ILLINOIS DEPARTMENT OF LABOR

STATE OF ILLINOIS

ILLINOIS EQUAL PAY ACT OF 2003 820 ILCS 112/50

Fiscal Year 2025 Annual Report Administration and Enforcement Activities

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> JB Pritzker Governor



I. INTRODUCTION

The Illinois Equal Pay Act of 2003 (820 ILCS 112/1-90) ("the Act"), as first enacted, prohibits employers from paying unequal wages to men and women doing the same or substantially similar work, requiring equal skill, effort, responsibility and under similar working conditions, unless such wage difference is based upon a seniority system, merit system, a system measuring earnings by quantity or quality of production, or "factors other than sex".

Since 2003, the Act has been expanded several times, including:

- In 2019, to include protections that specifically prohibit an employer from paying African American employees a wage less than an employee who is not an African American for performing the same or substantially similar work.
- Also in 2019, to prohibit employers and employment agencies from inquiring about job applicants' past wage and compensation histories or using such information to screen candidates for a job.
- In 2021, to require businesses with 100 or more employees to submit certain payroll data and obtain an Equal Pay Registration Certificate, so as to allow the State to assess pay equity among the largest businesses in Illinois, with the provisions effective in March 2022.
- In 2023, to require employers with 15 or more employees to include pay and benefit information in job postings, and to keep current employees informed of external job postings, with the provisions effective January 1, 2025.

The Act, which requires employers to provide information about its workers and their pay, expands upon the federal Equal Pay Act of 1963 (29 U.S. Code Chapter 8 § 206(d)) by covering more workers, providing stronger enforcement mechanisms, and improving public awareness.

Section 50 of the Act requires IDOL to produce an annual report of its activities regarding administration and enforcement for the preceding fiscal year. The report is filed with the Governor and General Assembly no later than January 1st of each year. This report highlights IDOL activities for FY 2025.

II. ADMINISTRATION

The Illinois Department of Labor ("IDOL") Conciliation and Mediation ("ConMed") Division administers and enforces the Act and conducts outreach and education efforts regarding the law.

During Fiscal Year 2025 ("FY 2025"), IDOL created a dedicated Equal Pay Unit within the ConMed Division, given the increased scope of the law noted above. Robert Parrilli was the ConMed Division Manager in FY 2025.

III. ENFORCEMENT

The Act provides wage protections to millions of employees across the state. Historically, IDOL's enforcement of the Act has been conducted primarily by receiving and investigating complaints about unequal pay from members of the public, and determining in each if there was "reasonable cause" to find that a violation of the Act occurred. IDOL continues each year to receive, investigate, and make reasonable-cause determinations in many complaints about substantive violations of the Act.

A. UNEQUAL PAY

When FY 2025 started, IDOL had 42 Equal Pay Act cases pending.

During FY 2025, IDOL received 52 new complaints alleging wage disparities made unlawful under the Equal Pay Act, continuing a trend of increasing filings per year.

• Of these new complaint filings, eight were from Chicago, an additional 21 were from the Chicagoland area, and 23 others were from outside the Chicagoland area.

During the 2025 Fiscal Year, Equal Pay Unit staff assessed complaints and conducted investigations in 94 cases, and made determinations in 64 cases (many of which had been opened in prior fiscal years).

- In 18 cases, Equal Pay Unit staff determined that there was no "reasonable cause" to believe the Act had been violated, and dismissed them; one case was returned to investigation and remains open.
- In 27 cases, Equal Pay Unit staff determined that there was no jurisdictional coverage under the Act, and dismissed them.
- In five cases, Equal Pay Unit staff assisted parties in reaching a private settlement agreement resulting in benefits to the complainant and dismissal of the complaints.
- In one case, Equal Pay Unit staff determined that there was "reasonable cause" to believe the Act had been violated, and ordered payment of back wages and a penalty; the case was returned to investigation and remains open.
- In 13 other cases, Equal Pay Unit staff determined to dismiss matters for various reasons:
 - Complainant failed to cooperate: 1
 - Respondent could not be located: 1
 - Complaint decided by Illinois Department of Human Rights after IDOL referral: 1
 - Aged case without necessary action to resolve: 10

IDOL's FY 2025 enforcement activity assisted workers in obtaining almost \$100,000 in payments, and helped several workers to secure future raises.

At the end of FY 2025, the Equal Pay Unit had 28 unequal-pay complaints open.

