

AN ACT concerning employment.

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

Section 5. The Day and Temporary Labor Services Act is amended by changing Sections 5, 10, 11, 42, 45, 55, and 85 and by adding Section 43 as follows:

(820 ILCS 175/5)

Sec. 5. Definitions. As used in this Act:

"Applicant" means a natural person who seeks a work assignment at a day and temporary labor service agency.

"Day or temporary laborer" means a natural person who contracts for employment with a day and temporary labor service agency.

"Day and temporary labor" means work performed by a day or temporary laborer at a third party client, the duration of which may be specific or undefined, pursuant to a contract or understanding between the day and temporary labor service agency and the third party client. "Day and temporary labor" does not include labor or employment of a professional or clerical nature.

"Day and temporary labor service agency" means any person or entity engaged in the business of employing day or temporary laborers to provide services, for a fee, to or for

any third party client pursuant to a contract with the day and temporary labor service agency and the third party client.

"Department" means the Department of Labor.

"Interested party" means an organization that monitors or is attentive to compliance with public or worker safety laws, wage and hour requirements, or other statutory requirements.

"Labor dispute" means any controversy concerning wages, hours, terms, or conditions of employment.

"Third party client" means any person that contracts with a day and temporary labor service agency for obtaining day or temporary laborers.

"Person" means every natural person, firm, partnership, co-partnership, limited liability company, corporation, association, business trust, or other legal entity, or its legal representatives, agents, or assigns.

(Source: P.A. 103-437, eff. 8-4-23.)

(820 ILCS 175/10)

Sec. 10. Employment notice and application receipt.
~~Notice.~~

(a) Employment notice. Whenever a day and temporary labor service agency agrees to send one or more persons to work as day or temporary laborers, the day and temporary labor service agency shall provide to each day or temporary laborer, at the time of dispatch, a statement containing the following items on a form approved by the Department:

- (1) the name of the day or temporary laborer;
- (2) the name and nature of the work to be performed, including a list of basic job duties, and the types of equipment, protective clothing, and training that are required for the task;
- (3) the wages offered;
- (4) the name and address, including county, of the destination of each day or temporary laborer;
- (5) terms of transportation; ~~and~~
- (6) whether a meal or equipment, or both, are provided, either by the day and temporary labor service agency or the third party client, and the cost of the meal and equipment, if any; and -
- (7) for a day or temporary laborer entitled to the pay requirements described in Section 42, either:
 - (A) the seniority and hourly wage of the comparator being used to determine the wage if the wage is determined under paragraph (1) of subsection (a) of Section 42; or
 - (B) the standard occupational classification used if the wage is determined under paragraph (2) of subsection (a) of Section 42.

If a day or temporary laborer is assigned to the same assignment for more than one day, the day and temporary labor service agency is required to provide the employment notice only on the first day of the assignment and on any day that any

of the terms listed on the employment notice are changed.

~~If the day or temporary laborer is not placed with a third party client or otherwise contracted to work for that day, the day and temporary labor service agency shall, upon request, provide the day and temporary laborer with a confirmation that the day or temporary laborer sought work, signed by an employee of the day and temporary labor service agency, which shall include the name of the agency, the name and address of the day or temporary laborer, and the date and the time that the day or temporary laborer receives the confirmation.~~

~~(b) (Blank). No day and temporary labor service agency may send any day or temporary laborer to any place where a strike, a lockout, or other labor trouble exists.~~

(b-5) Application receipt. If an applicant seeks a work assignment as a day or temporary laborer with a day and temporary labor service agency, including in-person, online, or through an app-based system, and is not placed with a third party client or otherwise contracted to work for that day by the day and temporary labor service agency, the day and temporary labor service agency shall provide the applicant with a confirmation that the applicant sought work, signed by an employee of the day and temporary labor service agency, on a form approved by the Department, that shall include:

(1) the name and location of the day and temporary labor service agency and branch office;

(2) the name and address of the applicant;

(3) the date and the time that the applicant sought the work assignment;

(4) the manner in which the applicant sought the work assignment; and

(5) the specific work sites or type of jobs sought by the applicant, if applicable.

(c) The Department shall recommend to day and temporary labor service agencies that those agencies employ personnel who can effectively communicate information required in subsections (a) and (b-5) ~~(b)~~ to day or temporary laborers in Spanish, Polish, or any other language that is generally understood in the locale of the day and temporary labor service agency.

(Source: P.A. 99-78, eff. 7-20-15; 100-517, eff. 6-1-18.)

