any period of family and medical leave taken the health benefits of the employee and, if applicable, the dependents of the employee, the individual who contracts for services with a covered business entity, or the domestic worker in force at the time a request for family and medical leave was made, for the duration of such leave as if the employee, individual who contracts for services with a covered business entity, or domestic worker had continued to work from the date the employee, individual who contracts for services with a covered business entity, or domestic worker commenced

the family and medical leave until the date the employee, individual who contracts for services with a covered business entity, or domestic worker returns to work. However, this Section does not entitle an employee, individual who contracts for services with a covered business entity, or domestic worker to accrue employment benefits during a period of family and medical leave or to a right, benefit, or position of employment other than a right, benefit, or position to which the employee, individual who contract for services with a covered business entity, or domestic worker would have been entitled had the employee, individual who contracts for services with a covered business entity, or domestic worker not taken family and medical leave.

- (d) This Act does not diminish an employer's or covered business entity's obligation to comply with a collective bargaining agreement or an employment benefits program or plan that provides greater benefits to employees, individuals who contract for services with a covered business entity, or domestic workers than the benefits provided under this Act.
- (e) An agreement by an employee, individual who contracts for services with a covered business entity, or domestic worker to waive the rights of the employee, individual who contracts for services with a covered business entity, or domestic worker under this Section is void as contrary to public policy. The benefits under this Act may not be diminished by a collective bargaining agreement or another

24

- employment benefits program or plan entered into or renewed after the effective date of this Act.
- 3 (f) Subject to the requirements of this Act, an individual shall be eligible to receive benefits under this Act if that 5 individual has been paid during the individual's base period wages equal to not less than \$1,600, provided that the 6 7 individual has been paid wages equal to at least \$440 during 8 that part of the individual's base period which does not 9 include the calendar quarter in which the wages paid to the 10 individual were highest. "Base period" means the first 4 of 11 the last 5 completed calendar quarters immediately preceding 12 the Sunday immediately preceding the first day that family and 13 medical leave under this Act commences for the covered individual. However, if an individual is not eligible to 14 15 receive family and medical leave benefits or an individual's 16 weekly benefit amount would be lower using such base period, a 17 base period consisting of the last 4 completed quarters immediately preceding the Sunday immediately preceding the 18 first day that family and medical leave under this Act 19 20 commences shall be used to establish eligibility or a higher weekly benefit amount for the covered individual. 21
- 22 Section 25. Elective coverage; self-employed.
 - (a) For benefits payable beginning January 1, 2025, any self-employed person, including a sole proprietor, independent contractor, partner, or joint venturer, who has

- self-employment income for work performed in Illinois in accordance with the definition of covered individual under item (9) of Section 10 may elect coverage for an initial period of not less than 3 years and subsequent periods of not less than one year immediately following a period of coverage. Those electing coverage under this Act are responsible for payment of 100% of all premiums assessed to any employer under this Act. The self-employed person must file a notice of election in writing with the Department in a manner as required by the Department by rule.
 - (b) A self-employed person who has elected coverage may withdraw from coverage within 30 days after the end of each period of coverage, or at such other times as the Department may adopt by rule, by filing a notice of withdrawal in writing with the Department, such withdrawal to take effect not sooner than 30 days after the filing the notice with the Department.
 - (c) The Department may cancel elective coverage if the self-employed person fails to make required payments or file reports. The Department may collect due and unpaid premiums and may levy additional premiums for the remainder of the period of coverage. The cancellation shall be effective no later than 30 days after the date of the notice in writing advising the self-employed person of the cancellation.
 - (d) Those electing coverage are considered employees or employers where the context dictates.
 - (e) In this Section, "independent contractor" means an

