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Illinois Department of Labor Clarifies Amendments to Illinois Equal Pay Act

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As we previously wrote <u>here</u> and <u>here</u>, in 2021 the Illinois Equal Pay Act (the "Act") was substantively amended to require Illinois employers with 100 or more employees in Illinois ("Covered Employers") to obtain an equal pay registration certificate ("EPRC") from the Illinois Department of Labor ("IDOL") every two years. Recently, IDOL published guidance related to the EPRC requirements. Among other things, IDOL clarified the following:

- The definition of Covered Employers includes employers who had 100 or more employees working in Illinois or remotely elsewhere for a business located only in Illinois *as of December 31* of the 12-month calendar year immediately preceding their EPRC application.
- After registering with IDOL to confirm their contact information, Covered Employers will be assigned an EPRC application due date.
- "Wages" under the Act includes any compensation paid to an employee including wages, salaries, earned commissions, earned bonuses, stocks and ownership shares.
- Covered Employers must recertify every two years by submitting an updated EPRC application.
- Failure to comply with the EPRC filing requirements or falsifying information provided may result in penalties, including a fine of up to \$10,000.
- In the event that data submitted by a Covered Employer as part of the EPRC application shows that the employer is paying unequal wages to men and women or to African-American and non-African American employees, IDOL may initiate its own investigation into the Covered Employer.
- Employees of Covered Employers have the right under the Act to seek anonymized data from IDOL relating to their job classification or title and the related pay data for the same.

The amendments to the Act, as clarified by the recent IDOL guidance, demonstrate the importance of taking affirmative steps to ensure compliance with the Act and to promptly address any pay disparities among protected classes of employees. Illinois employers should work with counsel to ensure compliance with the EPRC process and to audit their pay practices.

If you have any questions about the laws discussed in this article, please contact **Alex C. Weinstein** at <u>aweinstein@vedderprice.com</u>, **Allison E. Czerniak** at <u>aczerniak@vedderprice.com</u>, or any other Vedder Price attorney with whom you have worked.

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