

Illinois Senate Fails to Override Governor's Veto of Salary History Ban

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Bucking the nationwide trend, Illinois was unable to pass a law prohibiting employers from asking job applicants about their salary history. On November 9, 2017, the Illinois Senate failed to override Governor Rauner's veto of a salary history ban.

As we previously reported, on August 25, 2017, Governor Rauner vetoed a bill that would have prohibited employers from asking applicants about their wage histories. The bill, known as the Illinois No Salary History Law, previously had been passed by the Illinois House and Senate with overwhelming bipartisan support (91-24 in the House and 35-18 in the Senate). On October 25, 2017, the Illinois House voted 80-33 to override Governor Rauner's veto. If three-fifths (or thirty-six members) of the Illinois Senate had voted to override the veto, the bill would have become law. The final Illinois Senate vote tally was 29 "yeas," 17 "nays," and 1 "present."

Last year, Massachusetts became the first state or locality to pass a law banning employers from asking applicants about their salary histories. Since then, a number of laws have been passed restricting employer inquiries into applicants' salary histories. Following Massachusetts' lead, states and localities including California, Delaware, New York City, Oregon, Philadelphia, Puerto Rico, and San Francisco have all passed similar restrictions. Additionally, numerous other states and localities (including Maryland, New York, Rhode Island, Texas, Washington, D.C. and Virginia) are currently considering similar bans.

Generally speaking, salary history bans prohibit employers from asking applicants about their compensation history during the hiring process. In addition, many salary history bans prohibit employers from using information concerning applicants' prior compensation in making and negotiating salary offers. Although each jurisdiction's law varies, the common intention of these bans is to minimize or eliminate pay disparities between male and female workers. By eliminating prior compensation as a factor in hiring decisions and salary negotiations, the laws seek to prevent employers from inadvertently perpetuating historic pay bias or discrimination.

Despite the developments in Illinois, employers should continue to monitor developments in this area. Among other things, employers should immediately begin taking steps to educate their recruiters, hiring managers, human resources personnel, and others involved in the interview and hiring process of the new prohibitions on salary history inquiries. Employers should also carefully review their applicant screening and hiring policies, and job applications and other hiring documents to ensure compliance with the new laws. For instance, adopting standardized interview and salary negotiation scripts for the hiring process may reduce the risk of violations.

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