

Illinois is Third State to Adopt Mandatory Paid Leave for All Employees

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On March 13, 2023, Public Act 102-1143, otherwise known as the Paid Leave for All Workers Act was enacted with an effective date of January 1, 2024. While the Act has far-reaching impacts for all Illinois employers, it is of particular interest to units of local government, to whom the Act also applies. Under the Act, an employer is specifically defined as “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.”

For every 40 hours worked by an employee in Illinois, that employee will earn 1 hour of paid leave, up to 40 hours (or more if an employer so allows) in a 12-month period. For the first time in Illinois, many local government employees will not have to specifically identify what type of leave they are utilizing within typical categories such as “vacation” time or “sick” time. Employees are not required to document the reason for their paid leave, and can utilize the time for any reason subject to some reasonable advance notice policies. The leave can be carried over, but employers are only required to provide 40 hours of paid leave in any 12-month period.

For local governments, the clock is ticking. If a unit of local government has not adopted an ordinance in effect before the effective date of the Act, January 1, 2024, it may not adopt an ordinance that provides any less leave than provided in the Act. Once the act takes effect, an employer faces civil penalties of \$1,000.00 per violation for violating the Act’s notice and posting requirements, and potential penalties of up to \$2,500.00 per violation for retaliation against workers who utilize the leave provisions.

For those municipalities who have an ordinance outlining their policy in place prior to the Act’s effective date that provides any paid leave to employees, that entity is exempted from these new requirements. While most municipalities currently provide paid vacation and sick leave to full-time employees already, many municipalities do not provide paid leave to part-time employees and, as a result, will require an ordinance that addresses leave for those employees prior to the Act’s effective date of January 1, 2024.

Local Government law attorneys at Sandberg Phoenix are currently working with their clients to amend their existing leave policies to comply with the Paid Leave for All Workers Act and are available to help governments and businesses who are affected by its changes.