<u>Updates</u> March 16, 2023 Illinois Adopts Paid Leave for Any Reason



Illinois Governor Jay Pritzker signed into law the Paid Leave for All Workers Act (PLFAW) on March 13, 2023, adopting the bill that the Illinois General Assembly passed on January 10, 2023. Illinois takes its place next to Maine and Nevada as the third state that allows employees to take paid time off from work for any reason.

As <u>we detailed</u> after the General Assembly passed PLFAW, the law guarantees all Illinois workers at least 40 hours of paid leave (or a pro rata amount, depending on the number of hours worked) in a 12-month period starting January 1, 2024. Employees may use the leave for any reason and are not required to provide the employer with the reason for leave, documentation, or certification as proof in support of the leave.

The law excludes a number of employers and employees from its requirements. Excluded employers include school districts, park districts, and employers in certain industries where employees are covered by a bona fide collective bargaining agreement. Excluded employees include students working both part-time and temporarily for their college or university. PLFAW's requirements can also be waived in a bona fide collective bargaining agreement, but only if the waiver of paid leave is explicit, clear, and unambiguous.

Interaction With Local Paid Sick Leave Ordinances

Employers subject to county or municipal ordinances that require employers to provide paid leave of "any form" in effect on January 1, 2024—including the City of Chicago's and Cook County's paid sick leave ordinances—are also excluded from PLFAW's requirements. Additionally, ordinances that go into effect after January 1, 2024, are only effective to the extent that the "benefits, rights, and remedies are greater or equal" to those that PLFAW provides.

Thus, employers currently subject to Chicago's or Cook County's paid sick leave ordinances, or any other county's or municipality's paid sick leave ordinance that goes into effect before January 1, 2024, will be required to only provide paid sick leave to their employees under the terms of those ordinances and will not need to provide paid leave for any reason under PLFAW.

Next Steps for Illinois Employers

Employers should carefully review the categories of excluded employers and employees and consider engaging trusted counsel to analyze whether PLFAW applies to them.

Employers who are not excluded will need to review their existing paid leave policies to ensure that they comply with PLFAW's requirements and update their employee manuals or handbooks to include the written PLFAW notice that the Illinois Department of Labor will issue later this year.

Perkins Coie will continue to monitor this topic and provide additional guidance as developments occur.

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