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Illinois Employers Will Face Expansive New Obligations in 2024



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A plethora of federal, state and local employment laws will take effect in 2024. Here is what employers must know:

Federal Law

Department of Labor (DOL) Exemption Thresholds

On August 30, 2023, the DOL announced a [notice](#) of proposed rulemaking that would increase the salary basis threshold under the Fair Labor Standards Act (FLSA) for “white collar” exemptions (executive, administrative and professional) from minimum wage and overtime requirements. The proposal would increase the salary exemption from \$35,568 to \$55,068 per year. The proposal would also increase the threshold salary for highly compensated employees from \$107,432 to \$143,988 per year. The DOL will likely publish a final rule in the first quarter of 2024.

For more on this proposal, see Gould & Ratner's HR Blog [here](#).

Illinois Law

Salary Transparency Requirements Under the Equal Pay Act

Effective January 1, 2025, employers with 15 or more employees must include pay ranges in postings for jobs in Illinois. This amendment to the Illinois Equal Pay Act will only apply when employers create job postings and will not require employers to make such postings in the first place.

The amendment requires covered employers to include “pay scale and benefits” in their job postings and defines that phrase as:

- the wage or salary, or wage or salary range, and
- a general description of the benefits and other compensation that the employer reasonably expects in good faith to offer for the position.

Benefits and other compensation include, but are not limited to:

- bonuses,
- stock options,
- or other incentives the employer reasonably expects in good faith to offer for the position.

When an employer creates a job posting, it can provide the pay scale and benefits by including a hyperlink to a publicly available webpage that includes the pay scale and benefits. Employers may also satisfy the benefits posting requirement by posting a relevant

and up-to-date general benefits description in an easily accessible, central and public location on the employer's website.

If an employer uses a third party (such as a recruiter or job posting website) to post, publish or otherwise make known a job posting, the employer must provide the third party with the pay scale and benefits or a hyperlink to them, which the third party must use in the job posting. A third party is liable for failing to post the required information unless it can demonstrate that the employer did not provide such information.

For more on Illinois's salary transparency requirements, see Gould & Ratner's HR Blog [here](#).

Child Extended Bereavement Leave Act

Effective January 1, 2024, employees who experience the loss of a child by suicide or homicide may take unpaid bereavement leave under the [Child Extended Bereavement Leave Act](#). Under the law, "child" means an employee's biological, adopted or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis.

Employees of large employers (250 or more full-time employees in Illinois) may take up to 12 weeks of leave, while employees of small employers (at least 50, but less than 250, full-time employees in Illinois) may take up to 6 weeks of leave.

Child Extended Bereavement Leave may be taken in a single continuous period or intermittently in increments of at least four hours. Unlike leave under the Family Bereavement Leave Act, which requires leave to be taken within 60 days of notice of death, child extended bereavement leave may be taken within one year of when the employee notifies the employer of the loss. An employer may require reasonable documentation of the loss.

Employees entitled to take paid or unpaid leave (including family, medical, sick, annual, personal or similar leave) from employment, pursuant to federal, state or local law, a collective bargaining agreement, or an employment benefits program or plan may elect to substitute any period of such leave for an equivalent period of Child Extended Bereavement Leave.

Employee Blood and Organ Donation Leave Act

Effective January 1, 2024, the amended and renamed [Employee Blood and Organ Donation Leave Act](#) requires Illinois employers with at least 51 employees to provide employees who serve as organ donors with up to 10 days of paid leave in any 12-month period, in addition to providing employees with one hour of paid leave to donate blood every 56 days (which was required under the prior Employee Blood Donation Leave Act).

Paid Leave for All Workers Act

Effective January 1, 2024, covered employers under the Paid Leave for All Workers Act (PLAWA) must provide employees with up to 40 hours of paid leave during a 12-month period. The law applies to all private-sector employers, regardless of size, but exempts seasonal workers, as well as college students working temporary jobs for their universities. Note that PLAWA does not apply to employers covered under Chicago or Cook County paid leave/paid safe and sick leave ordinances (their employees will continue to be covered by those existing ordinances rather than PLAWA).

Importantly, for employers with existing paid leave programs (such as a PTO or vacation policy), that existing leave program will satisfy the requirements of the act if (1) employees have at least 40 hours of paid time off in a 12-month period and (2) can take leave for any reason.

Under PLAWA, employees can use paid leave for any reason, do not have to explain the reason for their absence and cannot be required to provide documentation or certification as proof or for support. Employers must permit employees to begin using their accrued paid time off no later than 90 days following commencement of their employment or 90 days following the effective date of the act, whichever is later. Employers can determine the minimum increment in which such leave can be taken if the minimum increment is not larger than two hours.

For more on Illinois's Paid Leave Law, see Gould & Ratner's HR Blog [here](#).

Day and Temporary Labor Services Act

Effective August 4, 2023, the Illinois Day and Temporary Labor Services Act (DTLSA) was amended to include certain training requirements and a section requiring temporary workers assigned to work at a third-party client for more than 90 calendar days to be paid not less than the rate of pay and equivalent benefits as the third-party client's lowest-paid, directly hired employee with the same level of seniority at the company who is performing the same or substantially similar work. In lieu of providing the actual benefits, the staffing agency may pay the hourly cash equivalent of the actual cost of the benefits.

