



# Illinois to Require Salary and Benefits Disclosures in Job Postings

**AUGUST 2023**

On August 11, 2023, Illinois Governor J.B. Pritzker signed into law a requirement that jobs posted by Illinois employers (with at least 15 employees) include certain salary and benefits information. This [new requirement](#), effective January 1, 2025, comes through an amendment to the Illinois Equal Pay Act, which, broadly speaking, prohibits pay discrimination.

## **Who Is Covered by This New Requirement?**

This new disclosure requirement applies to employers with 15 or more employees.

It applies to job positions that (a) will be physically performed, “at least in part,” in Illinois; or (b) will be physically performed outside of Illinois, but in which the employee reports to a supervisor, office, or work site in Illinois. Thus, this new law may cover remote employees even if they do not work in Illinois.

The law applies only to job postings that have been posted from January 1, 2025 forward.

## **What Information Must Employers Provide?**

Employers subject to this requirement must provide in a job posting, for any covered position, the “pay scale and benefits” for the position. This means the “wage or salary, or the wage or salary range, and a general description of the benefits and other compensation,” including bonuses, stock options, or other incentives. Employers should determine this compensation by reference to “any applicable pay scale, the previously determined range for the position, the actual range of others currently holding equivalent positions, or the budgeted amount for the position, as applicable.”

For benefits information, it is sufficient for the employer to post a relevant and up-to-date general benefits description on its website (in an “easily accessible, central and public location” on the site), and refer to this site in its job posting.

It also is permissible to supply a hyperlink to a publicly visible website with the pay scale and benefits information.

## **What if an Employer Uses a Vendor to Handle Job Postings?**

If a company uses third parties for announcing, posting, or publishing jobs, the company must supply such entities with the required information to publish on those entities' sites (or a hyperlink to this information). The third party then is liable for failure to include the pay scale and benefits, unless it can show the employer did not provide the necessary information.

**What Else Is Required?**

Subject to limited exceptions, the amendments require that an employer announce, post, "or otherwise make known" to all current employees all opportunities for a promotion no later than 14 days after the employer makes an external job posting for the position.

Nothing in the amendment mandates that employers make a job posting. However, if there is no job posting (internally or externally), an employer must disclose the required pay scale and benefits *before* making a job offer or discussing compensation or at the applicant's request.

Employers also must maintain for five years records of the pay scale and benefits for job positions and the job postings for each position.

Note that this new law does *not* preclude employers from asking an applicant their salary expectations for a position.

**What Are the Penalties for Not Complying?**

The Illinois Department of Labor (IDOL) is tasked with investigating compliance and fielding complaints. The IDOL can impose civil violations of at least \$10,000 for multiple offenses. Employers are given brief "notice and cure" periods for first and second offenses.

Employers also are prohibited from discriminating or retaliating against anyone who files a complaint or otherwise exercises any rights under this amendment.

**Next Steps**

Before the new Illinois law takes effect, employers should evaluate the compensation and benefits for positions in Illinois (or those outside of Illinois reporting to a supervisor or office in Illinois), evaluate their job posting and recruiting materials, and consider any changes or additional information that must be made in light of these pay disclosure requirements. Also of note, this measure in Illinois is the latest in a series of efforts by multiple states (including California, New York, and Washington) to increase pay transparency in job postings, applications, and other recruiting and hiring materials. Therefore, employers operating in multiple states also should take stock of such potential pay disclosure obligations and consider an audit to evaluate pay equity.

### **Additional Information**

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