



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB5461

Introduced 2/13/2026, by Rep. Jennifer Gong-Gershowitz

SYNOPSIS AS INTRODUCED:

820 ILCS 115/9.1 new

Amends the Illinois Wage Payment and Collection Act. Provides that it is unlawful to include in any employment contract, or to require an employee to execute as a condition of employment or a work relationship, a contract that: (1) requires the employee to pay an employer, training provider, or debt collector for a debt if the employee's employment or work relationship with a specific employer is terminated; (2) authorizes the employer, training provider, or debt collector to resume or initiate collection of or to end forbearance on a debt if the employee's employment or work relationship with a specific employer is terminated; (3) imposes any penalty, fee, or cost on a employee if the employee's employment or work relationship with a specific employer is terminated. Provides that the provision applies to contracts entered into on or after the effective date of the amendatory Act. Provides that a contract entered into in violation of the provision is void and unenforceable. Sets forth an exception to the provision. Effective immediately.

LRB104 19332 SPS 32779 b

1 AN ACT concerning employment.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Wage Payment and Collection Act is
5 amended by adding Section 9.1 as follows:

6 (820 ILCS 115/9.1 new)

7 Sec. 9.1. Prohibition of contracts requiring payment upon
8 termination.

9 (a) Except as provided in subsection (d), it is unlawful
10 to include in any employment contract, or to require an
11 employee to execute as a condition of employment or a work
12 relationship, a contract that:

13 (1) requires the employee to pay an employer, training
14 provider, or debt collector for a debt if the employee's
15 employment or work relationship with a specific employer
16 is terminated;

17 (2) authorizes the employer, training provider, or
18 debt collector to resume or initiate collection of or to
19 end forbearance on a debt if the employee's employment or
20 work relationship with a specific employer is terminated;
21 or

22 (3) imposes any penalty, fee, or cost on a employee if
23 the employee's employment or work relationship with a

1 specific employer is terminated.

2 (b) This Section applies to contracts entered into on or
3 after the effective date of this amendatory Act of the 104th
4 General Assembly.

5 (c) A contract entered into in violation of this
6 subsection is void and unenforceable.

7 (d) This Section does not apply to any wage deduction
8 authorized under Section 9.

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.