103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB2853

Introduced 1/19/2024, by Sen. Ann Gillespie

SYNOPSIS AS INTRODUCED:

820 ILCS 192/15

Amends the Paid Leave for All Workers Act. Provides that a unit of local government, including a home rule unit, shall not exempt any employee from the scope of a paid leave ordinance unless the employee is excluded from the definition of employee in the Act. Limits home rule powers.

LRB103 37506 SPS 67629 b

SB2853

1 AN ACT concerning employment.

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

- Section 5. The Paid Leave for All Workers Act is amended by
 changing Section 15 as follows:
- 6 (820 ILCS 192/15)
- 7 Sec. 15. Provision of paid leave.

8 (a) An employee who works in Illinois is entitled to earn 9 and use up to a minimum of 40 hours of paid leave during a 10 12-month period or a pro rata number of hours of paid leave 11 under the provisions of subsection (b). The paid leave may be 12 used by the employee for any purpose as long as the paid leave 13 is taken in accordance with the provisions of this Act.

14 (b) Paid leave under this Act shall accrue at the rate of one hour of paid leave for every 40 hours worked up to a 15 16 minimum of 40 hours of paid leave or such greater amount if the 17 employer provides more than 40 hours. Employees who are exempt from the overtime requirements of the federal Fair Labor 18 19 Standards Act (29 U.S.C. 213(a)(1)) shall be deemed to work 40 hours in each workweek for purposes of paid leave accrual 20 21 unless their regular workweek is less than 40 hours, in which 22 case paid leave accrues based on that regular workweek. Employees shall determine how much paid leave they need to 23

use, however employers may set a reasonable minimum increment for the use of paid leave not to exceed 2 hours per day. If an employee's scheduled workday is less than 2 hours <u>per</u> day, the employee's scheduled workday shall be used to determine the amount of paid leave.

6 (c) An employer may make available the minimum number of hours of paid leave, subject to pro rata requirements provided 7 8 in subsection (b), to an employee on the first day of 9 employment or the first day of the 12-month period. Employers 10 that provide the minimum number of hours of paid leave to an 11 employee on the first day of employment or the first day of the 12 12-month period are not required to carryover paid leave from 13 12-month period to 12-month period and may require employees to use all paid leave prior to the end of the benefit period or 14 15 forfeit the unused paid leave. However, under no circumstances 16 shall an employee be credited with paid leave that is less than 17 what the employee would have accrued under subsections (a) and (q) of this Section. 18

(d) The 12-month period may be any consecutive 12-month 19 period designated by the employer in writing at the time of 20 hire. Changes to the 12-month period may be made by the 21 22 employer if notice is given to employees in writing prior to 23 the change and the change does not reduce the eligible accrual rate and paid leave available to the employee. If the employer 24 25 changes the designated 12-month period, the employer shall 26 provide the employee with documentation of the balance of

hours worked, paid leave accrued and taken, and the remaining
 paid leave balance.

(e) Paid leave under this Act may be taken by an employee for any reason of the employee's choosing. An employee is not required to provide an employer a reason for the leave and may not be required to provide documentation or certification as proof or in support of the leave. An employee may choose whether to use paid leave provided under this Act prior to using any other leave provided by the employer or State law.

10 (f) Employees shall be paid their hourly rate of pay for 11 paid leave. However, employees engaged in an occupation in 12 which gratuities or commissions have customarily and usually 13 constituted and have been recognized as part of the 14 remuneration for hire purposes shall be paid by their employer 15 at least the full minimum wage in the jurisdiction in which 16 they are employed when paid leave is taken. This wage shall be 17 treated as the employee's regular rate of pay for purposes of this Act. 18

(g) Paid leave under this Act shall begin to accrue at the commencement of employment or on the effective date of this Act, whichever is later. Employees shall be entitled to begin using paid leave 90 days following commencement of their employment or 90 days following the effective date of this Act, whichever is later.

(h) Paid leave under this Act shall be provided upon theoral or written request of an employee in accordance with the

1 employer's reasonable paid leave policy notification 2 requirements which may include the following:

3 (1) If use of paid leave under this Act is 4 foreseeable, the employer may require the employee to 5 provide 7 calendar days' notice before the date the leave 6 is to begin.

7 (2) If paid leave under this Act is not foreseeable, 8 the employee shall provide such notice as soon as is 9 practicable after the employee is aware of the necessity 10 of the leave. An employer that requires notice of paid 11 leave under this Act when the leave is not foreseeable 12 shall provide a written policy that contains procedures 13 for the employee to provide notice.

14 (3) Employers shall provide employees with written 15 notice of the paid leave policy notification requirements 16 in this Section in the manner provided in Section 20 for 17 notice and posting and within 5 calendar days of any 18 change to the employer's reasonable paid leave policy 19 notification requirements.

20 (4) An employer may not require, as a condition of
21 providing paid leave under this Act, that the employee
22 search for or find a replacement worker to cover the hours
23 during which the employee takes paid leave.

(i) Except as provided in subsection (c), paid leave under
this Act shall carry over annually to the extent not used by
the employee, provided that nothing in this Act shall be

1 construed to require an employer to provide more than 40 hours 2 of paid leave for an employee in the 12-month period unless the 3 employer agrees to do so.

