

## Illinois Poised to Require Disclosure of Pay Scale and Benefits in Job Postings

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Job applicants may soon have greater visibility into the pay scale and benefits for Illinois-related job positions under a bill that was recently passed by the Illinois General Assembly and is expected to be signed by Governor J.B. Pritzker.

House Bill 3129 amends the Illinois Equal Pay Act ("IEPA"), making it unlawful for an employer to fail to include in any job posting the pay scale and benefits for a position that will be (i) physically performed, in whole or in part, in Illinois or (ii) physically performed outside of Illinois where the employee reports to a supervisor, office or other work site in Illinois. The bill applies to employers with 15 or more employees and, if signed by the Governor, will take effect January 1, 2025.

The bill defines "pay scale and benefits" broadly to mean the wage or salary, or the wage or salary range, for the position and a general description of the benefits and other compensation, including, but not limited to, bonuses, stock options or other incentives the employer reasonably expects to offer. Including a hyperlink in the job posting to a publicly viewable webpage that outlines the pay scale and benefits for the position will satisfy the bill's posting requirements. Additionally, posting a relevant and up-to-date general benefits description in an easily accessible, central and public location on the employer's website, and providing this location in the job posting, will satisfy the bill's benefits posting requirement.

Employers may not circumvent these posting requirements by using a third party to announce, post or publish the position. Any third party that fails to provide the pay scale and benefits in job postings published on behalf of an employer is subject to liability, unless it can show that the employer failed to provide the necessary information.

The bill also requires employers to announce, post or otherwise make known to current employees all promotion opportunities within 14 days of externally posting the position. Additionally, if a public or internal posting for a job, promotion, transfer or other opportunity has not been made available, then, upon the applicant's request, the employer must disclose the pay scale and benefits to the applicant prior to any offer or discussion of compensation.

Employers found to be in violation of the bill's posting requirements face fines ranging between \$250 and \$10,000, depending on the number of prior violations and whether the job posting is active or inactive at the time the notice of violation is issued.

House Bill 3129 is part of an ongoing effort by Illinois lawmakers to require greater transparency in pay. In 2019, Illinois amended the IEPA to prohibit employers from requesting or requiring job applicants to disclose wage or salary history as a condition of employment. In 2021, Illinois further amended the IEPA to require certain employers to obtain an equal pay registration certificate every two years and provide EEO-1-type diversity data in annual reports filed with the State.

If House Bill 3129 becomes law, Illinois will join several other states, including California, Colorado and Washington, in requiring the disclosure of salary information in job postings. In response to these laws, employers are encouraged to regularly evaluate their pay practices and promptly correct any pay inequities. Employers should also consider where their jobs can or will be performed and ensure compliance with the job posting laws in each of those states.

If you have any questions regarding the topics discussed in this article, please contact **Michelle T. Olson** at <a href="molson@vedderprice.com">molson@vedderprice.com</a>, **Ryan Probasco** at <a href="molson@vedderprice.com">rprobasco@vedderprice.com</a> or any other Vedder Price attorney with whom you have worked.