12

1.3

14

15

16

17

- 1 individual excluded from employment under the definition of
- 2 "employee" under Section 10.
- 3 Section 30. Disqualification from benefits.
- 4 (a) An employee is disqualified from family and medical leave benefits under this Act if the employee:
- 6 (1) willfully makes a false statement or
 7 misrepresentation regarding a material fact or willfully
 8 fails to disclose a material fact to obtain benefits; or
- 9 (2) seeks benefits based on a serious health condition 10 that resulted from the employee's commission of a felony.
 - (b) A disqualification for family and medical leave benefits is for a period of 2 years and commences on the first day of the calendar week in which the employee filed a claim for benefits under this Act.
 - An employee who is disqualified for benefits is liable to the Department for a penalty of 15% of the amount of benefits received by the employee in addition to the total amount of benefits received.
- 19 Section 35. Family and Medical Leave Insurance Fund.
- 20 (a) The Family and Medical Leave Insurance Fund is created 21 as a special fund in the State treasury. Money in the Fund may 22 be used for the payment of family and medical leave benefits 23 and for the administration of this Act. All interest and other 24 earnings that accrue from investment of money in the Fund

shall be credited to the Fund.

- (b) An employer and a covered business entity shall pay a premium contribution in the amount of 0.73% of wages for all employees and individuals who contract for services with a covered business entity. The Department shall by rule provide for the collection of the employer's premium contribution. The amount of the employer's premium contribution imposed under this Section, less refunds authorized by this Act, and all assessments and penalties collected under this Act shall be deposited into and credited to the Fund.
- (c) A separate account, to be known as the Family and Medical Leave Insurance Administration Account, shall be maintained in the Fund. An amount determined by the Department sufficient for proper administration, not to exceed 0.05% of additional employer and covered business entity premium contributions as defined in this Section, shall be collected and credited to the Administration Account. The expenses of the Department in administering the Fund and its accounts shall be charged against the Administration Account. The costs of administration of this Act shall be charged to the Administration Account.
- (d) A separate account, to be known as the Family and Medical Leave Benefits Account, shall be maintained in the Fund. The account shall be charged with all benefit payments.
- (e) The Department may adjust rates for the collection of premiums pursuant to subsection (b) of this Section. The

- Department shall set rates for premiums in a manner that minimizes the volatility of the rates assessed and so that at the end of the period for which the rates are effective, the cash balance shall be an amount approximating 125% of 12 months of projected expenditures from the Fund, considering the functions and duties of the Department under this Act.
 - (f) An employer or covered business entity required to pay premium contributions under this Section shall make and file a report of amounts due under this Section upon a combined report form prescribed by the Department. The report shall be filed with the Department at the times and in the manner prescribed by the Department.
 - (g) If the employer or covered business entity is a temporary employment agency that provides employees or individuals who contract for services with a covered business entity on a temporary basis to its customers, the temporary employment agency is considered a joint employer with its customers for purposes of this Act.
 - (h) When an employer or covered business entity goes out of business or sells out, exchanges, or otherwise disposes of the business or stock of goods, any premiums payable under this Section are immediately due and payable, and the employer or covered business entity shall, within 10 days thereafter, pay the premiums due. A person who becomes a successor to the business is liable for the full amount of the premiums and shall withhold from the purchase price a sum sufficient to pay

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

any premiums due from the employer until the employer produces a receipt from the Department showing payment in full of any premiums due or a certificate that no premium is due. If the premiums are not paid by the employer or covered business entity within 10 days after the date of the sale, exchange, or disposal, the successor is liable for the payment of the full amount of the premiums. The successor's payment of the premiums are, to the extent of the payment, a payment upon the purchase price, and if the payment is greater in amount than the purchase price, the amount of the difference is a debt due the successor from the employer or covered business entity. A successor is not liable for any premiums due from the person from whom the successor has acquired a business or stock of goods if the successor gives written notice to the Department of the acquisition and no assessment is issued by the Department within one year after receipt of the notice against the former operator of the business.

(i) This Section is inoperative before January 1, 2025. At that time, the Department shall begin collecting the amounts due under this Section.

Section 40. Weekly benefit for family and medical leave.