(j) Nothing in this Section or any other Illinois law or 4 5 rule shall be construed as requiring financial or other 6 payment to an employee from an employer upon the employee's 7 termination, resignation, retirement, or other separation from 8 employment for paid leave accrued under this Act that has not 9 been used. Nothing in this Section or any other Illinois law or 10 rule shall be construed as requiring financial or other 11 reimbursements to an employee from an employer for unused paid 12 leave under this Act at the end of the benefit year or any 13 other time.

(k) If an employee is transferred to a separate division, 14 15 entity, or location, but remains employed by the same 16 employer, the employee is entitled to all paid leave accrued 17 at the prior division, entity, or location and is entitled to use all paid leave as provided in this Section. If there is a 18 19 separation from employment and the employee is rehired within 20 12 months of separation by the same employer, previously 21 accrued paid leave that had not been used by the employee shall 22 be reinstated. The employee shall be entitled to use accrued 23 paid leave at the commencement of employment following a separation from employment of 12 months or less. 24

(1) Paid leave under this Act shall not be charged orotherwise credited to an employee's paid time off bank or

employee account unless the employer's policy permits such a 1 2 credit. If the paid leave under this Act is credited to an 3 employee's paid time off bank or employee vacation account then any unused paid leave shall be paid to the employee upon 4 5 the employee's termination, resignation, retirement, or other 6 separation to the same extent as vacation time under existing 7 Illinois law or rule. Nothing in this Act shall be construed to 8 waive or otherwise limit an employee's right to final 9 compensation for promised and earned, but unpaid vacation time 10 or paid time off, as provided under the Illinois Wage Payment 11 and Collection Act and rules. Employers shall provide 12 employees with written notice of changes to the employer's 13 vacation time, paid time off, or other paid leave policies that affect an employee's right to final compensation for such 14 15 leave.

16 (m) During any period an employee takes leave under this 17 Act, the employer shall maintain coverage for the employee and any family member under any group health plan for the duration 18 of such leave at no less than the level and conditions of 19 20 coverage that would have been provided if the employee had not taken the leave. The employer shall notify the employee that 21 22 the employee is still responsible for paying the employee's 23 share of the cost of the health care coverage, if any.

(n) Nothing in this Act shall be deemed to interfere with,
 impede, or in any way diminish the right of employees to
 bargain collectively with their employers through

1 representatives of their own choosing in order to establish 2 wages or other conditions of work in excess of the applicable 3 minimum standards established in this Act. The paid leave 4 requirements of this Act may be waived in a bona fide 5 collective bargaining agreement, but only if the waiver is set 6 forth explicitly in such agreement in clear and unambiguous 7 terms.

SB2853

8 Nothing in this Act shall be deemed to affect the validity 9 or change the terms of bona fide collective bargaining 10 agreements in effect on January 1, 2024. After that date, 11 requirements of this Act may be waived in a bona fide 12 collective bargaining agreement, but only if the waiver is set 13 forth explicitly in such agreement in clear and unambiguous 14 terms.

In no event shall this Act apply to any employee working in the construction industry who is covered by a bona fide collective bargaining agreement, nor shall this Act apply to any employee who is covered by a bona fide collective bargaining agreement with an employer that provides services nationally and internationally of delivery, pickup, and transportation of parcels, documents, and freight.

Notwithstanding the provisions of this subsection, nothing in this Act shall be deemed to affect the validity or change the terms of a bona fide collective bargaining agreement applying to an employee who is employed by a State agency that is in effect on July 1, 2024. After that date, requirements of this Act may be waived in a bona fide collective bargaining agreement, but only if the waiver is set forth explicitly in such agreement in clear and unambiguous terms. As used in this subsection, "State agency" has the same meaning as set forth in Section 4 of the Forms Notice Act.

6 (o) An agreement by an employee to waive his or her rights7 under this Act is void as against public policy.

8 (p) The provisions of this Act shall not apply to any 9 employer that is covered by a municipal or county ordinance 10 that is in effect on the effective date of this Act that 11 requires employers to give any form of paid leave to their 12 including paid sick leave paid employees, or leave. 13 Notwithstanding the provisions of this subsection, any employer that is not required to provide paid leave to its 14 15 employees, including paid sick leave or paid leave, under a 16 municipal or county ordinance that is in effect on the 17 effective date of this Act shall be subject to the provisions of this Act if the employer would be required to provide paid 18 19 leave under this Act to its employees.

20 Any local ordinance that provides paid leave, including 21 paid sick leave or paid leave, enacted or amended after the 22 effective date of this Act must comply with the requirements 23 of this Act or provide benefits, rights, and remedies that are 24 greater than or equal to the benefits, rights, and remedies 25 afforded under this Act.

An employer in a municipality or county that enacts or

SB2853

26

amends a local ordinance that provides paid leave, including paid sick leave or paid leave, after the effective date of this Act shall only comply with the local ordinance or ordinances so long as the benefits, rights, and remedies are greater than or equal to the benefits, rights, and remedies afforded under this Act.

A unit of local government, including a home rule unit, shall not exempt any employee from the scope of a paid leave ordinance unless the employee is excluded from the definition of employee in this Act. This Section is a denial and limitation of home rule powers and functions under subsection (g) of Section 6 of Article VII of the Illinois Constitution. (Source: P.A. 102-1143, eff. 1-1-24; revised 12-22-23.)