(820 ILCS 175/11)

Sec. 11. Right to refuse assignment to a labor dispute.

(a) No day and temporary labor service agency may send a day or temporary laborer to a place where a strike, ~~a~~ lockout, or work stoppage ~~other labor trouble~~ exists because of a labor dispute or where a picket, bannering, or handbilling exists because of a labor dispute without providing, at or before the time of dispatch, a statement, in writing and in a language that the day and temporary laborer understands, informing the day or temporary laborer of the labor dispute and the day or temporary laborer's right to refuse the assignment without

prejudice to receiving another assignment.

(b) The failure by a day and temporary labor service agency to provide any of the information required by this Section shall constitute a notice violation under Section 95. The failure of a day and temporary labor service agency to provide each piece of information required by this Section at each time it is required by this Section shall constitute a separate and distinct notice violation. If a day and temporary labor service agency claims that it has provided a notice as required under this Section electronically, the day and temporary labor service agency shall bear the burden of showing that the notice was provided if there is a dispute.

(Source: P.A. 103-437, eff. 8-4-23.)

(820 ILCS 175/42)

Sec. 42. Equal pay for equal work.

(a) A day and temporary labor service agency shall pay a day or temporary laborer who is assigned to work and performs work at the same a third party client for more than 720 hours within a 12-month period, beginning on or after April 1, 2024, in accordance with one of the following methods: 90 calendar days shall be paid not less than the rate of pay and equivalent benefits as the lowest paid

(1) Third party client employee compensation as a basis for compensation. The day or temporary laborer shall be paid as follows:

(A) if there is a directly hired comparator employee of the third party client with the same or substantially similar level of seniority at the company and performing the same or substantially similar work on jobs the performance of which requires substantially similar skill, effort, and responsibility, and that are performed under similar working conditions, not less than the straight-time hourly rate of pay or hourly equivalent of the lowest paid directly hired comparator employee of the third party client who is entitled to overtime under the Fair Labor Standards Act of 1938, as amended, with the same or substantially similar level of seniority at the company and performing the same or substantially similar work on jobs the performance of which requires substantially similar skill, effort, and responsibility, and that are performed under similar working conditions; or -

(B) if ~~if~~ there is not a directly hired comparator ~~comparative~~ employee of the third party client, ~~the day or temporary laborer shall be paid~~ not less than the straight-time hourly rate of pay or hourly ~~and~~ equivalent ~~benefits~~ of the lowest paid directly direct hired employee of the third party client who is entitled to overtime under the Fair Labor Standards Act of 1938, as amended, ~~company~~ with the closest

~~level of seniority at the third party client company.
A day and temporary labor service agency may pay the
hourly cash equivalent of the actual cost benefits in
lieu of benefits required under this Section.~~

(2) Bureau of Labor Statistics data as a basis for
compensation. At the sole discretion of the third party
client, the day or temporary laborer shall be paid as
follows:

(A) if a day or temporary laborer has been
assigned to work and performs work at the same third
party client for more than 720 hours within a 12-month
period, not less than the median base hourly rate, or
hourly equivalent if paid on a salary basis, of
workers working in the same or a substantially similar
job classification, as reflected in the detail level
of the most recent Standard Occupational
Classification System published by the United States
Department of Labor's Bureau of Labor Statistics, in
the same metropolitan area or non-metropolitan area of
Illinois where the work is performed, as reflected in
the most recent Occupational Employment and Wage
Statistics Survey, or any successor publication,
published by the United States Department of Labor's
Bureau of Labor Statistics; or

(B) if a day or temporary laborer has been
assigned to work and performs work at the same third

party client for more than 4,160 hours within a 48-month period, not less than the 75th percentile base hourly rate, or hourly equivalent if paid on a salary basis, of workers working in the same or substantially similar job classification, as reflected in the detail level of the most recent Standard Occupational Classification System published by the United States Department of Labor's Bureau of Labor Statistics, in the same metropolitan area or non-metropolitan area of Illinois where the work is performed, as reflected in the most recent Occupational Employment and Wage Statistics Survey, or any successor publication, published by the United States Department of Labor's Bureau of Labor Statistics.

The Department shall provide on its website a link to the publications specified in this paragraph and a link to the United States Department of Labor's guidance on determining standard occupational classifications.

