The Employer Report

NAVIGATING US AND GLOBAL EMPLOYMENT LAW

Illinois Becomes Latest To Ban Salary History Inquiries

By William F. Dugan & Goli Rahimi on August 19, 2019

You may have been waiting with bated breath after we reported last month on the possible amendment to the Illinois Equal Pay Act. Well, at last Governor Pritzker put pen to paper, and the IEPA amendment will officially go into effect on **September 29, 2019**.

Changes Ahead

- The IEPA amendments prohibit employers from requiring employees to enter into contracts that prohibit them from discussing their compensation, which includes wages, salary and benefits.

- The amendments also ban inquiries or screens of job applicants' salary history or current wages.

The penalties for violating these new amendments are steep.

- An aggrieved employee may bring a civil action within five years and seek "any damages incurred," "special" damages **up to $10,000**, injunctive relief, costs and attorneys' fees.

- And, there's more. Any employer that violates the IEPA is also subject to civil penalties of **up to $5,000** for *each* violation for *each* affected employee.

As we previously noted, employers may still ask candidates about salary expectations, but it's important to tread carefully given the amended IEPA. And remember, there is no violation for a candidate voluntary and unprompted disclosure of wage information, so long as the employer does not consider or rely on the disclosure when making hiring or employment decisions.

Employer Takeaways

September 29 is just around the corner, so don't delay. Begin training appropriate personnel to avoid the prohibited interview and screening questions, and review your employee handbooks, offer letters and company policies to ensure there they do not restrict an employee's right to discuss wages and benefits.

Contact your Baker McKenzie attorney for more.

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