ILLINOIS

"How Much Money Did You Make?" – Wage History Questions Are "History" for Illinois Employers

Laws governing what an employer can and cannot ask a potential employee to continue to evolve. Although applicants are often required to provide their salary history during the hiring process, that practice must end in Illinois on September 29, 2019. In an attempt to close the gender wage gap, Governor J.B. Pritzker signed HB 834 into law earlier this month, so Illinois employers need to begin modifying their application and interview processes promptly.

Notable Changes

Under the new law, Illinois employers cannot ask applicants – or their former employers – for current or previous salary history. That information, even if applicants volunteer it without being asked, cannot be used to screen them either. HB 834 also prohibits employers from forcing employees to sign wage confidentiality agreements. Employees can share salary information at will with their peers; however, human resources personnel, or others who have access to salary and wage information as part of their employment, must not share those details without the specific employee's written consent.

Potential Damages

Under HB 834, employees may be able to recover even greater damages for gender- or race-related pay equity claims than previously established by Illinois' <u>Equal Pay Act of 2003</u>. Employers could pay hefty civil penalties and damages for violating the new law plus attorney fees for both employer AND the complaining employee.

Action Steps for Illinois Employers

To avoid violations, replace salary history questions on application forms with employee compensation expectations. Applicants should indicate their salary requirements (i.e. how much they request to be paid) on their applications, so that wages can be legally discussed and documented during the interview process. Train pertinent human resources and interviewing staff on the new law, including those who check references, and remove references to wage confidentiality agreements from employment contracts, policies, and handbooks.