(b) A day and temporary labor agency shall provide a day or temporary laborer who is assigned to work and performs work at the same third party client for more than 720 hours within a 12-month period, beginning on or after April 1, 2024, substantially similar benefits to the job classification of employees performing the same or substantially similar work on jobs and performed under similar working conditions. A day and

temporary labor service agency may pay the hourly average cash equivalent of the actual cost of the benefits the third party client provides the applicable directly hired employees in lieu of benefits required under this subsection.

(c) Upon request, a third party client to which a day or temporary laborer has been assigned to work and performed work for more than 720 hours within a 12-month period or 4,160 hours within a 48-month period ~~90 calendar days~~ shall be obligated to timely provide the day and temporary labor service agency with all necessary information related to job duties, working conditions, pay, seniority, and benefits it provides to the applicable classification of directly hired employees necessary for the day and temporary labor service agency to comply with this Section. Upon receipt of the accurate and complete information described in this subsection from the third party client, it shall be the responsibility and duty of the day and temporary labor service agency to calculate and determine the straight-time hourly rate of pay and the benefits it shall offer to the day or temporary laborer, including any cash equivalent. The failure by a third party client to provide any of the information required under this Section shall constitute a notice violation by the third party client under Section 95. For purposes of this Section, the day and temporary labor service agency shall be considered a person aggrieved as described in Section 95. ~~For the purposes of this Section, the calculation of the 90 calendar days may~~

~~not begin until April 1, 2024.~~

(d) For purposes of this Section, "seniority" means the number of calendar months a day or temporary laborer has been assigned to and worked at the third party client compared to the number of calendar months a directly hired comparator employee has been employed by the third party client.

(Source: P.A. 103-437, eff. 8-4-23; 103-564, eff. 11-17-23.)

(820 ILCS 175/43 new)

Sec. 43. Exception to equal pay requirements. The requirements set forth in Section 42 shall not apply to any company where the direct hire employees of the third party client performing the same or substantially similar work as the day or temporary laborers assigned to work at the third party client are covered by a valid collective bargaining agreement in effect on April 1, 2024 for the period covered by that current collective bargaining agreement. Thereafter, the hourly cash payment specified in subsection (b) of Section 42 shall not be required if the direct hire employees of the third party client performing the same or substantially similar work as the day or temporary laborers assigned to work at the third party client are covered by a valid collective bargaining agreement for any period covered by that collective bargaining agreement.

(820 ILCS 175/45)

Sec. 45. Registration; Department of Labor.

(a) A day and temporary labor service agency which is located, operates or transacts business within this State shall register with the Department of Labor in accordance with rules adopted by the Department for day and temporary labor service agencies and shall be subject to this Act and any rules adopted under this Act. Each day and temporary labor service agency shall provide proof of an employer account number issued by the Department of Employment Security for the payment of unemployment insurance contributions as required under the Unemployment Insurance Act, and proof of valid workers' compensation insurance in effect at the time of registration covering all of its employees. If, at any time, a day and temporary labor service agency's workers' compensation insurance coverage lapses, the agency shall have an affirmative duty to report the lapse of such coverage to the Department and the agency's registration shall be suspended until the agency's workers' compensation insurance is reinstated. The Department may assess each day and temporary labor service agency a non-refundable registration fee not exceeding \$3,000 per year per agency and a non-refundable fee not to exceed \$750 for each branch office or other location where the agency regularly contracts with day or temporary laborers for services. The fee may be paid by check, money order, or the State Treasurer's E-Pay program or any successor program, and the Department may not refuse to accept a check on

the basis that it is not a certified check or a cashier's check. The Department may charge an additional fee to be paid by a day and temporary labor service agency if the agency, or any person on the agency's behalf, issues or delivers a check to the Department that is not honored by the financial institution upon which it is drawn. The Department shall also adopt rules for violation hearings and penalties for violations of this Act or the Department's rules in conjunction with the penalties set forth in this Act.

(a-1) At the time of registration with the Department of Labor each year, the day and temporary labor service agency shall submit to the Department of Labor a report containing the information identified in paragraph (9) of subsection (a) of Section 12, broken down by branch office, in the aggregate for all day or temporary laborers assigned within Illinois and subject to this Act during the preceding year. This information shall be submitted on a form created by the Department of Labor. The Department of Labor shall aggregate the information submitted by all registering day and temporary labor service agencies by removing identifying data and shall have the information available to the public only on a municipal and county basis. As used in this paragraph, "identifying data" means any and all information that: (i) provides specific information on individual worker identity; (ii) identifies the service agency in any manner; and (iii) identifies clients utilizing the day and temporary labor

service agency or any other information that can be traced back to any specific registering day and temporary labor service agency or its client. The information and reports submitted to the Department of Labor under this subsection by the registering day and temporary labor service agencies are exempt from inspection and copying under Section 7.5 of the Freedom of Information Act.

