

# 2025 Legislative Update for Illinois

Date: December 17, 2024

As your HR Partner, we keep you informed of new employment laws affecting Illinois in late 2024 and into 2025. In this document, you'll find summaries of new legislation and how it may impact your business and employees in the coming year. Please read the summaries and click on the linked resources to learn more about each legislation.

If you have questions about the new legislation, please contact us at 808-394-8878 to speak with one of our expert HR Consultants. Mahalo!

## **Short Summaries:**

Minimum Wage	2
Pay Transparency	
Expanded Protected Classes	
Expanded Statute of Limitations	
AI Restrictions	
Pay Stub Requirements	
E-Verify	
Illinois Personnel Record Review Act (IPRRA)	
Illinois Worker Freedom of Speech Act	
Provision of Pay Stubs	
Right to Privacy in the Workplace Act	
Secure Choice Savings Program- Retirement Savings Plan	
How We Will Help	



## **Short Summaries:**

# **Minimum Wage**

- The minimum wage in Illinois will increase to \$15 per hour. Tip minimum wage will be \$9 per hour.
- Youth Minimum Wage: (under age 18 and working fewer than 650 hours in a year) \$10.50
- Cook County: \$14.05 through June 30, 2025. Tip minimum wage will be \$8.40 per hour
- Chicago: \$16.20 per hour through June 30, 2025. Tip minimum wage will be \$11.02 per hour

## **Pay Transparency**

Employers must disclose pay ranges and benefits in job postings, and face fines for non-compliance. The full bill can be found here: HB 3219.

# **Expanded Protected Classes**

The Illinois Human Rights Act (IHRA) will add "family responsibilities" as a protected class, and prohibits discrimination based on reproductive health decisions. The full bill can be found here: HB 2161

## **Expanded Statute of Limitations**

The IHRA will increase the statute of limitations for civil rights violations from 300 days to two years. The full bill can be found here: SB 3310.

#### **AI Restrictions**

Employers must notify employees of AI use in the workplace, and audit for discriminatory effects.

#### **Pay Stub Requirements**

Employers must maintain copies of employee pay stubs for at least three years, regardless of whether the employee's employment ends during that time. It also requires employers to provide employees and former employees with their pay stubs upon request. The full bill can be found here: <u>SB 3208</u>.

#### E-Verify

Illinois clarified that state law does not require any employer to enroll in any electronic employment verification system, including E-Verify, unless obligated by federal law. Employers may voluntarily participate in such programs but cannot impose work authorization verification or reverification requirements greater than those required by federal law.



If an employer receives notification from any agency regarding a work authorization discrepancy (e.g., employee name and Social Security number do not match), the employer cannot take any adverse action against the employee, including reverification, based on receipt of the notification alone. If an employer receives a notice of inspection of work authorization documents from an agency, the employer must provide notice to employees of the inspection within 72 hours (including the name of the entity conducting the inspections, the date the employer received notice of the inspection, the nature of the inspection, and a copy of the notice received by the employer).

## Illinois Personnel Record Review Act (IPRRA)

All requests by current or former employees for personnel records must meet certain extensive criteria in order to constitute a valid request. Assuming a request meets these criteria, the requester is entitled to personnel documents including disciplinary actions, handbooks, and written procedures.

- 1. Any personnel documents that are, have been, or are intended to be used in determining that employee's qualifications for employment, promotion, transfer, additional compensation, benefits, discharge, or other disciplinary action (with limited exceptions).
- 2. Any employment-related contracts or agreements that the employer maintains are legally binding on the employee.
- 3. Any employee handbooks that the employer made available to the employee or that the employee acknowledged receiving.
- 4. Any written employer policies or procedures that the employer contends the employee was subject to and that concern qualifications for employment, promotion, transfer, compensation, benefits, discharge, or other disciplinary action. Employers must produce requested documents within seven working days after receipt of the request. If the employer can reasonably show that such a deadline cannot be met, the employer may have an additional seven calendar days to comply. The amendment retains existing exceptions to inspection of certain documents by employees and additionally protects an employer's trade secrets, client lists, sales projections, and financial data from inspection.

The full bill can be found here: HB 3763

#### **Illinois Worker Freedom of Speech Act**

Illinois employers are prohibited from terminating or disciplining employees (or threatening to do so) because they decline to attend or participate in an employer-sponsored meeting about political or religious matters or decline to receive communications about such meetings. The law defines "political matters" broadly, including elections, political parties, proposals to change legislation, regulations, or public policy and the decision to join or support any political, civic, community, fraternal, or labor organization. The full bill can be found here: SB 3649



## **Provision of Pay Stubs**

Employers must issue a pay stub each payday for each pay period.

"Pay stub" is defined in the statute as an itemized statement or statements reflecting an employee's hours worked, rate of pay, overtime pay and overtime hours worked, gross wages earned, deductions made from the employee's wages, and the total of wages and deductions year to date.

# **Right to Privacy in the Workplace Act**

Illinois employers may not impose any work authorization verification requirements that are greater than the requirements under federal law. Employers must provide notice to employees of any identified discrepancy between name and social security number; notice of any inspections of I-9 Employment Eligibility Verifications forms; and notice of any audit or documentation claiming that the employee is not authorized to work in the United States, so that employees may, among other things, seek representation in connection with any employer action based on the alleged discrepancy. The full bill can be found here: <u>SB 508</u>.

# **Secure Choice Savings Program- Retirement Savings Plan**

The Secure Choice Savings Board will make amendments to the program, including allowing employers to designate an open enrollment period.

Under the SPA, Illinois employers with at least five employees that have been in business for two or more years, and that do not offer a qualified retirement plan, must either begin offering a qualified plan or automatically enroll their employees into the Illinois Secure Choice Savings Program. Secure Choice is a program administered by the Illinois Secure Choice Savings Board for the purpose of providing a retirement savings option to private-sector employees in Illinois who lack access to an employer-sponsored plan.

#### **How We Will Help**

When it is appropriate, the ProService Hawaii standard handbook will be updated in compliance with new laws. If you have a handbook addendum and you would like to verify whether a policy is compliant with a new law, please contact your dedicated HR consultant for assistance with updating the handbook addendum.

NOTE: This legislative update is provided for informational purposes only. It is not for the purpose of establishing an attorney-client relationship or providing legal or tax advice and should not be relied upon as legal or tax advice.