Tucker Ellis LLP

Illinois Employers Take Note: New Law Passed on Artificial Intelligence Use

AUGUST 2024

On August 9, 2024, Illinois Governor J.B. Pritzker signed into law amendments to the Illinois Human Rights Act (IHRA) that will impose new requirements on employers in Illinois that use artificial intelligence ("AI") in employment decisions. The amendments (available at: IL HB3773 | 2023-2024 | 103rd General Assembly | LegiScan) do not go into effect until January 1, 2026, but companies with employees in Illinois should prepare for the following changes.

First, employers will be required to notify employees and applicants if they are using AI in employment decisions.

Second, it will be a violation of the Illinois Human Rights Act for employers to use AI in recruiting, hiring, promoting, discharging, and other terms, privileges, or conditions of employment – if it has the "effect" of subjecting employees to unlawful discrimination. This means that even without an employer's intent to discriminate, if AI use results in disproportionately excluding (for example) female job applicants, then employers risk a potential unlawful discrimination claim.

In addition, employers are expressly prohibited from using zip codes as a "proxy" for protected classes. Therefore, AI cannot be deployed in a manner that would allow zip codes to serve as a back door to considering race in employment decisions.

What is AI under this new law? The legislature defines AI rather broadly as "a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments," including "Generative Artificial Intelligence."

The Illinois Department of Human Rights (IDHR) is tasked with adopting rules to implement these changes. These may include specifying the type of notice of AI use that must be provided and the time frame to do so. The IDHR also may provide guidance regarding the definition of AI under this law.

At this point, those companies with Illinois employees that are using AI for employment reasons should make sure to monitor forthcoming IDHR guidance to prepare and distribute the required notice. They also should evaluate, including with expert or legal assistance if needed, how this technology is implemented and its results across all stages of the employment relationship to determine if the AI use will be compliant with the new law.

Additional Information

For more information, please contact:

- Gregory P. Abrams | 312.256.9444 | gregory.abrams@tuckerellis.com
- Connor Doughty | 312.256.9431 | connor.doughty@tuckerellis.com
- Ronald G. Polly, Jr. | 404.678.6364 | ron.polly@tuckerellis.com
- Ndubisi (Bisi) A. Ezeolu | 213.430.3239 | ndubisi.ezeolu@tuckerellis.com
- Christine M. Snyder | 216.696.5593 | christine.snyder@tuckerellis.com
- Melissa Z. Kelly | 216.696.2067 | melissa.kelly@tuckerellis.com

This Client Alert has been prepared by Tucker Ellis LLP for the use of our clients. Although prepared by professionals, it should not be used as a substitute for legal counseling in specific situations. Readers should not act upon the information contained herein without professional guidance.

© 2026 Tucker Ellis LLP, All rights reserved.