Subsequent Amendment re: Equal Pay and Benefits

On November 9, 2023, the Illinois General Assembly passed [HB3641](#), which among other things, amends the start date for the calculation of the 90 calendar days under the new equal pay and benefit section of the DTLSA. This amendment will mean that staffing agencies will not have to pay equal pay and benefits to temporary employees until they have actually worked for a third-party client for more than 90 workdays after April 1, 2024.

For more on the DTLSA amendments, see Gould & Ratner's HR Blog [here](#).

Freelance Worker Protection Act

Effective July 1, 2024, the [Freelance Worker Protection Act](#) (FWPA) provides new protections for "independent contractors" who contract with any (non-governmental) person or entity to provide products or services in Illinois, or with an entity located in Illinois, worth at least \$500 (either in a single contract or in the aggregate of all contracts with a single entity) within a 120-day period.

Under the FWPA, the "contracting entity" must pay the freelance worker all compensation due under a contract within 30 days of the worker completing their contracted work (or an earlier date if determined by the contract). The statute bars a contracting entity from conditioning on-time payment to the freelance worker on their acceptance of less compensation than the amount of contracted compensation.

The FWPA also requires that contracts between freelance workers and contracting entities be in writing and include, at a minimum, the following information:

- the name and contact information of both parties, including the contracting entity's mailing address;
- an itemization of all products and services the freelance worker will provide, including the value of the products and services and the rate and method of compensation for such products and services;
- the date on which payment is due to the freelance worker or the mechanism by which the payment date will be determined; and
- the date by which a freelance worker must submit a list of products or services rendered under the contract to the contracting entity if such a list is required to meet any internal processing deadlines of the contracting entity for the purposes of timely compensation.

The contracting entity must retain the contract for at least two years and make the contract available to the Illinois Department of Labor (IDOL) upon request. The IDOL will publish on its website model contracts in English and other common languages.

In addition, contracting entities may not threaten, intimidate, discipline, harass or deny a freelance opportunity to, or take any other action that penalizes a freelance worker for, or is reasonably likely to deter a freelance worker from, exercising or attempting to exercise any right guaranteed by the FWPA, or from obtaining a future work opportunity for exercising such right.

Illinois Personnel Record Review Act

Effective January 1, 2024, the [Illinois Personnel Record Review Act](#) (IPRRA) will remove certain restrictions for employees seeking to obtain copies of their personnel records. Under the amendment, employers must provide employees copies of their personnel records via email or mail even if the employee is able to inspect the records in person. Employers may still charge a fee for providing the requested records, limited to the actual cost of duplicating the materials.

HB 3733

Effective January 1, 2024, [HB 3733](#), which also amended IPRRA, amends the Illinois Minimum Wage Law, Illinois Equal Pay Act, Illinois Wage Payment and Collection Act, Illinois Child Labor Law, and Illinois Day and Temporary Labor Services Act by requiring employers with employees who do not regularly report to a physical workplace to distribute the mandatory notices under these laws by:

- email;
- posting the materials conspicuously on the employer's website, if the employer regularly uses the website to communicate work-related information to employees and employees can regularly access the website; or
- posting the materials on the employer's intranet site if the employer regularly uses the intranet site to communicate work-related information to employees and employees can regularly access the site.

Notably, the amendment states that the DTLA requirement applies to day and temporary labor service agencies, not third-party clients. However, third-party clients should confirm that service agencies comply with these requirements, as they share legal responsibility and liability with such agencies under the law, including for the payment of wages under the Illinois Wage Payment and Collection Act and the Minimum Wage Law.

Chicago Ordinances

Effective December 31, 2023, Chicago's Paid Leave and Paid Sick and Safe Leave Ordinance (the Ordinance) will replace Chicago's current Paid Sick Leave Ordinance, which provided for up to 40 hours of paid sick leave.

The Ordinance requires employers with employees working in Chicago to provide up to 80 hours of paid leave per year, as follows:

- Up to 40 hours of leave usable for any purpose (called Paid Leave), and
- Up to 40 hours of leave for illness, injury or medical appointments (called Paid Sick Leave).

The changes for employers with employees in Chicago are significant and may impact existing paid leave, paid sick leave and "unlimited" paid time off policies.

For more on the Chicago Paid Leave and Paid Sick and Safe Leave Ordinance, see Gould & Ratner's HR Blog [here](#).

Cook County and 37 Surrounding Townships Ordinances

Transportation Benefits Program Act

Effective January 1, 2024, the [Transportation Benefits Program Act](#) (TBPA) will require that Illinois employers in 38 designated transit zones with 50 or employees at an address within one mile of a fixed-route transit service, and within designated transit zones to provide transit benefits to certain covered employees. Covered employees under the TBPA are full-time employees of a covered employer who work an average of at least 35 hours per week for compensation.

Under the TBPA, covered employers must provide a pre-tax commuter benefit to covered employees. The benefit must allow employees to use pre-tax dollars for the purchase of a transit pass via payroll deduction, so that the costs for transit pass purchases may be deducted from the employee's taxable compensation up to the maximum amount permitted by Internal Revenue Code Section 132(f).

A covered employer may also comply with the TBPA by participating in a program offered by the Chicago Transit Authority or the Regional Transportation Authority.

If you have any questions about the new federal, state and local laws and ordinances taking effect in the new year or the related obligations for your company, please contact a member of Gould & Ratner's [Human Resources and Employment Law Practice](#).