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## Labor & Employment

Paid Time Off for All - Illinois | January 2023

By: Michael Gifford & Dan Cotter

The Illinois General Assembly on Tuesday evening, January 10, 2023, adopted the state-wide Paid Time Off for All Workers statute, similar to what previously existed in Chicago and Cook County. The new law is not effective until January 1, 2024, leaving employers most of a year to consider options and make plans. The statute has not yet been signed by the Governor, but there is no doubt he will do so in the next few days.

The statute requires all employees to be granted and allowed to use up to 40 hours per year of paid time off for any purpose the employee desires. Leave accrues at the rate of 1 hour for every 40 worked, up to a maximum of 40 hours, or the employer has the option to front load the entire leave right at the beginning of a year. Leave begins accruing immediately on hiring, but the employer may defer use of the leave for the first 90 days. Employees are required to provide 7-day notice of their taking leave where possible, or “reasonable notice” when not possible. Leave unused at the end of a year will carry over unless the employer decides to front load leave.

Employees may use leave for any purpose and are not required to state reasons to the employer.

Employers generally are not required to pay out unused leave at separation unless that leave is combined with other vacation or paid time off rights.

We will be studying the new law and bringing updates as necessary. If the Chicago/Cook County precedents are followed, accrual rules in particular are complex and may easily lead to unintended technical violations. This is the time for all employers to review their leave policies and consult with counsel to bring those policies in line with the new requirements.

For more information about the statute coming 2024, please contact Michael Gifford and Dan Cotter of Howard & Howard Attorneys PLLC.



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