

103RD GENERAL ASSEMBLY State of Illinois 2023 and 2024 SB2635

Introduced 11/6/2023, by Sen. Cristina Castro

SYNOPSIS AS INTRODUCED:

820 ILCS 192/10 820 ILCS 192/15

Amends the Paid Leave for All Workers Act. Provides that the definition of "employee" does not include: (1) an employee who is employed by an institution of higher education (i) for less than 2 consecutive calendar quarters during a calendar year and who does not have a reasonable expectation that he or she will be rehired by the same employer of the same service in a subsequent calendar year or (ii) as a temporary appointment as described in the State Universities Civil Service Act; (2) higher education faculty and instructors who have teaching, research, and extension faculty contracts or appointments of less than 12 consecutive months of the year; or (3) an employee employed by a public community college or other public institution of higher education in the State of Illinois whose position is covered by a bona fide collective bargaining agreement. Provides that the definition of "employer" does not include laboratory schools as defined in the School Code. Makes conforming changes. Effective January 1, 2024.

LRB103 35119 SPS 65078 b

1 AN ACT concerning employment.

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

- Section 5. The Paid Leave for All Workers Act is amended by
- 5 changing Sections 10 and 15 as follows:

or article of merchandise.

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- 6 (820 ILCS 192/10)
- 7 (This Section may contain text from a Public Act with a delayed effective date)
- 9 Sec. 10. Definitions. As used in this Act:
- "Construction industry" means any constructing, altering, 10 11 reconstructing, repairing, rehabilitating, refinishing, 12 refurbishing, remodeling, remediating, renovating, custom 13 fabricating, maintenance, landscaping, improving, wrecking, 14 painting, decorating, demolishing, or adding to or subtracting from any building, structure, highway, roadway, street, 15 16 alley, sewer, ditch, sewage disposal 17 waterworks, parking facility, railroad, excavation or other structure, project, development, real 18 property, 19 improvement, or to do any part thereof, whether or not the performance of the work herein described involves the addition 20 21 to or fabrication into, any structure, project, development, 22 real property, or improvement herein described of any material

"Construction industry" also includes moving construction related materials on the job site or to or from the job site, snow plowing, snow removal, and refuse collection.

"Department" means the Illinois Department of Labor.

"Domestic work" and "domestic worker" have the same meanings as defined in Section 10 of the Domestic Workers' Bill of Rights Act, except that "domestic worker" also includes independent contractors, sole proprietors, and partnerships.

"Employee" has the same application and meaning as that provided in Sections 1 and 2 of the Illinois Wage Payment and Collection Act. "Employee" also includes all domestic workers, and, for the purposes of this Act, domestic workers shall not be excluded as employees under the provisions of item (1), (2), or (3) of Section 2 of the Illinois Wage Payment and Collection Act. "Employee" does not include:

- (1) an employee as defined in the federal Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.) or the Railway Labor Act;
- (2) a student enrolled in and regularly attending classes in a college or university that is also the student's employer, and who is employed on a temporary basis at less than full time at the college or university, but this exclusion applies only to work performed for that college or university; er
 - (3) an a short term employee who is employed by an

institution of higher education (i) for less than 2 consecutive calendar quarters during a calendar year and who does not have a reasonable expectation that he or she they will be rehired by the same employer of the same service in a subsequent calendar year or (ii) as a temporary appointment as described in Section 36m of the State Universities Civil Service Act and 80 Ill. Adm. Code 250.70; -

- (4) higher education faculty and instructors who have teaching, research, and extension faculty contracts or appointments of less than 12 consecutive months of the year; or
- (5) an employee employed by a public community college or other public institution of higher education in the State of Illinois whose position is covered by a bona fide collective bargaining agreement.

"Employer" has the same application and meaning as that provided in Sections 1 and 2 of the Illinois Wage Payment and Collection Act, except that for purposes of this Act, "employer" also means the State and units of local government, any political subdivision of the State or units of local government, or any State or local government agency.

"Employer" does not include school districts organized under the School Code, or park districts organized under the Park District Code, or laboratory school as defined in Section 18-8.15 of the School Code.

