

101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB2771

by Rep. Maurice A. West II

SYNOPSIS AS INTRODUCED:

820 ILCS 112/10 820 ILCS 112/30

Amends the Equal Pay Act of 2003. Prohibits an employer from: (i) screening job applicants based on their wage or salary history, (ii) requiring that an applicant's prior wages satisfy minimum or maximum criteria, and (iii) requesting or requiring as a condition of being interviewed or as a condition of continuing to be considered for an offer of employment that an applicant disclose prior wages or salary. Prohibits an employer from seeking the salary, including benefits or other compensation or salary history, of a job applicant from any current or former employer. Limits defenses. Provides for penalties and injunctive relief. Effective immediately.

LRB101 07626 JLS 52673 b

FISCAL NOTE ACT MAY APPLY

A BILL FOR

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AN ACT concerning employment.

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

Section 5. The Equal Pay Act of 2003 is amended by changing
Sections 10 and 30 as follows:

6 (820 ILCS 112/10)

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7 Sec. 10. Prohibited acts.
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(a) No employer may discriminate between employees on the 8 9 basis of sex by paying wages to an employee at a rate less than the rate at which the employer pays wages to another employee 10 of the opposite sex for the same or substantially similar work 11 on jobs the performance of which requires substantially similar 12 equal skill, effort, and responsibility, and which are 13 14 performed under similar working conditions, except where the payment is made under: 15

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a seniority system;

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(2) a merit system;

(3) a system that measures earnings by quantity orquality of production; or

20 (4) a differential based on any other factor other 21 than: (i) sex or (ii) a factor that would constitute 22 unlawful discrimination under the Illinois Human Rights 23 Act, provided that the factor:-

1	(A) is not based on or derived from a differential
2	in compensation based on sex or another protected
3	characteristic;
4	(B) is job-related with respect to the position and
5	consistent with a business necessity; and
6	(C) accounts for the entire differential.
7	Such defense shall not apply if the employee
8	demonstrates that an alternative employment practice
9	exists that would serve the same business purpose without
10	producing such differential and that the employer has
11	refused to adopt such alternative practice.

12 No employer may discriminate between employees by paying 13 wages to an African-American employee at a rate less than the rate at which the employer pays wages to another employee who 14 is not African-American for the same or substantially similar 15 16 work on jobs the performance of which requires substantially 17 similar equal skill, effort, and responsibility, and which are 18 performed under similar working conditions, except where the payment is made under: 19

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a seniority system;

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(2) a merit system;

(3) a system that measures earnings by quantity or
 quality of production; or

(4) a differential based on any other factor other
than: (i) race or (ii) a factor that would constitute
unlawful discrimination under the Illinois Human Rights

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1 Act, provided that the factor:-2 (A) is not based on or derived from a differential 3 in compensation based on race or another protected characteristic; 4 5 (B) is job-related with respect to the position and 6 consistent with a business necessity; and (C) accounts for the entire differential. 7 8 Such defense shall not apply if the employee 9 demonstrates that an alternative employment practice 10 exists that would serve the same business purpose without 11 producing such differential and that the employer has 12 refused to adopt such alternative practice.

An employer who is paying wages in violation of this Act may not, to comply with this Act, reduce the wages of any other employee.

16 Nothing in this Act may be construed to require an employer 17 to pay, to any employee at a workplace in a particular county, wages that are equal to the wages paid by that employer at a 18 workplace in another county to employees in jobs 19 the 20 performance of which requires equal skill, effort, and responsibility, and which are performed under similar working 21 conditions. 22

(b) It is unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise any right provided under this Act. It is unlawful for any employer to discharge or in any other manner discriminate 1 against any individual for inquiring about, disclosing, 2 comparing, or otherwise discussing the employee's wages or the wages of any other employee, or aiding or encouraging any 3 4 person to exercise his or her rights under this Act. It is 5 unlawful for an employer to require an employee to sign a 6 contract or waiver that would prohibit the employee from 7 disclosing or discussing information about the employee's 8 wages.

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9 (b-5) It is unlawful for an employer to screen job 10 applicants based on their wage or salary history, including by 11 requiring that an applicant's prior wages, including benefits 12 or other compensation, satisfy minimum or maximum criteria or 13 requesting or requiring as a condition of being interviewed, as 14 a condition of continuing to be considered for an offer of employment, as a condition of an offer of employment or an 15 offer of compensation, or as a condition of employment that an 16 17 applicant disclose prior wages or salary.