(a) An individual's weekly benefit rate shall be determined as follows: if the average weekly wage to the employee, individual who contracts for services with a covered business entity, or domestic worker is (a) 50% or less of 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

statewide average weekly wage, the weekly benefit for the employee, individual with a contract for services with a covered business entity, or domestic worker is 90% of the average weekly wage of the employee, individual with a contract for services with a covered business entity, or domestic worker or (b) greater than 50% of the statewide average weekly wage, the weekly benefit for the employee, individual with a contract for services with a covered business entity, or domestic worker is the sum of: (i) 90% of the average weekly wage of the employee, individual with a contract for services with a covered business entity, or domestic worker up to 50% of the statewide average weekly wage; and (ii) 50% of the average weekly wage of the employee, individual with a contract for services with a covered business entity, or domestic worker that is greater than 50% of the statewide average weekly wage. The benefit rate shall be computed to the next lower multiple of \$1 if not already a multiple thereof. The amount of benefits for each day of family and medical leave for which benefits are payable shall be one-seventh of the corresponding weekly benefit amount; provided that the total benefits for a fractional part of a week shall be computed to the next lower multiple of \$1 if not already a multiple thereof.

(b) The maximum weekly benefit for family and medical leave that occurs on or after January 1, 2024 shall be \$1,200. By September 30, 2026, and by each subsequent September 30th,

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

- the maximum weekly benefit shall be adjusted to 90% of the State average weekly wage. The adjusted maximum weekly benefit amount takes effect on the following January 1st.
 - (c) With respect to any period of family and medical leave taken by a covered individual, family and medical leave insurance benefits not in excess of the covered individual's maximum benefits shall be payable with respect to the first day of family and medical leave taken and each subsequent day of family and medical leave during that period of family and medical leave. The maximum total benefits payable to any covered individual commencing on or after the effective date of this Act shall be 26 times the weekly benefit amount for an employee, individual with a contract for services with a covered business entity, or domestic worker in the applicable benefit year, except for individuals taking leave pursuant to paragraph (C) of item (19) of Section 10 for conditions in connection with pregnancy, recovery from childbirth, or any related condition where the maximum total benefits payable to any covered individual shall be 52 times the employee's weekly benefit amount in the applicable benefit year, provided that the maximum amount shall be computed in the next lower multiple of \$1 if not already a multiple thereof.
 - (d) The first payment of benefits must be made to a covered individual within 14 calendar days after the claim is filed and there is sufficient information to approve at least one week of benefits; subsequent payments must be made no later

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

than semi-monthly thereafter.

Nothing in this Act shall be construed to prohibit the establishment by an employer or a covered business entity, without approval by the Department, of a supplementary plan or plans providing for the payment to employees, individuals with a contract for services with a covered business entity, or domestic workers or to any class or classes of employees, individuals with a contract for services with a covered business entity, or domestic workers, of benefits in addition to the benefits provided by this Act. The rights, duties, and responsibilities of all interested parties under the supplementary plans shall be unaffected by any provision of this Act.

Section 45. Family and medical leave; duration. A covered individual may take up to 26 weeks of family and medical leave within any 12-month period for reasons identified in paragraphs (A), (B), (C), (D), and (E) of item (19) of Section 10. However, a covered individual may take up to an additional 26 weeks of family and medical leave within any 12-month period for which the covered individual is eligible for leave under paragraph (C) of item (19) of Section 10 taken in connection with pregnancy, recovery from childbirth, or related conditions. A covered individual may take family and medical leave consecutively or on an intermittent schedule in which all of the leave authorized under this Act is not taken

