



Annual Employment Law Update:

What you need to know to be prepared for 2025!

SEPTEMBER 26, 2024

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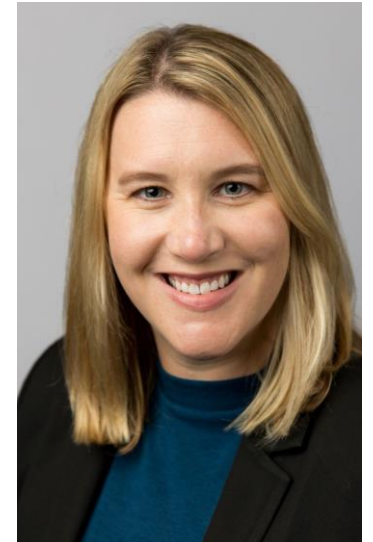
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Today's Agenda

1. Restrictive Covenants
2. FLSA Updates
3. Independent Contractor Classification
4. New Accommodation Requirements
5. EEOC Updates
6. Artificial Intelligence in the Workplace
7. Data Privacy Update
8. Illinois Developments
9. Other State Law Developments

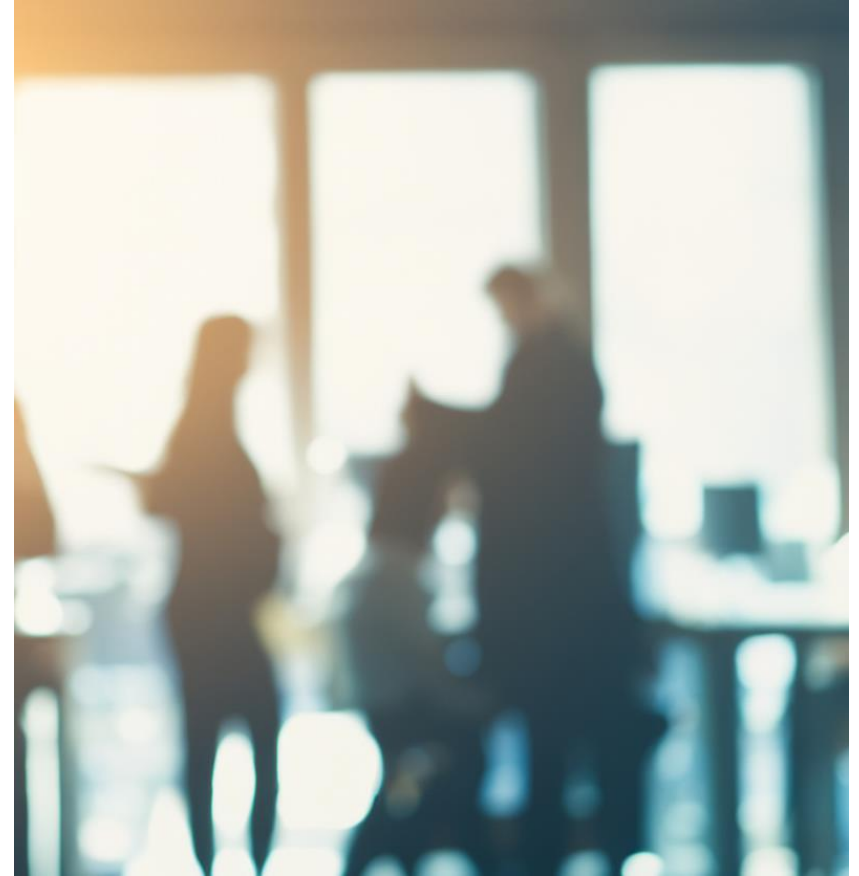


Restrictive Covenants

Restrictive Covenants

Big News Earlier This Year Was the FTC Ban on Non-Competes...

- FTC announced Final Rule on April 23, 2024
- Rule would ban non-competes going forward except for sale of business situations
- Rule would grandfather certain existing non-competes with “senior executives” (>\$151,164 + policymaking)
- Rules would require notices to be sent to employees with invalid non-competes
- Was going to go into effect on September 4, 2024



Restrictive Covenants

Current Status of FTC Rule

- Court challenges were filed almost immediately. Two decisions enjoining enforcement for parties involved in litigation (TX and FL), one decision upholding rule (PA)
- August 23, 2024: Judge Ada Brown of N.D. of Texas enters nationwide injunction preventing enforcement of rule in *Ryan LLC v. FTC*
- Court held that the FTC exceeded its statutory authority and that the rule is arbitrary and capricious in violation of the Administrative Procedure Act
- Likely Third, Fifth, and Eleventh Circuit split. Current Supreme Court unlikely to side with FTC



Restrictive Covenants



In the Meantime, Individual States Push Forward:

- Last year, Minnesota joined California, Oklahoma, and North Dakota by enacting its own state law banning non-competes
- New York was considering a ban, but Governor Hochul vetoed
- Certain professions are having success mobilizing support for banning non-competes. For example, Iowa, Kentucky, and Maryland recently enacted professional exemptions for health-care workers

Restrictive Covenants

Looking Forward...

