



EMPLOYER LAW BLOG

EMPLOYER ALERT: The Freelance Worker Protection Act

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A new law taking effect in Illinois on July 1, 2024, is not getting much attention but employers should be aware of it. The Freelance Worker Protection Act (820 ILCS 193) is about to become law. The Act protects independent contractors who are natural persons and who are not considered employees under Illinois law and who are not performing construction services. Entities exempt from the Act are the US Government, the State, foreign governments, and units of local government, including school districts.

In general, the Act requires payment of the contractual amount, a written contract with the freelance worker (details of the contract are specified in the Act), and a non-discrimination provision. A complaint procedure is provided for under Section 25 which is administered by the Illinois Department of Labor. The Act includes a private right of action in addition to the complaint procedure. The Department is empowered to make rules to enforce the Act which has a detailed enforcement section. Of course, penalties for violations of the Act are established.

Employers should become familiar with the Act and review the status of persons who perform as independent contractors and how the Act will affect them.

The attorneys of the Sandberg Phoenix Labor and Employment Law Team stand ready to assist employers with compliance with the Act as well as planning for its implementation.