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Illinois Legislature Passes Bill Requiring Disclosure of Pay Scales in Job Postings

Law and the Workplace on **May 24, 2023**

On May 17, 2023, the Illinois legislature passed House Bill 3129 (the "Bill"), which amends the Illinois Equal Pay Act (820 ILCS 112, *et. seq*.) to require Illinois employers to include pay scale and benefits information in job postings and to post or announce internally to employees all known opportunities for promotion, in an apparent effort to reduce pay inequities and promote fairness in terms of promotions. If signed into law by Governor Pritzker, the Bill's requirements would take effect on January 1, 2025, and would only apply to job postings issued on or after that date.[1]

Here are the key takeaways:

- The Bill would require employers with 15 or more employees to include pay scale and benefits information for a position in any job posting.
- If an employer with 15 or more employees utilizes a third party to announce, post, publish or otherwise make known a job posting, the employer would need to provide the pay scale to the third party, and the third party, in turn, would be required to include the pay scale in the job posting.
- The Bill defines "pay scale and benefits" to mean "the wage or salary, or the wage or salary range, and a general description of the benefits and other compensation the employer reasonable expects to offer for the position."
- Employers are required to announce, post, or otherwise make known all opportunities for promotion to all current employees no later than the same calendar day that the employer makes an external job posting for the position.
- An employer must maintain records for a period of not less than 5 years that document the name, address, and occupation of each employee, the wages paid to each employee, the pay scale and benefits for each position, the job posting for each position, and any other information the Director of Labor may deem necessary and appropriate.
- Penalties for violations of the transparency requirements are dependent how many times the employer previously committed violations and whether the job posting at

issue is still active when the Illinois Department of Labor ("IDOL") issues its findings. For example, if a job posting is still active when the IDOL issues its findings and it is an employer's first violation, the employer will receive a 14-day cure period to remedy the violation and a fine not to exceed $500 at the discretion of the IDOL.

- In determining whether a job posting is active, the IDOL will consider the totality of the circumstances, including, but not limited to: (i) whether a position has been filled; (ii) the length of time a posting has been accessible to the public; (iii) the existence of a date range for which a given position is active; and (iv) whether the violating posting is for a position for which the employer is no longer accepting applications.

If signed into law, the Bill would add Illinois to the growing list of states requiring pay transparency in job postings, including California, Colorado, New York, and Washington.

[1] We previously blogged about developments with this Bill here.

View original.

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