- Non-competes will face increasing resistance, whether as a result of state statutes/national regulations, NLRB efforts, or hostility from courts
- Continuing multi-jurisdictional dilemmas (e.g., recent California SB 699 prohibits enforcement against California residents, regardless of where or when the contract was signed)
- In many situations, non-solicits face fewer restrictions
- What about restrictions that fall between a non-compete and a non-solicit? For example, a ban on servicing particular clients?
- Protection of trade secrets permitted, even in states like California



FLSA Updates

Fair Labor Standards Act – Overtime Exemptions Update



FLSA – Salary Threshold Updates

JULY 1, 2024

- Executive, Administrative, and Professional: \$844/week (\$43,888/year)
- Highly Compensated Employees: \$132,964/year

JANUARY 1, 2025

- Executive, Administrative, and Professional: \$1,128/week (\$58,656/year)
- Highly Compensated Employees: \$151,164/year

AUTOMATIC INCREASES JULY 1, 2027 AND EVERY YEAR THEREAFTER

Fair Labor Standards Act – Overtime Exemptions Update

FLSA – Salary Threshold Updates – Continued

WILL THESE NEW STANDARDS BE UPHOLD IN COURT? PROBABLY.

MAYFIELD AND R.U.M. ENTERPRISES, INC. V. U.S. DEP'T OF LABOR

- Fast food franchise operator filed suit claiming that the DOL didn't have authority to adopt a salary floor as a requirement in defining the "white collar" exemptions
- District court found that the rules were permissibly adopted and the 5th Circuit Court of Appeals agreed
- Other cases are still pending, but given 5th Circuit's decision, a finding that the DOL overreached in issuing the new thresholds is unlikely



Fair Labor Standards Act – Overtime Exemptions Update

FLSA – Salary Threshold Updates – Continued

NOTE THAT SOME STATES HAVE THRESHOLDS THAT ARE HIGHER THAN THE FLSA

- California: \$1,280/week (\$66,560/year) – varies in some industries
- New York: \$1,200/week (\$62,400/year) or \$1,124/week (\$58,458.40/year) – location dependent
- Washington State: \$1,302.40/week (\$67,724.80/year)

Also keep an eye on Alaska and Colorado



Fair Labor Standards Act – Overtime Exemptions Update

FLSA – Salary Threshold Updates – Continued

CONSEQUENCES

- If employers don't raise their compensation to meet salary thresholds, their salaried employees earning less than the threshold will be eligible for overtime pay



Fair Labor Standards Act – Overtime Exemptions Update

Key Steps for Employers with Respect to White Collar Exemptions

1. **Audit** positions affected by the increase to the salary threshold
2. **Review** whether currently exempt employees would still qualify for the exemptions
3. **Decide:**
 - Whether these changes warrant increasing employee’s salaries to qualify for the exemption
 - OR
 - Whether to convert employees to non-exempt status
4. **Be aware** that non-exempt employees are eligible for overtime wages
5. **Consider** the impact of converting on: employee morale, time-tracking policies, payroll systems, compensation schedules



Fair Labor Standards Act – Overtime Exemptions Update

Key Steps for Employers with Respect to White Collar Exemptions – Continued

CONSIDER AS AN OPPORTUNITY TO CORRECT MISCLASSIFICATIONS...

EVEN WITH EMPLOYEES WHO MEET THE NEW THRESHOLD



Independent Contractor Classification

Independent Contractor Classification



“New” Legal Standard from U.S. Department of Labor

- Final rule issued January 9, 2024. Became effective March 11, 2024
- Rescinded Trump-administration rule that made it easier to classify workers as independent contractors for purposes of federal wage and hour laws
- Reinstates “totality of the circumstances analysis” with 6 factors to be considered in view of “economic reality”

Independent Contractor Classification

“New” Legal Standard from U.S. Department of Labor – Continued

SIX FACTORS:

1. Opportunity for profit or loss depending on managerial skill
2. Relative investment made by the worker and the company
3. Permanency of the worker's relationship with the potential employer
4. Nature and degree of control of company
5. Extent to which the work is an integral part of the company's business
6. Whether the worker uses specialized skills indicative of business-like initiative

Additional factors relevant to “economic dependence” may also be considered



Independent Contractor Classification

“New” Legal Standard from U.S. Department of Labor – Continued

DON'T FORGET OTHER STANDARDS...

