

AN ACT concerning employment.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Illinois Wage Payment and Collection Act is amended by changing Sections 11 and 14 and by adding Section 20 as follows:

(820 ILCS 115/11) (from Ch. 48, par. 39m-11)

Sec. 11. It shall be the duty of the Department of Labor to inquire diligently for any violations of this Act, and to institute the actions for violations and penalties herein provided, at the request of the employee or on motion of the Director of Labor, and to enforce generally the provisions of this Act.

An employee may file a complaint with the Department alleging violations of the Act by submitting a signed, completed wage claim application on the form provided by the Department and by submitting copies of all supporting documentation. Complaints shall be filed within one year after the wages, final compensation, or wage supplements were due.

Wage claim applications shall be reviewed by the Department to determine whether there is cause and sufficient resources for investigation.

The Department shall have the following powers:

(a) To investigate and attempt equitably to adjust controversies between employees and employers in respect of wage claims arising under this Act and to that end the Department through the Director of Labor or any other person in the Department of Labor designated by him or her, shall have the power to administer oaths, subpoena and examine witnesses, to issue subpoenas duces tecum requiring the production of such books, papers, records and documents as may be evidence of any matter under inquiry and to examine and inspect the same as may relate to the question in dispute. Service of such subpoenas shall be made by any sheriff or any person. Any court in this State, upon the application of the Department may compel attendance of witnesses, the production of books and papers, and the giving of testimony before the Department by attachment for contempt or in any other way as the production of evidence may be compelled before such court.

(b) To take assignments of wage claims in the name of the Director of Labor and his or her successors in office and prosecute actions for the collection of wages for persons financially unable to prosecute such claims when in the judgment of the Department such claims are valid and enforceable in the courts. No court costs or any fees for necessary process and proceedings shall be payable in advance by the Department for prosecuting such actions. In

the event there is a judgment rendered against the defendant, the court shall assess as part of such judgment the costs of such proceeding. Upon collection of such judgments the Department shall pay from the proceeds of such judgment such costs to such person who is by law entitled to same. The Department may join in a single proceeding any number of wage claims against the same employer but the court shall have discretionary power to order a severance or separate trial for hearings.

(c) To make complaint in any court of competent jurisdiction of violations of this Act.

(d) In addition to the aforementioned powers, subject to appropriation, the Department may establish an administrative procedure to adjudicate claims and to issue final and binding administrative decisions on such claims subject to the Administrative Review Law. To establish such a procedure, the Director of Labor or her or his authorized representative may promulgate rules and regulations. The adoption, amendment or rescission of rules and regulations for such a procedure shall be in conformity with the requirements of the Illinois Administrative Procedure Act. If a final and binding administrative decision issued by the Department requires an employer or other party to pay wages, penalties, or other amounts in connection with a wage claim, and the employer or other party has neither: (i) made the required

payment within 35 days of the issuance of the final and binding administrative decision; nor (ii) timely filed a complaint seeking review of the final and binding administrative decision pursuant to the Administrative Review Law in a court of competent jurisdiction, the final and binding administrative decision is a debt due and owed to the State and may be collected using all remedies available under the law, including, but not limited to, those found in Article XII of the Code of Civil Procedure. The findings, decision, and order of the Department may be enforced in the same manner as any civil judgment entered by a court of competent jurisdiction ~~Department may file a verified petition against the employer or other party to enforce the final administrative decision and to collect any amounts due in connection therewith in the circuit court of any county where an official office of the Department is located.~~

Nothing herein shall be construed to prevent any employee from making complaint or prosecuting his or her own claim for wages. Any employee aggrieved by a violation of this Act or any rule adopted under this Act may file suit in circuit court of Illinois, in the county where the alleged violation occurred or where any employee who is party to the action resides, without regard to exhaustion of any alternative administrative remedies provided in this Act. Actions may be brought by one or more employees for and on behalf of themselves and other

employees similarly situated.

Nothing herein shall be construed to limit the authority of the State's Attorney of any county to prosecute actions for violation of this Act or to enforce the provisions thereof independently and without specific direction of the Department of Labor.

(Source: P.A. 103-201, eff. 1-1-24.)

(820 ILCS 115/14) (from Ch. 48, par. 39m-14)

Sec. 14. Penalties.

(a) Any employee not timely paid wages, final compensation, or wage supplements by his or her employer as required by this Act shall be entitled to recover through a claim filed with the Department of Labor or in a civil action, but not both, the amount of any such underpayments and damages of 5% of the amount of any such underpayments for each month following the date of payment during which such underpayments remain unpaid. In a claim filed with the Department and adjudicated through an administrative hearing, the damages of 5% shall accrue for each month that the underpayments remain unpaid until the date the final order and decision of the Department becomes a debt due and owed to the State. In a civil action, such employee shall also recover costs and all reasonable attorney's fees.