- 1 sequentially.
- 2 Section 50. Annual reports; contents.
- 3 (a) The Department shall issue and make available to the 4 public, not later than July 1, 2026 and July 1 of each 5 subsequent year, annual reports providing data on family and medical leave benefits claims including separate data for each 6 of the following categories of claims: the employee's, 7 individual with a contract for services with a covered 8 9 business entity's, or domestic worker's own serious illness; 10 care of newborn children; care of newly adopted and fostered 11 children; care of seriously ill family members; because of family members on active duty in the Armed Forces; for 12 domestic or sexual violence, and for conditions in connection 1.3 14 with pregnancy, recovering from childbirth, or related 15 conditions. The reports shall include, for each category of 16 claims, the number of individuals receiving the benefits, the amount of benefits paid, the average duration of benefits, and 17 18 the average weekly benefit. The report shall provide data by gender, race, ethnicity, income, and any other demographic 19 factors determined to be relevant by the Department. The 20 21 reports shall also provide, for all family and medical leave 22 benefits, the total costs of benefits and the total cost of administration, the portion of benefits for claims during 23 24 family and medical leave, and the total revenues from employer 25 covered business entity premium contributions

- assessments, where applicable; and other sources.
 - (b) The Department may, in its discretion, conduct surveys and other research regarding, and include in the annual reports descriptions and evaluations of the impact and potential future impact of the costs and benefits resulting from this Act for:
 - (1) employees and their families, including surveys and evaluations of what portion of the total number of employees taking family and medical leave would not have taken leave, or would have taken less leave, without the availability of benefits; what portion of employees return to work after receiving benefits and what portion are not permitted to return to work; and what portion of employees who are eligible for benefits do not claim or receive them and why they do not;
 - (2) employers, including benefits such as reduced training and other costs related to reduced turnover of personnel, and increased affordability of family and medical leave through the State, with special attention given to small businesses; and
 - (3) the public, including savings caused by any reduction in the number of people receiving public assistance.
 - (c) The total amount of any expenses that the Department determines are necessary to carry out its duties pursuant to this Section shall be charged to the Administration Account of

1 the Fund.

1.3

- 2 Section 55. Prohibited acts; enforcement.
 - (a) No employer, employment and labor placement agency, employment agency, employee organization, covered business entity, or other person shall discharge, expel, or otherwise retaliate or discriminate against a person because the person has requested family and medical leave, attempted to claim family and medical leave benefits, taken family and medical leave, filed or communicated to the employer or covered business entity an intent to file a claim, a complaint, or an appeal, or has testified or is about to testify or has assisted in any proceeding, under this Act, at any time.
 - (b) Any employer or covered business entity who violates subsection (a) shall be liable to the individual employed by or contracted for services with such a person who is affected by the violation for damages equal to the sum of:
 - (1) the amount of:
 - (A) any wages, salary, employment benefits, or other compensation denied or lost to such individual by reason of the violation; or
 - (B) in a case in which wages, salary, employment benefits, or other compensation have not been denied or lost to the individual, any actual monetary losses sustained by the individual as a direct violation, such as the cost of providing care, up to a sum equal

1	to	60	calendar	days	of	wages	or	salary	for	the
2	ind	ivid	lual; and							

- (2) the interest on the amount described under paragraph (A) of item (1) calculated at the prevailing rate; and
- (3) an additional amount as liquidated damages equal to the sum of the amount described in item (1) and the interest described in item (2), except if a person who has violated subsection (a) proves to the satisfaction of the court that the act or omission was in good faith and that the person had reasonable grounds for believing that the act or omission was not a violation of subsection (a), the court may, in the discretion of the court, reduce the amount of the liability to the amount and interest determined under paragraph (A) or (B) of item (1), respectively.

In addition, a court may order such equitable relief as may be appropriate, including employment, reinstatement, promotion, and reinstatement of a contract for services.