- IRS3 Categories (formerly 20 factors)
- Other employment law standards (EEOC, NLRB, etc.)
- State law standards
 - ABC Test (Illinois, New Jersey, Massachusetts)
 - Modified ABC Test (California)



Independent Contractor Classification

Independent Contractors

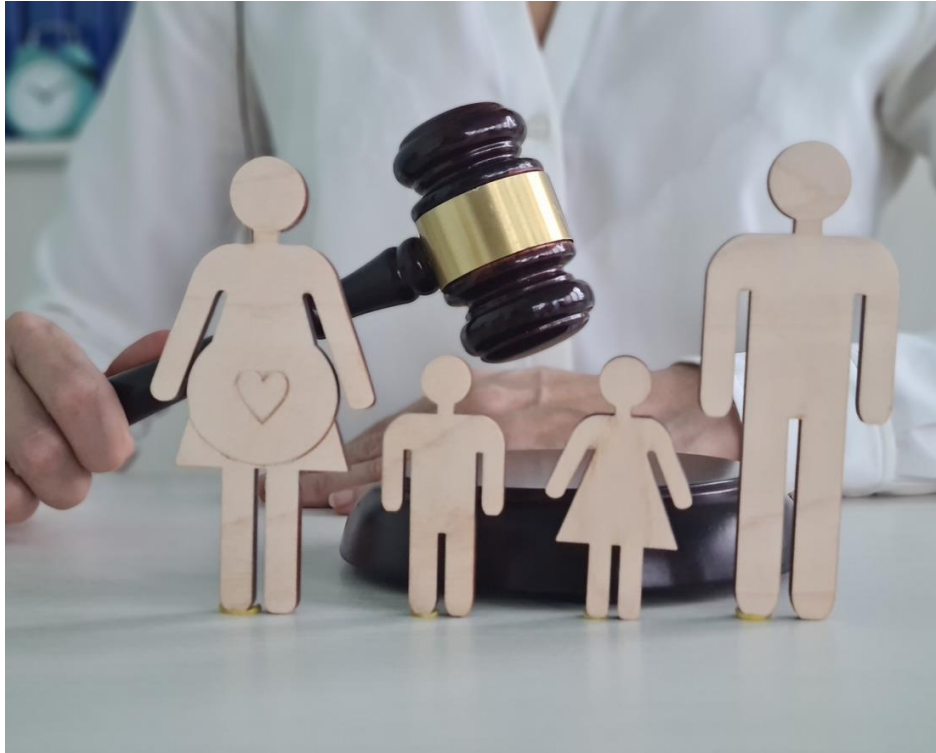
ILLINOIS HB 3301 – EMPLOYMENT INSURANCE

- Effective: January 1, 2024
- Amended the Unemployment Insurance Act's definition of “newly hired employees” to include independent contractors
- Requires employers to pay state unemployment insurances taxes for independent contractors



New Accommodation Requirements

Pregnant Workers Fairness Act



Pregnant Workers Fairness Act (PWFA) – EEOC Final Regulation

EEOC REGULATIONS ENFORCE THE PWFA

- Effective Date: June 18, 2024
- Purpose: Require covered employers to provide *reasonable accommodations* to a worker's *known limitations* related to pregnancy, childbirth, or related medical conditions, unless the accommodation will cause the employer an undue hardship
- Enforcement Agency: EEOC

Pregnant Workers Fairness Act

PWFA – Continued

COVERED EMPLOYERS AND QUALIFIED EMPLOYEES

- Covered Employers:
 - All public and private employers with 15 or more employees
- Qualified Employees:
 - 1) Employees who can perform the “essential functions” of the job with or without a reasonable accommodation
 - 2) Employees who cannot perform the “essential functions” of the job with or without a reasonable accommodation, but the inability is temporary, they can perform the functions in the near future, and the inability to perform the essential function can be reasonably accommodated



Pregnant Workers Fairness Act

PWFA – Continued

REASONABLE ACCOMMODATIONS

- **Reasonable Accommodations** are changes in the work environment or the way things are usually done

Examples (under the PWFA):

- Flexibility in work schedules (shorter hours, part-time work, or a later start time)
- Flexibility with food, drink, and break policies
- Changing equipment, devices, or workstations
- Light duty or help with lifting/other manual labor
- Temporary reassignment
- Telework