- 1 "Writing" or "written" means a printed or printable
- 2 communication in physical or electronic format, including a
- 3 communication that is transmitted through electronic mail,
- 4 text message, or a computer system or is otherwise sent or
- 5 stored electronically.
- 6 (Source: P.A. 102-1143, eff. 1-1-24.)
- 7 (820 ILCS 192/15)
- 8 (This Section may contain text from a Public Act with a
- 9 delayed effective date)
- 10 Sec. 15. Provision of paid leave.
- 11 (a) An employee who works in Illinois is entitled to earn
- 12 and use up to a minimum of 40 hours of paid leave during a
- 13 12-month period or a pro rata number of hours of paid leave
- under the provisions of subsection (b). The paid leave may be
- used by the employee for any purpose as long as the paid leave
- is taken in accordance with the provisions of this Act.
- 17 (b) Paid leave under this Act shall accrue at the rate of
- one hour of paid leave for every 40 hours worked up to a
- 19 minimum of 40 hours of paid leave or such greater amount if the
- 20 employer provides more than 40 hours. Employees who are exempt
- 21 from the overtime requirements of the federal Fair Labor
- 22 Standards Act (29 U.S.C. 213(a)(1)) shall be deemed to work 40
- 23 hours in each workweek for purposes of paid leave accrual
- 24 unless their regular workweek is less than 40 hours, in which
- 25 case paid leave accrues based on that regular workweek.

- Employees shall determine how much paid leave they need to use, however employers may set a reasonable minimum increment for the use of paid leave not to exceed 2 hours per day. If an employee's scheduled workday is less than 2 hours per day, the employee's scheduled workday shall be used to determine the amount of paid leave.
 - (c) An employer may make available the minimum number of hours of paid leave, subject to pro rata requirements provided in subsection (b), to an employee on the first day of employment or the first day of the 12-month period. Employers that provide the minimum number of hours of paid leave to an employee on the first day of employment or the first day of the 12-month period are not required to carryover paid leave from 12-month period to 12-month period and may require employees to use all paid leave prior to the end of the benefit period or forfeit the unused paid leave. However, under no circumstances shall an employee be credited with paid leave that is less than what the employee would have accrued under subsections (a) and (g) of this Section.
 - (d) The 12-month period may be any consecutive 12-month period designated by the employer in writing at the time of hire. Changes to the 12-month period may be made by the employer if notice is given to employees in writing prior to the change and the change does not reduce the eligible accrual rate and paid leave available to the employee. If the employer changes the designated 12-month period, the employer shall

- provide the employee with documentation of the balance of hours worked, paid leave accrued and taken, and the remaining paid leave balance.
 - (e) Paid leave under this Act may be taken by an employee for any reason of the employee's choosing. An employee is not required to provide an employer a reason for the leave and may not be required to provide documentation or certification as proof or in support of the leave. An employee may choose whether to use paid leave provided under this Act prior to using any other leave provided by the employer or State law.
 - (f) Employees shall be paid their hourly rate of pay for paid leave. However, employees engaged in an occupation in which gratuities or commissions have customarily and usually constituted and have been recognized as part of the remuneration for hire purposes shall be paid by their employer at least the full minimum wage in the jurisdiction in which they are employed when paid leave is taken. This wage shall be treated as the employee's regular rate of pay for purposes of this Act.
 - (g) Paid leave under this Act shall begin to accrue at the commencement of employment or on the effective date of this Act, whichever is later. Employees shall be entitled to begin using paid leave 90 days following commencement of their employment or 90 days following the effective date of this Act, whichever is later.
 - (h) Paid leave under this Act shall be provided upon the

- oral or written request of an employee in accordance with the employer's reasonable paid leave policy notification requirements which may include the following:
 - (1) If use of paid leave under this Act is foreseeable, the employer may require the employee to provide 7 calendar days' notice before the date the leave is to begin.
 - (2) If paid leave under this Act is not foreseeable, the employee shall provide such notice as soon as is practicable after the employee is aware of the necessity of the leave. An employer that requires notice of paid leave under this Act when the leave is not foreseeable shall provide a written policy that contains procedures for the employee to provide notice.
 - (3) Employers shall provide employees with written notice of the paid leave policy notification requirements in this Section in the manner provided in Section 20 for notice and posting and within 5 calendar days of any change to the employer's reasonable paid leave policy notification requirements.
 - (4) An employer may not require, as a condition of providing paid leave under this Act, that the employee search for or find a replacement worker to cover the hours during which the employee takes paid leave.
 - (i) Except as provided in subsection (c), paid leave under this Act shall carry over annually to the extent not used by