B. EQUAL PAY REGISTRATION CERTIFICATION

As noted above, in 2021 the Act was amended to add an Equal Pay Registration Certification ("EPRC") requirement for businesses with 100 or more employees in Illinois. As of March 2022, the EPRC program requires businesses to register with IDOL, pay a \$150 registration fee, and provide IDOL with employees' pay and demographic information, so IDOL can review it for pay equity purposes. The EPRC program allows exemption from the registration requirement for businesses having fewer than 100 employees and government entities.¹

In FY 2022 and FY 2023 – the first two fiscal years in which EPRC was effective – IDOL received increasing numbers of EPRC applications. Due to a statutory March 2024 deadline to file EPRC submissions, FY 2024 filings skyrocketed, nearly quadrupling from the prior fiscal year; Equal Pay Unit staff assisted with, reviewed, and processed almost 3,200 EPRC submissions and associated filing fees, along with a daily influx of requests for technical assistance and EPRC exemptions or name changes. FY 2025 brought approximately 1500 more EPRC submissions, including recertification requests by businesses who obtained EPRC submissions in prior fiscal years. The two-year cycle of EPRC filings will continue in this fashion for years to come.

During FY 2024, Equal Pay Unit staff began enforcement activity to address businesses that had EPRC deadlines and did not meet them, issuing approximately 1,000 "Notice of Delinquency" letters to businesses (resulting in significant compliance by employers) and 15 "Notice of Violation" determinations. Of the 15 businesses found to have violated EPRC requirements, nine sought IDOL review via the Equal Pay Act agency process. Enforcement activity increased in FY 2025, with approximately 900 Notice of Delinquency letters and 67 Notice of Violation determinations issued, and 53 businesses seeking IDOL review thereafter.

These and other EPRC statistics are summarized below.

| FY | EPRC Submitted | EPRC | EPRC | EPRC Fees | EPRC Delinquency | EPRC Violation | EPRC Appeals | EPRC Penalties | EPRC Exemption/ |
|------|-------------------|----------|---------|-----------|---------------------|-------------------|-----------------|----------------|--------------------|
| | Submitted | Approved | Deilleu | conecteu | Notice | Notice | Appears | | Name Change |
| 2022 | 260 | 78 | 25 | | | | | | ≈70 |
| 2023 | 860 | 793 | 62 | | | | | | ≈700 |
| 2024 | 3250 | 3175 | 89 | \$476,250 | ≈1000 | 15 | 9 | | ≈1000 |
| 2025 | 1534 | 1268 | 242 | \$185,710 | ≈900 | 67 | 53 | \$64,000 | ≈ 600 |

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¹ The EPRC reporting requirement was initially linked to whether an employer had to submit a federally mandated Annual Employer Information Report EEO-1 report to a federal agency. After implementing the law, IDOL determined that the EEO-1 form did not provide meaningful data for EPRC purposes and was creating uncertainty for employers. In 2023 IDOL administratively suspended the requirement that employers include EEO-1 forms in their EPRC submissions. In June 2025, Governor JB Pritzker signed House Bill 2488/Public Act 104-17 into law, formalizing this change by deleting all EEO-1 references from the Illinois Equal Pay Act. This legislative change promotes consistency and simplifies pay data reporting in Illinois.

Another aspect of the EPRC program is that current employees of a business that has submitted EPRC data may request that IDOL provide them anonymized information on what their employer paid each person in their same job title or classification. Equal Pay Unit staff received 22 requests in FY 2025.

In FY 2025, IDOL also began reviewing businesses' EPRC data submissions for substantive pay disparities due to gender or race. During FY 2025, Equal Pay Unit staff conducted approximately 20 data reviews, often seeking supplemental information from the business that submitted it to clarify apparent pay disparities. Such data reviews will continue, and increase, going forward.

C. PAY TRANSPARENCY

Due to recent amendments discussed above, beginning January 1, 2025, Illinois employers with 15 or more employees must include pay and benefit information in specific job postings if the posted position will physically be performed (at least in part) in Illinois, or performed outside Illinois but supervised by an Illinois office, work site or supervisor; this is referred to as "Pay Transparency". A related provision requires covered employers who publish specific job postings externally (meaning outside of their current employees) to make those job opportunities known to their existing staff within 14 days after the external publication; this is known as "Promotional Opportunity". These amendments – which frequently are referred using Pay Transparency as an umbrella term– explicitly include possible responsibility for third parties that a covered employer might engage related to a specific job posting, and became effective January 1, 2025.

With the effective date for Pay Transparency in mind, during the first part of FY 2025 IDOL staff prepared for implementation by creating answers to Frequently Asked Questions and other informational resources, holding webinars for the public, planning for administrative rulemaking, and designing data-management and enforcement processes. Based on data from other jurisdictions, IDOL anticipated receiving approximately 900 complaints in the first year after Pay Transparency became effective.