18 (b-10) It is unlawful for an employer to seek the wage or 19 salary history, including benefits or other compensation, of 20 any job applicant from any current or former employer. This 21 subsection (b-10) does not apply if:

(1) the job applicant's wage or salary history is a matter of public record under the Freedom of Information Act, or any other equivalent State or federal law, or is contained in a document completed by the job applicant's current or former employer and then made available to the HB2771 - 5 - LRB101 07626 JLS 52673 b

public by the employer, or submitted or posted by the 1 2 employer to comply with State or federal law; or 3 (2) the job applicant is a current employee and is applying for a position with the same current employer. 4 5 (c) It is unlawful for any person to discharge or in any other manner discriminate against any individual because the 6 7 individual: 8 (1) has filed any charge or has instituted or caused to 9 be instituted any proceeding under or related to this Act; 10 (2) has given, or is about to give, any information in 11 connection with any inquiry or proceeding relating to any 12 right provided under this Act; or 13 (3) has testified, or is about to testify, in any inquiry or proceeding relating to any right provided under 14 15 this Act; or-16 (4) fails to comply with any wage history inquiry. 17 (Source: P.A. 100-1140, eff. 1-1-19.) 18 (820 ILCS 112/30) 19 Sec. 30. Violations; fines and penalties. (a) If an employee is paid by his or her employer less than 20 the wage to which he or she is entitled in violation of Section 21 22 10 of this Act, the employee may recover in a civil action the entire amount of any underpayment together with interest, 23 24 compensatory damages if the employee demonstrates that the employer acted with malice or reckless indifference, punitive 25

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damages as may be appropriate, injunctive relief as may be 1 2 appropriate, and the costs and reasonable attorney's fees as 3 may be allowed by the court and as necessary to make the 4 employee whole. At the request of the employee or on a motion 5 of the Director, the Department may make an assignment of the 6 wage claim in trust for the assigning employee and may bring 7 any legal action necessary to collect the claim, and the employer shall be required to pay the costs incurred in 8 9 collecting the claim. Every such action shall be brought within 10 5 years from the date of the underpayment. For purposes of this 11 Act, "date of the underpayment" means each time wages are 12 underpaid.

13 (a-5) If an employer violates subsection (b), (b-5), or 14 (b-10) of Section 10, the employee may recover in a civil action any damages incurred, special damages not to exceed 15 16 \$10,000, injunctive relief as may be appropriate, and costs and 17 reasonable attorney's fees as may be allowed by the court and as necessary to make the employee whole. If special damages are 18 19 available, an employee may recover compensatory damages only to 20 the extent such damages exceed the amount of special damages. 21 Such action shall be brought within 5 years from the date of 22 the violation.

(b) The Director is authorized to supervise the payment of the unpaid wages <u>under subsection (a) or damages under</u> <u>subsection (b), (b-5), or (b-10) of Section 10</u> owing to any employee or employees under this Act and may bring any legal HB2771 - 7 - LRB101 07626 JLS 52673 b

action necessary to recover the amount of unpaid wages, <u>damages</u>, and penalties <u>or to seek injunctive relief</u>, and the employer shall be required to pay the costs. Any sums recovered by the Director on behalf of an employee under this Section shall be paid to the employee or employees affected.

6 (c) Employers who violate any provision of this Act or any 7 rule adopted under the Act are subject to a civil penalty for 8 each employee affected as follows:

9 (1) An employer with fewer than 4 employees: first 10 offense, a fine not to exceed \$500; second offense, a fine 11 not to exceed \$2,500; third or subsequent offense, a fine 12 not to exceed \$5,000.

13 (2) An employer with 4 or more employees: first 14 offense, a fine not to exceed \$2,500; second offense, a 15 fine not to exceed \$3,000; third or subsequent offense, a 16 fine not to exceed \$5,000.

An employer or person who violates subsection (b), (b-5), (b-10), or (c) of Section 10 is subject to a civil penalty not to exceed \$5,000 for each violation for each employee affected.

(d) In determining the amount of the penalty, the appropriateness of the penalty to the size of the business of the employer charged and the gravity of the violation shall be considered. The penalty may be recovered in a civil action brought by the Director in any circuit court.

25 (Source: P.A. 99-418, eff. 1-1-16.)

26 Section 99. Effective date. This Act takes effect upon

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1 becoming law.