



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
SB2075

Introduced 2/25/2005, by Sen. Don Harmon

SYNOPSIS AS INTRODUCED:

820 ILCS 115/5

from Ch. 48, par. 39m-5

Amends the Illinois Wage Payment and Collection Act. Provides that the Act does not prohibit an employer from maintaining compensation plans, incentive plans, or agreements providing that a portion of the compensation or incentives for employees whose total compensation exceeds \$100,000 per year may be payable after separation of employment and may be subject to nonpayment under specified terms and conditions. Effective immediately.

LRB094 09183 WGH 39416 b

1 AN ACT concerning employment.

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

4 Section 5. The Illinois Wage Payment and Collection Act is
5 amended by changing Section 5 as follows:

6 (820 ILCS 115/5) (from Ch. 48, par. 39m-5)

7 Sec. 5. Every employer shall pay the final compensation of
8 separated employees in full, at the time of separation, if
9 possible, but in no case later than the next regularly
10 scheduled payday for such employee. Where such employee
11 requests in writing that his final compensation be paid by
12 check and mailed to him, the employer shall comply with this
13 request.

14 Unless otherwise provided in a collective bargaining
15 agreement, whenever a contract of employment or employment
16 policy provides for paid vacations, and an employee resigns or
17 is terminated without having taken all vacation time earned in
18 accordance with such contract of employment or employment
19 policy, the monetary equivalent of all earned vacation shall be
20 paid to him or her as part of his or her final compensation at
21 his or her final rate of pay and no employment contract or
22 employment policy shall provide for forfeiture of earned
23 vacation time upon separation.

24 Nothing in this Act prohibits an employer from maintaining
25 compensation plans, incentive plans, or agreements which
26 provide that a portion of the compensation or incentives for
27 employees whose total compensation exceeds \$100,000 per year
28 may be payable after separation of employment and may be
29 subject to nonpayment under specified terms and conditions.

30 (Source: P.A. 83-199.)

31 Section 99. Effective date. This Act takes effect upon
32 becoming law.