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New Illinois Laws in 2025: What Employers Need to Know



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Several new laws approved by the Illinois General Assembly and signed into law this year by Governor JB Pritzker are aimed at protecting and expanding the rights of employees in the state. The new measures' effect will also be felt by employers, who will likely need to examine their policies and practices in the new year.

We have compiled a summary here of the more notable new laws that, unless otherwise noted, are effective on January 1, 2025.

Extended Statute of Limitations on Charges With the IDHR

The statute of limitations for filing an administrative charge with the Illinois Department of Human Rights (IDHR), based on employment discrimination, harassment or retaliation, is extended to two years. The amendment sees Illinois enact one of the longest statute of limitations for state employment discrimination claims, extending the previous 300-calendar-day period. The measure does not extend the filing period for federal employment discrimination claims, which generally is 180 or 300 calendar days from when the alleged discrimination took place.

This amendment provides a good opportunity for employers to review their document retention policies to take into account potential claims that may arise during and following an employee's tenure.

Illinois Personnel Record Review Act Expansion

Updates to the Illinois Personnel Record Review Act are set to expand protections to employees seeking review of their employment files. The amendment makes changes to Sections 2, 9, 10 and 12. The changes provide additional clarification and guidance as to employer responsibilities, employee request procedure and potential consequences for inaction.

Section 2 of the Illinois Personal Record Review Act

- Employee must make the request in writing (including electronically) to the person responsible for maintaining personnel records.
- Added to the list of records Employer must provide: Documents used to determine benefits, contracts binding on the employee, employee handbooks, and policies or procedures that concern qualifications for employment, promotion, transfer, compensation, benefits, discharge or other disciplinary action.
- Employee identifies which (or all) of the records being requested, in what form (hardcopy or electronic) and to whom they will be provided (employee or representative).
- Employee must provide a signed release for any medical information requested.
- Employer identifies any categories of records it does not maintain.

Section 9 of the Illinois Personal Record Review Act

Section 9 clarifies the previous language, now establishing that “[a]n employer shall not gather or keep a record of an employee’s associations, political activities, publications, communications or nonemployment activities, unless the employee submits the information in writing or gives the employer express, written consent when the employer keeps or gathers the information.”

Section 10 of the Illinois Personal Record Review Act

Section 10 includes an additional exception regarding what employees are not entitled to, stating that the right of an employee or the employee’s designated representative to inspect his or her personnel records does not apply to “[a]n employer’s trade secrets, client lists, sales projections, and financial data.”

Section 12 of the Illinois Personal Record Review Act

The final changes to the Act are found in Section 12’s administration and enforcement. Now, if an employer is alleged to have violated the Act and the Illinois Department of Labor (IDOL) fails to resolve the complaint within 180 calendar days after the complaint is filed with the IDOL, or the IDOL certifies in writing that it is unlikely to resolve the complaint within 180 calendar days, an employee may commence an action in the circuit court to enforce the provisions of the Act, including actions to compel compliance.

Reproductive Health Protection Expansion in the Illinois Human Rights Act

The Illinois General Assembly added a new measure to the Illinois Human Rights Act (IHRA), expanding the definition of unlawful discrimination to include discrimination on the basis of reproductive health decisions. The measure defines “reproductive health decisions” as “a person’s decisions regarding the person’s use of: contraception; fertility or sterilization care; assisted reproductive technologies; miscarriage management care; healthcare related to the continuation or termination of pregnancy; or prenatal intranatal, or postnatal care.”

This change expands the IHRA’s already established prohibition on discrimination based upon pregnancy, now including protections against discrimination based on abortion, contraception, IVF or medical treatment during and after pregnancy.

Family Responsibility Protection Added to the Illinois Human Rights Act

The General Assembly added language protecting employees from adverse employment action based upon the employee’s “family responsibilities,” which is defined as “an employee’s actual or perceived provision of personal care to a family member.” The statute incorporates the Employee Sick Leave Act’s definition of “personal care” and “family member.”

Personal care includes activities ensuring that a covered family member’s basic medical, hygiene, nutritional or safety needs are met, or providing transportation to medical appointments for a covered family member who is unable to meet those needs themselves.

The inclusion of the new protection does not obligate employers to make accommodations or modification to company policies for an employee based upon family responsibilities, and employees may still face discipline for violating reasonable workplace rules or policies reflecting attendance, scheduling or other related areas, so long as they are applied in accordance with the IHRA.

Captive-Audience Meetings About Union

Following California’s lead, Illinois will ban mandatory employee attendance at captive-audience meetings. Captive-audience meetings generally refer to workplace meetings set by employers to provide information outlining why the workforce should not seek to unionize.

The Worker Freedom of Speech Act (SB 3649) allows workers to bring a civil action against an employer if they are fired or face other adverse consequences for refusing to attend a “mandatory” meeting where restricted topics are covered. Topics include opinions of the employer about religious matters or political matters. The bill’s definition of “political matters” includes conversations regarding an employee’s decision to join or support a labor organization.

