LEGAL UPDATE

Illinois Issues FAQs for Upcoming Pay Transparency Law

On Nov. 22, 2024, the Illinois Department of Labor (IDOL) published <u>frequently</u> <u>asked questions (FAQs)</u> regarding Illinois' pay transparency <u>law</u> that goes into effect on **Jan. 1, 2025**. The FAQs provide clarification on certain provisions of the law but do not impose additional requirements.

Pay Transparency Law

MPLOYCO USA

The new pay transparency law requires Illinois employers with 15 or more employees to include the pay scale and benefits in each job posting and notify current employees of promotional opportunities.

Key FAQ Takeaways

The 32 FAQs include information about a number of key issues, including but not limited to:

- Employees who are considered in determining whether an employer satisfies the 15-employee threshold to be covered under the law (i.e., full-time and part-time employees inside or outside of Illinois);
- Job postings that must include pay transparency information (e.g., internal and external and full-time, part-time and temporary job postings, and those subject to a collective bargaining agreement);
- The specific pay and benefits information employers must include in job postings to satisfy their requirements under the new law;
- Obligations of third parties who post positions on behalf of employers;
- Employer pay transparency obligations where there is no job posting;
- The manner in which individuals may file a complaint for alleged violations and penalties for violations; and
- Prohibitions on employer retaliation.

Next Steps for Employers

To prepare for the law's effective date, covered Illinois employers should review the IDOL's FAQs and confirm compliance with the new law by Jan. 1, 2025. The IDOL has also indicated that it will release formal regulations regarding the pay transparency law, so employers should also monitor for such regulations. Provided to you by Employco USA, Inc.

Highlights

Aug. 11, 2023

Illinois passes new pay transparency and promotional opportunity requirements.

Nov. 22, 2024

The IDOL issues FAQs clarifying certain provisions of the new pay transparency law.

Jan. 1, 2025

The new pay transparency law takes effect.

Effective Jan. 1, 2025, covered Illinois employers must include pay and benefits information in job postings and post promotional opportunities.