(b) It is a violation of this Act to operate a day and temporary labor service agency without first registering with the Department in accordance with subsection (a) of this Section. The Department shall create and maintain at regular intervals on its website, accessible to the public: (1) a list of all registered day and temporary labor service agencies in the State whose registration is in good standing; (2) a list of day and temporary labor service agencies in the State whose registration has been suspended, including the reason for the suspension, the date the suspension was initiated, and the date, if known, the suspension is to be lifted; and (3) a list of day and temporary labor service agencies in the State whose registration has been revoked, including the reason for the revocation and the date the registration was revoked. The Department has the authority to assess a penalty against any day and temporary labor service agency that fails to register with the Department of Labor in accordance with this Act or any rules adopted under this Act of \$500 for each violation. Each day during which a day and temporary labor service agency

operates without registering with the Department shall be a separate and distinct violation of this Act.

(c) A day and temporary labor service agency applying for registration with the Department ~~An applicant~~ is not eligible to register to operate a day and temporary labor service agency under this Act if the day and temporary labor service agency applying for registration with the Department ~~applicant~~ or any of its officers, directors, partners, or managers or any owner of 25% or greater beneficial interest:

(1) has been involved, as owner, officer, director, partner, or manager, of any day and temporary labor service agency whose registration has been revoked or has been suspended without being reinstated within the 5 years immediately preceding the filing of the application; or

(2) is under the age of 18.

(d) Every agency shall post and keep posted at each location, in a position easily accessible to all day or temporary laborers ~~s~~, notices as supplied and required by the Department containing a copy or summary of the provisions of the Act and a notice which informs the public of a toll-free telephone number for day or temporary laborers and the public to file wage dispute complaints and other alleged violations by day and temporary labor service agencies. Every day and temporary labor service agency employing day or temporary laborers who communicate with the day and temporary labor service agency by electronic communication shall also provide

all required notices by email to its day or temporary laborers or on a website, regularly used by the employer to communicate work-related information, that all day or temporary laborers are able to regularly access, freely and without interference. Such notices shall be in English and any other language generally understood in the locale of the day and temporary labor service agency.

(Source: P.A. 103-201, eff. 1-1-24; 103-437, eff. 8-4-23; revised 12-15-23.)

(820 ILCS 175/55)

Sec. 55. Enforcement by the Department. It shall be the duty of the Department to enforce the provisions of this Act when, in the Department's judgment, there is cause and sufficient resources for investigation. The Department shall have the power to conduct investigations in connection with the administration and enforcement of this Act and any investigator with the Department shall be authorized to visit and inspect, at all reasonable times, any places covered by this Act and shall be authorized to inspect, at all reasonable times, contracts for the employment of all day or temporary laborers entered into by a third party client if the Department has received a complaint indicating that the third party client may have contracted with a day and temporary labor service agency that is not registered under this Act. The Department shall conduct hearings in accordance with the

Illinois Administrative Procedure Act upon written complaint by an investigator of the Department or any interested person of a violation of the Act. After the hearing, if supported by the evidence, the Department may (i) issue and cause to be served on any party an order to cease and desist from further violation of the Act, (ii) take affirmative or other action as deemed reasonable to eliminate the effect of the violation, (iii) deny, suspend, or revoke any registration under this Act, and (iv) determine the amount of any civil penalty allowed by the Act. The Director of Labor or his or her representative may compel, by subpoena, the attendance and testimony of witnesses and the production of books, payrolls, records, papers, and other evidence in any investigation or hearing and may administer oaths to witnesses. Nothing in this Act applies to labor or employment of a clerical or professional nature.

(Source: P.A. 103-437, eff. 8-4-23.)

(820 ILCS 175/85)

Sec. 85. Third party clients.