The Act requires that the employer-sponsored meeting be “voluntary,” prohibiting attendance “incentivized by a positive change in any employment condition” and “taken under the threat of a negative change in any employment condition.” Remedies available to employees include injunctive relief, employee reinstatement, back pay, reestablishment of any employee benefit, reasonable attorney’s fees and other reasonable relief. The Act also provides for a civil penalty of \$1,000 for each violation enforced by the IDOL. In addition to an individual employee action, an “interested party,” including labor unions and worker advocates, may bring a claim following certain notice procedures.

Artificial Intelligence in Employment Decisions

The General Assembly passed HB 3773 to prohibit discrimination in private sector use of artificial intelligence (AI) in making employment decisions. Under the new law, employers may not use AI that has the effect of subjecting employees to discrimination based on a protected class under the IHRA. Employers are also prohibited from using zip codes as a proxy for protected classes. The measure requires employers to notify employees of the use of AI to make or aid in making employment-related decisions.

“Artificial intelligence” under the Act is defined as “a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, recommendations, or decisions that can influence physical or virtual environments.” The definition includes generative artificial intelligence, which is defined as “an automated computing system that, when prompted with human input, can produce outputs that simulate human-produced content such as essays, images, or video.”

Illinois joins Colorado as the only states with measures to protect employees from the potential impact of the rise of artificial intelligence. New York City has also passed similar protections. Illinois HB 3773 is set to take effect on January 1, 2026.

Issues With E-Verify in the Workplace

Illinois has imposed restrictions on the use of employment eligibility verification systems, also known as “E-Verify.” Under new amendments to the Right to Privacy in the Workplace Act, an employer is prohibited from imposing work authorization verification or re-verification requirements greater than those required under federal law.

In addition, if there are any discrepancies in an employee’s employment verification information, the employer is required to provide the employee with:

1. the specific document or documents deemed deficient and the reason for the deficiency,
2. instructions on how the employee can correct the deficiencies if required to do so by law,
3. an explanation of the employee’s right to have representation present during meetings with the employer concerning the federal E-Verify system, and
4. an explanation of any other rights that the employee may have in relation to the employer’s contention.

Employers are not permitted to take adverse action against an employee based on the receipt of a notification regarding discrepancies as it relates to work authorizations. Employers are also required to provide notice to the employee of the notification received from any state or federal agency related to discrepancies in work authorizations. The employee has a right to have any representative of their choosing present in any meetings or discussions with the employer about the work authorization.

Employers are also required to provide written notice to each current employee, by posting in English and in any common workplace language, of any inspection of I-9 Employment Eligibility Verification forms or other employment records conducted by the inspecting entity within 72 hours of receiving notice of the inspection. The written notice must also be given to any representative of the employee. An employer, upon reasonable request, must also provide a copy of the Notice of Inspection. The IDOL will develop a template posting that employers may use to comply with the language of the statute.

If an inspecting agency determines that an employee is not authorized to work in the United States, an employer must provide a written notice within five business days. Willful and knowing violation of the statute results in a civil penalty of \$2,000 up to \$5,000 for a first-time violation, and a penalty of \$5,000 to \$10,000 for each subsequent violation.

Expansion of Illinois Freedom to Work Act

Noncompete and nonsolicitation restrictions within the Illinois Freedom to Work Act have been extended to address specific professions. First, SB 2737 establishes that covenants not to compete or covenants not to solicit shall not be enforced on any mental health professional providing mental health services to veterans and first responders if the restriction is likely to result in an increase in cost or difficulty for any veteran or first responder seeking mental health services.

In addition, SB 2770 prohibits any covenant not to compete or covenant not to solicit with respect to construction workers, regardless of whether an individual is covered by a collective bargaining agreement.

Expansion of the Illinois Whistleblower Act

HB 5561 expands on the definitions and protections afforded to employees under the Illinois Whistleblower Act. Specifically, the prior vague term “retaliate” has been replaced by “retaliatory action,” which includes not only taking “adverse employment action” against an employee that would dissuade the employee from disclosing information under the Act (including about immigration status), but also “threatening” to do so.

Employees will also be protected from disclosing information regarding, in addition to “violations of a law, rule or regulation,” an employer’s “activity, policy or practice” that “poses a significant and specific danger to employees, public health or safety.” The amendments further expand the list of parties to whom an employee may report to include, in addition to government bodies, “any supervisor, principal officer, board member, or supervisor in an organization that has a contractual relationship with the employer who makes the employer aware of the disclosure.”

The amendment sees the Illinois Whistleblower Act expand and become one of the most extensive whistleblower protection statutes in the country.

Employer Action Plan

As employers prepare for the implementation of these new changes, now is a good time to review current internal policies and employee handbooks. Please do not hesitate to contact any of the attorneys in Gould & Ratner’s Human Resources and Employment Law Practice to discuss the effects of these new measures to your business.