

## PAID LEAVE FOR ALL WORKERS ACT (PLAWA)

**To:** ICRMT MEMBERS  
**From:** IFMK Law, Ltd.  
**Re:** Paid Leave for All Workers Act Information and Policy Options<sup>1</sup>  
**Date:** November 6, 2023

The Paid Leave for All Workers Act (PLAWA) is scheduled to go into effect on January 1, 2024.<sup>2</sup> PLAWA requires employers to provide forty (40) hours of paid leave to full-time employees on an annual basis and a pro-rata amount to part-time, seasonal and temporary employees. Employees must be allowed to use the paid leave for any reason. The employer is prohibited from asking why the employee is taking leave and may not ask for documentation of the reason for leave.

The Illinois Department of Labor (IDOL) has recently issued FAQs on PLAWA which can be accessed [here](#). IDOL has also filed a proposed rule which can be accessed [here](#). The IDOL proposed rule and FAQs indicate that if an employer has a “qualifying pre-existing paid leave policy” that provides 40 hours of paid leave to all of its employees and the leave can be taken for any reason of the employee’s choosing, then the policy does not need to be changed.

While many employers may have a leave plan in place already that provides paid leave to full-time employees, an employer’s existing plan may not provide paid leave to ALL employees. To be a “qualifying pre-existing policy” an employer would need to enact or revise its leave policy by January 1st so that all workers earn paid leave. In addition, the policy must allow workers the discretion to take leave for any reason in order to meet the definition of a qualifying pre-existing policy.

The IDOL proposed rule also states that PLAWA requirements shall not apply to an employer located in a municipality or county where the employer is required by local law or ordinance to provide paid leave time to an employee. (But note that “employee” is defined by the statute and proposed rule to include full-time, part-time, temporary and seasonal employees). The IDOL rule does not address whether an existing ordinance must provide a minimum number of hours of leave or whether employees must be permitted to take leave for any reason.

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<sup>1</sup> This memo and the attached policy options are not legal advice. Member entities should consult with their State’s Attorney, corporation counsel, or other legal adviser before adopting or amending any policy. The policy options and this explanatory memo are subject to revision based on any changes to the law or final rules established by the IDOL.

<sup>2</sup> HB 4190 was filed in late October. If the bill becomes law, it would change the effective date of PLAWA to 7/1/24. There are, however, only three days left in the legislative veto session (11/7-11/9). If the bill fails, PLAWA will still become effective on 1/1/24.

IDOL has clarified that employees subject to a collective bargaining agreement (CBA) are “grandfathered,” meaning that PLAWA does not apply to union employees who receive leave benefits through an existing CBA, but when the CBA is renegotiated after PLAWA goes into effect, the PLAWA requirements may only be waived if the waiver is clearly and unambiguously set forth in the CBA.

The Illinois Department of Labor (IDOL) has indicated that it expects the final rule to be issued by March 31, 2024. Employers are encouraged to review the final rule once it is published.

IDOL is also expected to release a notice by the end of the year that advises employees of their rights under PLAWA. Employers must ensure that the IDOL notice is posted in a conspicuous place where such notices are customarily posted and include it in a written manual or policy if the employer has one.

The attached guidance and policy options address alternative methods of PLAWA compliance. “Option 1” sets forth the requirements necessary to ensure that a current policy meets the standard of a “qualifying pre-existing policy” under the proposed rule. Alternatively, “Option 2” is a sample policy that tracks ALL of the provisions of PLAWA and provides leave on an accrual basis. “Option 3” also tracks ALL of the provisions of PLAWA and awards leave as a lump sum.

Employers are strongly encouraged to consult their corporation counsel, state’s attorney for other legal adviser to ensure PLAWA compliance by January 1, 2024.