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Illinois Employment Laws Taking Effect July 1, 2020

Client Bulletins

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The State of Illinois and the City of Chicago have enacted several employment laws that will take effect on July 1, 2020. Employers with employees in Illinois or Chicago should take note of the following laws in order to ensure immediate compliance.

Minimum Wage Increase: The minimum wage in Illinois will increase to \$10 per hour on July 1, 2020. Illinois' minimum wage will increase by \$1 per hour on each January 1 date thereafter until reaching \$15 per hour on January 1, 2025. Employers with employees within the City of Chicago should also take note that the Chicago minimum wage will increase to \$14 per hour on July 1, 2020. In Cook County more broadly, the Cook County minimum wage will increase to \$13 per hour on July 1, 2020, unless the employees work in a municipality that has opted out of the Cook County minimum wage ordinance.

<u>Predictive Scheduling</u>: Chicago's Fair Workweek Ordinance goes into effect on July 1, 2020 and requires certain employers to provide predictive scheduling for certain employees. This ordinance requires covered employers to provide covered employees with notice of their work schedule at least ten days in advance. Schedule changes occurring after this ten-day period will require an employer to provide "predictability pay" to the impacted employee, which is an extra hour at their regular pay rate. Covered employees are also entitled to premium pay at 1.25 times their regular pay rate if they agree to work within 10 hours of a prior day's shift, and employers may not require employees to do so. Employers must also provide covered employees with a "good faith estimate" of their work schedule upon hire.

Employers in the following covered industries will be subject to the ordinance: (1) building services; (2) health care; (3) hotels; (4) manufacturing; (5) restaurants; (6) retail; and (7) warehouse services. The law will cover employers in these industries that have at least 100 employees globally, as long as such an employer has at least 50 "Covered Employees." These "Covered Employees" generally include those who earn less than \$26 per hour or \$50,000 annually, perform the majority of their work in the City of Chicago, and perform most of their work in one of the aforementioned covered industries.

The City of Chicago published its Final Rules for the Fair Workweek Ordinance, Fair Workweek FAQs, and a Notice that must be posted in a conspicuous place. Employers should modify their policies and prepare a notice to include with covered employees' first paycheck in order to ensure compliance, and also take steps to post the required notice in the workplace.

<u>Changes to Illinois Human Rights Act</u>: On July 1, 2020, amendments to the Illinois Human Rights Act (IHRA) through the enactment of the Workplace Transparency Act (WTA) will apply the IHRA and WTA to <u>any employer with one or more employees</u> <u>within Illinois</u> during 20 or more calendar weeks in a calendar year. Until July 1, 2020, the IHRA only applies to employers with 15 or more employees.

Beginning July 1, 2020, employers will also be required to disclose annually (by each July 1) any adverse judgment or administrative ruling relating to unlawful harassment or discrimination against the employer in the preceding calendar year. The information must include the number of adverse



judgments or administrative rulings and whether the actions dealt with sexual harassment, discrimination, or harassment on the basis of sex, race, national origin, religion, age, disability, military status, sexual orientation or gender identity. If the Department of Human Rights is investigating a charge filed under the IHRA and makes the request, an employer may be required to disclose information on settlements of any sexual harassment or unlawful discrimination claims. An employer who fails to make the necessary disclosures is subject to the imposition of civil penalties.

Reminder to Conduct Mandatory Sexual Harassment Training: Another amendment to the IHRA through the enactment of the WTA mandated that <u>all</u> employers with employees in Illinois provide sexual harassment training to their employees by December 31, 2020. While there are no changes related to this training requirement taking effect July 1, 2020, employers now have six months within which to provide this mandatory training for the 2020 calendar year. As such, any employer in Illinois that has not yet provided training to its Illinois employees should take steps now in order to provide this training by the end of the year.

Employers should seek legal counsel to ensure compliance with current local, state and federal employment laws. For more information, please contact a member of Benesch's Labor & Employment Practice Group.

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