- (c) An action to recover the damages or obtain equitable relief subsection (a) may be maintained against any person in any court on behalf of:
 - (1) the individual; or
- 24 (2) the individual or other individuals similarly situated.
 - (d) The court in such an action shall, in addition to any

- judgment awarded to the covered individual, allow reasonable attorney's fees, reasonable expert witness fees, and other costs of the action to be paid by the defendant.
 - (e) The right under subsection (c) to bring an action by or on behalf of any individual shall terminate:
 - (1) on the filing of a complaint by the Department in an action in which restraint is sought of any further delay in the payment of the amount described in item (1) of subsection (b) to such individual by the person responsible under subsection (a) for the payment; or
 - (2) on the filing of a complaint by the Department in an action under subsection (f) in which a recovery is sought of the damages described in item (1) of subsection (b) owing to an individual by a person liable under subsection (a).
 - (f) Action by the Department.
 - (1) The Department may bring an action in any court to recover the damages described in item (1) of subsection (b).
 - (2) Any sums recovered under item (1) of this subsection shall be held in a special deposit account and shall be paid, on order of the Department, directly to each individual affected. Any such sums not paid to an individual because of inability to do so within a period of 3 years shall be deposited into the Fund.
 - (3) An action may be brought under this subsection not

7

8

9

10

11

12

13

14

15

16

17

18

19

20

22

23

- later than 3 years after the date of the last event 1 2 constituting the alleged violation for which the action is 3 brought.
 - (4) An action brought by the Department under this subsection shall be considered to be commenced on the date when the complaint is filed.
 - (5) The Department may bring an action to restrain violations of subsection (a), including the restraint of any withholding of payment of wages, salary, employment benefits, or other compensation, plus interest, found by the court to be due to the individual, or to award such other equitable relief as may be appropriate, including employment, reinstatement, and promotion.
 - (g) A person aggrieved by a decision of the Department under this Act may request a hearing. The Department shall adopt rules governing hearings and the issuance of final orders under this Act in accordance with the Illinois Administrative Procedure Act. All final administrative decisions of the Department under this Act are subject to judicial review under the Administrative Review Law.
- 21 Section 60. Penalties.
- makes false Α person who а statement representation, knowing it to be false, or knowingly fails to disclose a material fact to obtain or increase any family and 25 medical leave benefit during a period of family and medical

leave, either for themselves or for any other person, shall be liable for a civil penalty of \$250 to be paid to the Fund. Each such false statement or representation or failure to disclose a material fact shall constitute a separate offense. Upon refusal to pay such a civil penalty, the civil penalty shall be recovered in a civil action by the Attorney General on behalf of the Department in the name of the State of Illinois. If, in any case in which liability for the payment of a civil penalty has been determined, any person who has received any benefits under this Act by reason of the making of such false statements or representations or failure to disclose a material fact shall not be entitled to any benefits under this Act for any leave occurring prior to the time he or she has discharged his or her liability to pay the civil penalty.

- (b) A person who willfully violates any provision of this Act or any rule adopted under this Act for which a civil penalty is neither prescribed by this Act nor provided by any other applicable law shall be subject to a civil penalty of \$500 to be paid to the Fund. Upon the refusal to pay such a civil penalty, the civil penalty shall be recovered in a civil action by the Attorney General on behalf of the Department in the name of the State of Illinois.
- 23 Section 65. Leave and employment protection.
- 24 (a) During a period in which an employee, individual who 25 contracts for services with a covered business entity, or

domestic worker receives family and medical leave benefits under this Act, the employee, individual who contracts for services with a covered business entity, or domestic worker is entitled to family and medical leave and, at the established ending date of leave, to be restored to a position of employment or restoration of the contract for services with the employer or covered business entity from whom leave was taken as provided under subsection (b).