- the employee, provided that nothing in this Act shall be construed to require an employer to provide more than 40 hours of paid leave for an employee in the 12-month period unless the employer agrees to do so.
 - (j) Nothing in this Section or any other Illinois law or rule shall be construed as requiring financial or other payment to an employee from an employer upon the employee's termination, resignation, retirement, or other separation from employment for paid leave accrued under this Act that has not been used. Nothing in this Section or any other Illinois law or rule shall be construed as requiring financial or other reimbursements to an employee from an employer for unused paid leave under this Act at the end of the benefit year or any other time.
 - (k) If an employee is transferred to a separate division, entity, or location, but remains employed by the same employer, the employee is entitled to all paid leave accrued at the prior division, entity, or location and is entitled to use all paid leave as provided in this Section. If there is a separation from employment and the employee is rehired within 12 months of separation by the same employer, previously accrued paid leave that had not been used by the employee shall be reinstated. The employee shall be entitled to use accrued paid leave at the commencement of employment following a separation from employment of 12 months or less.
 - (1) Paid leave under this Act shall not be charged or

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otherwise credited to an employee's paid time off bank or employee account unless the employer's policy permits such a credit. If the paid leave under this Act is credited to an employee's paid time off bank or employee vacation account then any unused paid leave shall be paid to the employee upon the employee's termination, resignation, retirement, or other separation to the same extent as vacation time under existing Illinois law or rule. Nothing in this Act shall be construed to waive or otherwise limit an employee's right to final compensation for promised and earned, but unpaid vacation time or paid time off, as provided under the Illinois Wage Payment and Collection Act and rules. Employers shall provide employees with written notice of changes to the employer's vacation time, paid time off, or other paid leave policies that affect an employee's right to final compensation for such leave.

- (m) During any period an employee takes leave under this Act, the employer shall maintain coverage for the employee and any family member under any group health plan for the duration of such leave at no less than the level and conditions of coverage that would have been provided if the employee had not taken the leave. The employer shall notify the employee that the employee is still responsible for paying the employee's share of the cost of the health care coverage, if any.
- (n) Nothing in this Act shall be deemed to interfere with, impede, or in any way diminish the right of employees to

bargain collectively with their employers through representatives of their own choosing in order to establish wages or other conditions of work in excess of the applicable minimum standards established in this Act. The paid leave requirements of this Act may be waived in a bona fide collective bargaining agreement, but only if the waiver is set forth explicitly in such agreement in clear and unambiguous terms.

Nothing in this Act shall be deemed to affect the validity or change the terms of bona fide collective bargaining agreements in effect on January 1, 2024. After that date, requirements of this Act may be waived in a bona fide collective bargaining agreement, but only if the waiver is set forth explicitly in such agreement in clear and unambiguous terms.

In no event shall this Act apply to any employee working in the construction industry who is covered by a bona fide collective bargaining agreement, nor shall this Act apply to any employee who is covered by a bona fide collective bargaining agreement with an employer that provides services nationally and internationally of delivery, pickup, and transportation of parcels, documents, and freight. This Act shall also not apply to any employee employed by a public community college or other public institution of higher education in the State of Illinois whose position is covered by a bona fide collective bargaining agreement.

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Notwithstanding the provisions of this subsection, nothing in this Act shall be deemed to affect the validity or change the terms of a bona fide collective bargaining agreement applying to an employee who is employed by a State agency that is in effect on July 1, 2024. After that date, requirements of this Act may be waived in a bona fide collective bargaining agreement, but only if the waiver is set forth explicitly in such agreement in clear and unambiguous terms. As used in this subsection, "State agency" has the same meaning as set forth in Section 4 of the Forms Notice Act.

- (o) An agreement by an employee to waive his or her rights under this Act is void as against public policy.
- (p) The provisions of this Act shall not apply to any employer that is covered by a municipal or county ordinance that is in effect on the effective date of this Act that requires employers to give any form of paid leave to their including paid sick leave or employees, paid leave. Notwithstanding the provisions of this subsection, employer that is not required to provide paid leave to its employees, including paid sick leave or paid leave, under a municipal or county ordinance that is in effect on the effective date of this Act shall be subject to the provisions of this Act if the employer would be required to provide paid leave under this Act to its employees.

Any local ordinance that provides paid leave, including paid sick leave or paid leave, enacted or amended after the

- 1 effective date of this Act must comply with the requirements
- of this Act or provide benefits, rights, and remedies that are
- 3 greater than or equal to the benefits, rights, and remedies
- 4 afforded under this Act.
- 5 An employer in a municipality or county that enacts or
- 6 amends a local ordinance that provides paid leave, including
- 7 paid sick leave or paid leave, after the effective date of this
- 8 Act shall only comply with the local ordinance or ordinances
- 9 so long as the benefits, rights, and remedies are greater than
- or equal to the benefits, rights, and remedies afforded under
- 11 this Act.
- 12 (Source: P.A. 102-1143, eff. 1-1-24; revised 3-16-23.)
- 13 Section 99. Effective date. This Act takes effect January
- 14 1, 2024.