When January 1, 2025 arrived, nine Pay Transparency complaints awaited Equal Pay Unit staff, with 13 arriving the next day, and 22 the day after, and so on. Utilizing newly-designed processes, Equal Pay Unit staff logged each complaint, reviewed it for jurisdictional coverage, and determined how to address it. A significant majority of complaints relate to Pay Transparency, and typically are addressed by contacting the respondent to offer an informal, collaborative approach to resolution. If the informal approach is not successful in resolving a respondent's Pay Transparency issues, or if a respondent named in a new complaint previously had a Pay Transparency matter resolve using that informal approach, IDOL sends the respondent notice that the complaint is being investigated and seeks related records. This more formal investigation approach is also used when a complaint alleges Promotional Opportunity violations by a respondent's employee(s), or of recordkeeping or retaliation issues.

During FY 2025, IDOL received 965 Pay Transparency and Promotional Opportunity complaints, more than twice as many as expected for that time period; 663 of those were anonymously reported. Equal Pay Unit staff closed \approx 335 complaints during FY 2025. Nearly a third of those closures (\approx 97 complaints) occurred without Equal Pay Unit staff ever contacting a respondent, due to lack-of-jurisdiction dismissals. When the Equal Pay Unit did contact respondents about Pay Transparency complaints, its informal collaborative approach was extremely successful in reaching resolution, accounting for over 65% of Pay Transparency closures (\approx 220 of 335 closures) in FY 2025. In the few FY 2025 instances when the Equal Pay Unit initiated more formal investigation about Pay Transparency and Promotional Opportunity complaints, respondents resolved five of the complaints voluntarily with monitored oversight; Equal Pay Unit staff resolved five others by issuing "reasonable cause" determinations. Eight other FY 2025 complaints were dismissed for administrative reasons. At the end of FY 2025, \approx 612 Pay Transparency matters remained open, in various stages of intake, attempted resolution, investigation, or enforcement.

IV. OUTREACH AND PUBLIC AWARENESS

The Equal Pay Act explicitly requires IDOL to conduct ongoing outreach and education efforts about the Act toward employers, labor organizations, "and other appropriate organizations." 820 ILCS 112/45. IDOL and Equal Pay Unit staff did just that during FY 2025, reaching out to employers, labor organizations, employees, and other individuals and groups continually about the Act.

During FY 2025, IDOL held eight Pay Transparency webinars (with over 1,000 attendees) and four EPRC webinars (with approximately 500 attendees), and reached hundreds of other individuals by presenting at multiple informational events held by organizations serving employees, union organizations and members, human resource professionals, and compliance officers. Attempting to reach the widest possible circulation with information about the Act, Pay Transparency, and EPRC, IDOL utilized press releases, social media campaigns, and media interviews in FY 2025 to reach members of the public. IDOL also maximized its own website resources to share information about the Act, creating and publishing tools including published webinar materials, employer- and employee-directed fact sheets, and "Frequently Asked Questions" resources. Additionally, IDOL staff delivered information about the Act to members of the public at multiple other "Know Your Rights" educational events and via social media publications.

The Act also requires IDOL to conduct studies and provide information biennially to employers, labor organizations, and the general public concerning the means available to eliminate pay disparities between men and women. During FY 2024, IDOL entered into an Intergovernmental Agreement with the University of Illinois at Urbana-Champaign ("UIUC") to obtain UIUC's practice-based experience in research, publishing reports, and disseminating research-based evidence with respect to EPRC data (while maintaining its confidentiality). The purpose of IDOL's UIUC partnership is twofold: (1) to identify and quantify in the aggregate any materially disparate pay practices evident within the reams of

EPRC data; and (2) to help IDOL identify and make any needed improvements to its EPRC data collection practices. UIUC's work began in the latter part of FY 2024, when it delivered a first quarterly report to IDOL recommending improvements to EPRC data collection practices. During FY 2025, UIUC delivered its second quarterly report to IDOL with further recommendations about refining EPRC data collection (many of which IDOL immediately adopted), and then its third quarterly report with initial analysis of the EPRC data itself.

Throughout FY 2025, IDOL and UIUC worked cooperatively to determine the most effective means of categorizing, interpreting, and reporting UIUC's findings about aggregate pay disparities in EPRC data. Towards the end of FY 2025, UIUC and IDOL's collaboration concentrated on how to focus UIUC's conclusions and recommendations, including those aimed at improving the EPRC program and Act enforcement and those directed to Illinois employers seeking to in identify and eliminate pay disparities due to gender or race. Issued just after the end of FY 2025, UIUC's full report can be found at https://lep.illinois.edu/wp-content/uploads/2025/12/IL Equal Pay Act Summary Report-FINAL.pdf.

V. CONCLUSION

FY 2025 was an extremely busy and impactful year in IDOL's enforcement of the Equal Pay Act, as the scope of the agency's program and enforcement activity continued to expand. With Pay Transparency activity increasing, and with UIUC recommendations about EPRC data in play during FY 2026, IDOL looks forward to having many opportunities to help improve pay equity in Illinois in the coming year.