- (b) Except as provided in subsection (d), an employee, individual with a contract for services with a covered business entity, or domestic worker who receives family and medical leave benefits under this Act for the intended purpose of the family and medical leave is entitled, on return from the leave:
 - (1) to be restored by the employer to the position of employment held by the employee, restored by the covered business entity to the contract for services, or restored to the position of employment or the contract for services for domestic workers when the family and medical leave commenced; or
 - (2) to be restored to an equivalent position or contract with equivalent employment benefits, pay, and other terms and conditions of employment or contract at a workplace within the same or a geographically proximate work site (such as one that does not involve a significant increase in commuting time or distance) when the family

- 1 and medical leave commenced.
- 2 (c) The taking of family and medical leave under this Act
 3 may not result in the loss of any employment or contract
 4 benefits accrued before the date on which the family and
 5 medical leave commenced.
 - (d) Nothing in this Section entitles a restored employee, individual who contracts for services with a covered business entity, or domestic worker to:
 - (1) the accrual of any seniority or employment benefits during any period of family and medical leave; or
 - (2) any right, benefit, or position of employment other than any right, benefit, or position to which the employee would have been entitled had the employee not taken the family and medical leave.
 - (e) Nothing in this Section prohibits an employer from requiring an employee, individual who contracts for services with a covered business entity, or domestic worker on family and medical leave to report periodically, but no more than twice every 4 weeks of leave, to the employer, covered business entity on the status and intention of the employee, individual with a contract for services, or domestic worker to return to work.
- Section 70. Pregnancy; effect of other State law. No individual shall suffer any repercussion under any Illinois law, rule, or policy for any decisions the covered individual

17

18

19

20

21

22

- is authorized to make under this Act regarding leave related
- to pregnancy, recovery from childbirth, or related conditions.
- 3 Section 75. Notice to employer or covered business entity. 4 If the necessity for family and medical leave for any reason 5 under item (19) of Section 10 is foreseeable, the employee, 6 individual with a contract for services with a covered 7 business entity, or domestic worker shall provide the employer or covered business entity with not less than 30 days' notice, 8 9 before the date the leave is to begin, of the intention of the 10 employee, individual with a contract for services with a 11 covered business entity to take leave, except that if the 12 expected date requires leave to begin in less than 30 days, the employee, individual with a contract for services with a 13 14 covered business entity, or domestic worker shall provide such 15 notice as is practical.
 - Section 80. Employment by same employer or covered business entity. The right of an employee, individual who contracts for services with a covered business entity, or domestic worker to leave under this Act shall not be altered or abridged by access to leave of any other employee, individual who contracts for services with a covered business entity, or domestic worker.
 - Section 85. Coordination of leave. Family and medical

5

6

7

8

9

10

11

12

1.3

14

15

16

17

18

19

20

21

22

23

24

25

- 1 leave taken under this Act must be taken concurrently with any
- 2 leave taken under the federal Family and Medical Leave Act of
- 3 1993, if applicable.

Section 90. Notice. Every employer and covered business entity covered by this Act shall post and keep posted, in a conspicuous place on the premises of the employer or covered business entity where notices to employees are customarily posted, a notice, to be prepared or approved by the Director of Employment Security, summarizing the requirements of this Act and information pertaining to the filing of a charge. Every employer and covered business entity shall also provide such notice to employees, individuals with contracts for services with a covered business entity, and domestic workers through electronic transmission to the employee, individual with a contract for services with the covered business entity, or domestic worker. The Director shall furnish copies of summaries and rules to the employers and covered business entities upon request without charge. Any employer or covered business entity that fails to post the required notice or transmit such notice may not rely on this Act to claim that the employee, individual with a contract for services with a covered business entity, or domestic worker failed to inform the employer or covered business entity that the employee, individual with a contract for services with a covered business entity, or domestic worker wanted or was eligible for

- 1 leave under this Act.
- 2 Section 95. Rules. The Department may adopt any rules
- 3 necessary to implement this Act.
- 4 Section 105. Severability. The provisions of this Act are
- 5 severable under Section 1.31 of the Statute on Statutes.
- 6 Section 900. The State Finance Act is amended by adding
- 7 Section 5.990 as follows:
- 8 (30 ILCS 105/5.990 new)
- 9 Sec. 5.990. The Family and Medical Leave Insurance Fund.
- 10 Section 999. Effective date. This Act takes effect January
- 11 1, 2024.