(a) It is a violation of this Act for a third party client to enter into a contract for the employment of day or temporary laborers with any day and temporary labor service agency not registered under Section 45 of this Act. A third party client has a duty to verify a day and temporary labor service agency's status with the Department before entering into a contract

with such an agency, and on March 1 and September 1 of each year. A day and temporary labor service agency shall be required to provide each of its third party clients with proof of valid registration issued by the Department at the time of entering into a contract. A day and temporary labor service agency shall be required to notify, both by telephone and in writing, each day or temporary laborer it employs and each third party client with whom it has a contract within 24 hours of any denial, suspension, or revocation of its registration by the Department. All contracts between any day and temporary labor service agency and any third party client shall be considered null and void from the date any such denial, suspension, or revocation of registration becomes effective and until such time as the day and temporary labor service agency becomes registered and considered in good standing by the Department as provided in Section 50 and Section 55. Upon request, the Department shall provide to a third party client a list of entities registered as day and temporary labor service agencies. The Department shall provide on the Internet a list of entities registered as day and temporary labor service agencies. A third party client may rely on information provided by the Department or maintained on the Department's website pursuant to Section 45 of this Act and shall be held harmless if such information maintained or provided by the Department was inaccurate. Any third party client that violates this provision of the Act is subject to a civil

penalty of not less than \$100 and not to exceed \$1,500. Each day during which a third party client contracts with a day and temporary labor service agency not registered under Section 45 of this Act shall constitute a separate and distinct offense.

(b) If a third party client leases or contracts with a day and temporary service agency for the services of a day or temporary laborer, the third party client shall share all legal responsibility and liability for the payment of wages under the Illinois Wage Payment and Collection Act and the Minimum Wage Law.

(c) Before the assignment of an employee to a worksite employer, a day and temporary labor service agency must:

(1) inquire about the client company's safety and health practices and hazards at the actual workplace where the day or temporary laborer will be working to assess the safety conditions, workers tasks, and the client company's safety program; these activities are required at the start of any contract to place day or temporary laborers and may include visiting the client company's actual worksite. If, during the inquiry or anytime during the period of the contract, the day and temporary labor service agency becomes aware of existing job hazards that are not mitigated by the client company, the day and temporary labor service agency must make the client company aware, urge the client company to correct it, and document these efforts, otherwise the day and temporary labor service

agency must remove the day or temporary laborers from the client company's worksite;

(2) provide training to the day or temporary laborer for general awareness safety training for recognized industry hazards the day or temporary laborer may encounter at the client company's worksite. Industry hazard training must be completed, in the preferred language of the day or temporary laborer, and must be provided at no expense to the day or temporary laborer. The training date and training content must be maintained by the day and temporary staffing agency and provided to the day or temporary laborer;

(3) transmit a general description of the training program including topics covered to the client company, whether electronically or on paper, at the start of the contract with the client company;

(4) provide the Department's hotline number for the employee to call to report safety hazards and concerns as part of the employment materials provided to the day or temporary laborer; and

(5) inform the day or temporary laborer who the day or temporary laborer should report safety concerns to at the workplace.

Nothing in this Section shall diminish any existing client company or a day and temporary labor service agency's responsibility as an employer to provide a place of employment

free from recognized hazards or to otherwise comply with other health and safety or employment laws. The client company and the day and temporary labor service agency are responsible for compliance with this Section and the rules adopted under this Section.

(d) Before the day or temporary laborer engages in work for a client company, the client company must:

(1) document and inform the day and temporary labor service agency about anticipated job hazards likely encountered by the day or temporary laborer;

(2) review the safety and health awareness training provided by the day and temporary labor service agency to determine if it addresses recognized hazards for the client company's industry;

(3) provide specific training tailored to the particular hazards at the client company's worksite consistent with training requirements provided for in standards, guidances, or best practices issued by the federal Occupational Safety and Health Administration; and

(4) document and maintain records of site-specific training and provide confirmation that the training occurred to the day and temporary labor service agency within 3 business days of providing the training.

(e) If the client company changes the job tasks or work location and new hazards may be encountered, the client company must:

(1) inform both the day and temporary labor service agency and the day or temporary laborer; and

(2) inform both the day and temporary labor service agency staffing agency and the day or temporary laborer of job hazards not previously covered before the day or temporary laborer undertakes the new tasks and update personal protective equipment and training for the new job tasks consistent with training requirements provided for in standards, guidances, or best practices issued by the federal Occupational Safety and Health Administration, if necessary.

(f) A day and temporary labor service agency or day or temporary laborer may refuse a new job task at the worksite when the task has not been reviewed or if the day or temporary laborer has not had appropriate training to do the new task.

(g) A client company that supervises a day or temporary laborer must provide worksite specific training to the day or temporary laborer and must allow a day and temporary labor service agency to visit any worksite where the day or temporary laborer works or will be working to observe and confirm the client company's training and information related to the worksite's job tasks, safety and health practices, and hazards.

(Source: P.A. 103-437, eff. 8-4-23.)

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