(a-5) In addition to the remedies provided in subsections (a), (b), and (c) of this Section, any employer or any agent of

an employer, who, being able to pay wages, final compensation, or wage supplements and being under a duty to pay, willfully refuses to pay as provided in this Act, or falsely denies the amount or validity thereof or that the same is due, with intent to secure for himself or other person any underpayment of such indebtedness or with intent to annoy, harass, oppress, hinder, delay or defraud the person to whom such indebtedness is due, upon conviction, is guilty of:

(1) for unpaid wages, final compensation or wage supplements in the amount of \$5,000 or less, a Class B misdemeanor; or

(2) for unpaid wages, final compensation or wage supplements in the amount of more than \$5,000, a Class A misdemeanor.

Each day during which any violation of this Act continues shall constitute a separate and distinct offense.

Any employer or any agent of an employer who violates this Section of the Act a subsequent time within 2 years of a prior criminal conviction under this Section is guilty, upon conviction, of a Class 4 felony.

(b) Any employer who has been demanded or ordered by the Department or ordered by the court to pay wages, final compensation, or wage supplements due an employee shall be required to pay a non-waivable administrative fee to the Department of Labor in the amount of \$500 ~~\$250~~ if the amount ordered by the Department as wages owed is \$3,000 or less; \$750

~~\$500~~ if the amount ordered by the Department as wages owed is more than \$3,000, but less than \$10,000; and \$1,250 ~~\$1,000~~ if the amount ordered by the Department as wages owed is \$10,000 or more. Any employer who has been so demanded or ordered by the Department or ordered by a court to pay such wages, final compensation, or wage supplements and who fails to seek timely review of such a demand or order as provided for under this Act and who fails to comply within 15 calendar days after such demand or within 35 days of an administrative or court order is entered shall also be liable to pay a penalty to the Department of Labor of 20% of the amount found owing and a penalty to the employee of 1% per calendar day of the amount found owing for each day of delay in paying such wages to the employee. In a claim filed with the Department and adjudicated through an administrative hearing, the penalty of 1% shall accrue for each calendar day that the underpayments remain unpaid until the date the final order and decision of the Department becomes a debt due and owed to the State. All moneys recovered as fees and civil penalties under this Act, except those owing to the affected employee, shall be deposited into the Wage Theft Enforcement Fund, a special fund which is hereby created in the State treasury. Moneys in the Fund may be used for enforcement of this Act and for outreach and educational activities of the Department related to the recovery of unpaid or underpaid compensation and the disbursement of moneys to affected parties.

(b-5) Penalties and fees under this Section may be assessed by the Department and recovered in a civil action brought by the Department in any circuit court or in any administrative adjudicative proceeding under this Act. In any such civil action or administrative adjudicative proceeding under this Act, the Department shall be represented by the Attorney General.

(c) Any employer, or any agent of an employer, who discharges or in any other manner discriminates against any employee because that employee has made a complaint to his or her employer, to the Director of Labor or his or her authorized representative, in a public hearing, or to a community organization that he or she has not been paid in accordance with the provisions of this Act, or because that employee has caused to be instituted any proceeding under or related to this Act, or because that employee has testified or is about to testify in an investigation or proceeding under this Act, is guilty, upon conviction, of a Class C misdemeanor. An employee who has been unlawfully retaliated against shall be entitled to recover through a claim filed with the Department of Labor or in a civil action, but not both, all legal and equitable relief as may be appropriate. In a civil action, such employee shall also recover costs and all reasonable attorney's fees.

(d) Except as provided under subsections (a), (b), and (c), an employer who fails to furnish an employee or former employee with a pay stub as required by this Act or commits any

other violation of this Act shall be subject to a civil penalty of up to \$500 per violation payable to the Department. In determining the amount of the penalty under this subsection, the Department shall consider the appropriateness of the penalty to the size of the business of the employer charged and the gravity of the violation.

(e) Any unpaid wages, penalties, damages, fines, or fees remaining unpaid after the judicial review of the Department's final decision, or the failure to pursue judicial review procedures under the Administrative Review Law, is a debt due and owed to the State and may be collected using all remedies available under the law.

(f) After the expiration of the period in which judicial review under the Administrative Review Law may be sought for a final administrative decision, unless stayed by a court of competent jurisdiction, the findings, decision, and order of the Department may be enforced in the same manner as a judgment entered by a court of competent jurisdiction.

(Source: P.A. 102-50, eff. 7-9-21; 103-182, eff. 6-30-23; 103-953, eff. 1-1-25.)

(820 ILCS 115/20 new)

Sec. 20. Procedural changes from prior law. In accordance with Section 4 of the Statute on Statutes, any procedural change as compared to prior law affected by this amendatory Act of the 104th General Assembly shall be applied

retroactively. Any substantive change as compared to prior law affected by this amendatory Act of the 104th General Assembly shall be applied prospectively only. Any changes to the remedies available to redress a legal violation are procedural in nature.

Section 99. Effective date. This Act takes effect upon becoming law.