Pregnant Workers Fairness Act

PWFA – Continued

***LIMITATIONS ON SEEKING SUPPORTING DOCUMENTATION**

- Employers may request supporting medication documentation **only when “reasonable under the circumstances”**
- Employers may only request reasonable documentation, defined as **minimum documentation that is sufficient to:**
 - 1) Confirm the physical or mental condition
 - 2) Confirm the physical or mental condition is related to, affected by, or arising out of pregnancy, childbirth, or related medical conditions
 - 3) Describe the change or adjustment at work needed due to the limitation



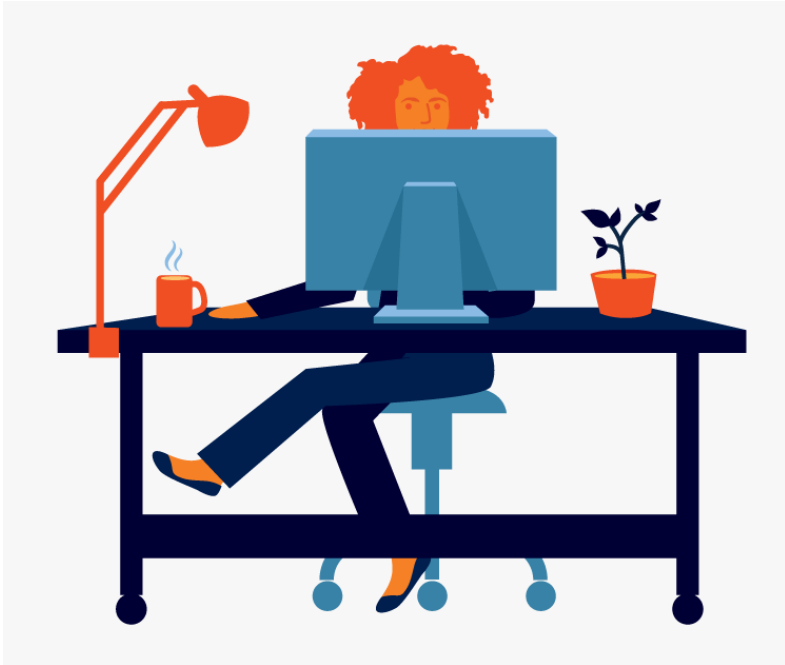
Accommodations in the Workplace

EEOC's 2024-2028 Strategic Enforcement Plan

- EEOC pledges to focus on disabilities and eliminate barriers in recruitment, hiring, and treatment of individuals with disabilities
- Identified issues in this space include:
 - Qualification standards and inflexible policies and practices
 - Online systems or applications that are difficult to engage with and that discourage individuals with disabilities from applying to roles or discriminate against individuals with disabilities
- “Vulnerable workers and persons from underserved communities” include:
 - People with developmental or intellectual disabilities
 - Workers with mental health-related disabilities



Accommodations in the Workplace



Remote Work as an Accommodation

- An employee at the Illinois Department of Human Services (IDHS) requested to work remote for several weeks in August of 2020 for the purposes of isolating after a pre-surgery Covid-19 test related an autoimmune disease
- In October of 2020, the employee requested flextime to attend monthly appointments and to continue working remote. The request was denied but the employer compromised to rearrange her schedule so she could make appointments
- In March of 2021, along with a new flextime and remote work request, the employee sought an accommodation for a physical ailment in her back
- The employer stated working onsite and full-time was an essential function of her job
- August of 2024 settlement

Accommodations in the Workplace



Recommendations

- Review past practices for remote work requests
- Do a case-by-case analysis
- Demonstrate engagement in the interactive process
- Do a “job analysis,” including an analysis of “essential elements”

