In Brief

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SALARY HISTORY NOW OFF LIMITS FOR ILLINOIS EMPLOYERS

On July 31, 2019, Governor Pritzker signed into law legislation banning Illinois employers from asking job applicants about their salary history. Public Act 101-0177 amends the Equal Pay Act of 2003 by prohibiting employers from asking job applicants about their salary history. According to sponsors of the bill, the law is aimed at closing the wage gap between men and women. The new law prohibits law employers from:

- Screening job applicants based upon their current or prior wages or salary histories, including benefits or other compensation, by requiring that an applicant's wage or salary history satisfy minimum or maximum criteria;
- Requesting or requiring wage or salary history as a condition of being considered for employment, as a condition being interviewed, as a condition of continuing to be considered for an offer of employment, or as a condition of an offer of employment or other compensation;
- Requesting or requiring wage or salary history as a condition of employment; and
- Seeking wage or salary history, including benefits or other compensation, from a job applicant's current or former employer(s) (unless the job applicant's wage or salary history is a matter of public record or if the job applicant is a current employee applying for a position with the same current employer).

These prohibitions are not intended to prevent an employer from providing information about the wages, benefits, compensation, or salary offered in relation to a position or discussing an applicant's expectations with respect to salary, benefits, and other compensation. It also does not prevent employees from discussing their salary benefits with their colleagues. Additionally, an employer does not violate this law when an applicant voluntarily, and without prompting, discloses his or her current or prior salary as long as the employer does not consider or rely upon the disclosures in making a hiring or salary decision.

An employer who violates the Act may be subject to civil actions for damages, injunctive relief as well as Department of Labor penalties.

Additionally, the Act expands the protections provided to women and African Americans regarding wage discrimination. The Act previously prohibited discrimination on the basis of sex (same for African-Americans) where employees were performing substantially similar work on jobs that required "equal skill." The amendment changes this language to prohibit sex based discrimination on jobs requiring "substantially similar skill."

The law is effective September 29, 2019. Employers should train their hiring committees and review current hiring policies and procedures to ensure compliance.