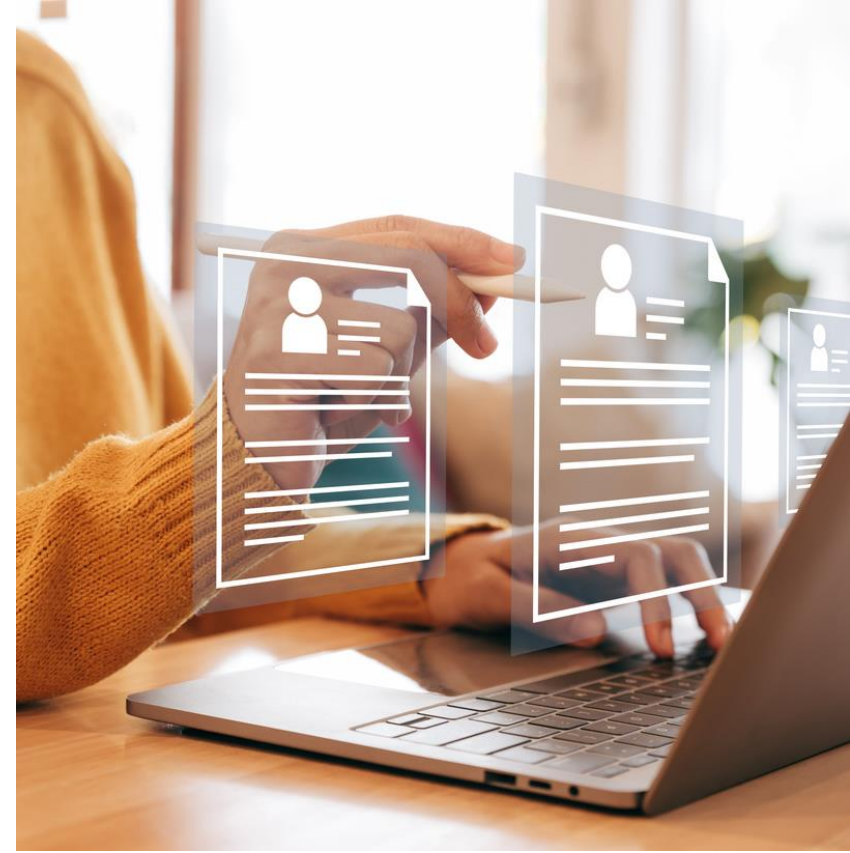
EEOC Updates

EEOC Updates

EEOC Guidance Update – Harassment

NOTEWORTHY HIGHLIGHTS (SEX-BASED HARASSMENT)

- Effective: April 29, 2024
- First update in nearly 25 years
- The Final Guidance:
 - Elaborates on protections against discrimination based on sexual orientation and gender identity
 - Confirms that sex-based harassment includes harassment based on pregnancy, childbirth, or reproductive decisions, including lactation, abortion-related decisions, the use or non-use or contraception



EEOC Updates

EEOC Guidance Update – Harassment – Continued

SEX-BASED HARASSMENT: LGBTQ+ EMPLOYEES' RIGHTS IN THE WORKPLACE

- Harassing Conduct includes:
 - Epithets regarding sexual orientation or gender identity
 - Outing (disclosure of an individual's sexual orientation or gender identity)
 - Harassing conduct because an individual does not present in a manner stereotypically associated with their sex
 - Misgendering (repeated and intentional use of a name/pronoun inconsistent with the individual's known gender identity) or “dead naming” (using a name used by a person prior to their transition)
 - Denial of access to a bathroom or other sex-segregated facility consistent with the individual's gender identity



EEOC Updates

EEOC Guidance Update – Harassment – Continued

OTHER NOTEWORTHY HIGHLIGHTS

- National origin harassment includes harassment based on traits such as “physical characteristics, ancestry, or ethnic or cultural characteristics (e.g., attire or diet), and linguistic characteristics (e.g., non-English language accent or a lack of fluency in English)”
- Race harassment includes harassment based on physical traits, hairstyle or hair texture, name, cultural dress, accent or speech pattern
- Addresses stereotypes and discrimination for receipt of an accommodation (disability or religious)
- Highlights the possibility of:
 - Intraclass harassment, i.e., between members of the same protected class
 - Intersectional harassment, i.e., based on one or more protected characteristics



EEOC Updates

EEOC Guidance Update – Harassment – Continued

IMPACT OF DIGITAL TECHNOLOGY AND SOCIAL MEDIA

- Employers may be liable for out-of-work conduct (e.g., on social media) if it impacts the workplace and contributes to a hostile work environment (i.e., was the conduct directed to employees or the company?)
- Conduct occurs in the work environment if it is conveyed using work-related systems, accounts, devices, or platforms including:
 - Employer’s email system
 - Electronic bulletin board
 - Instant message system
 - Videoconferencing technology
 - Intranet
 - Public website
 - Official social media accounts
 - Other equivalent services or technologies



DEI / Affirmative Action

EEOC Perspectives on DEIA (Diversity, Equity and Inclusion and Affirmative Action)

- Although race-based affirmative action found to be unlawful in the context of university admissions, the EEOC Chair Charlotte Burrows issued a press release stating that employment-based DEIA programs remain lawful
 - A Trump-appointed Commissioner (Andrea Lucas) warned employers against programs that explicitly take race into account
- Employers must anticipate potential changes when designing and updating DEIA programs
 - Many employers are implementing DEIA programs with holistic definitions of diversity that do not account for membership in protected classes

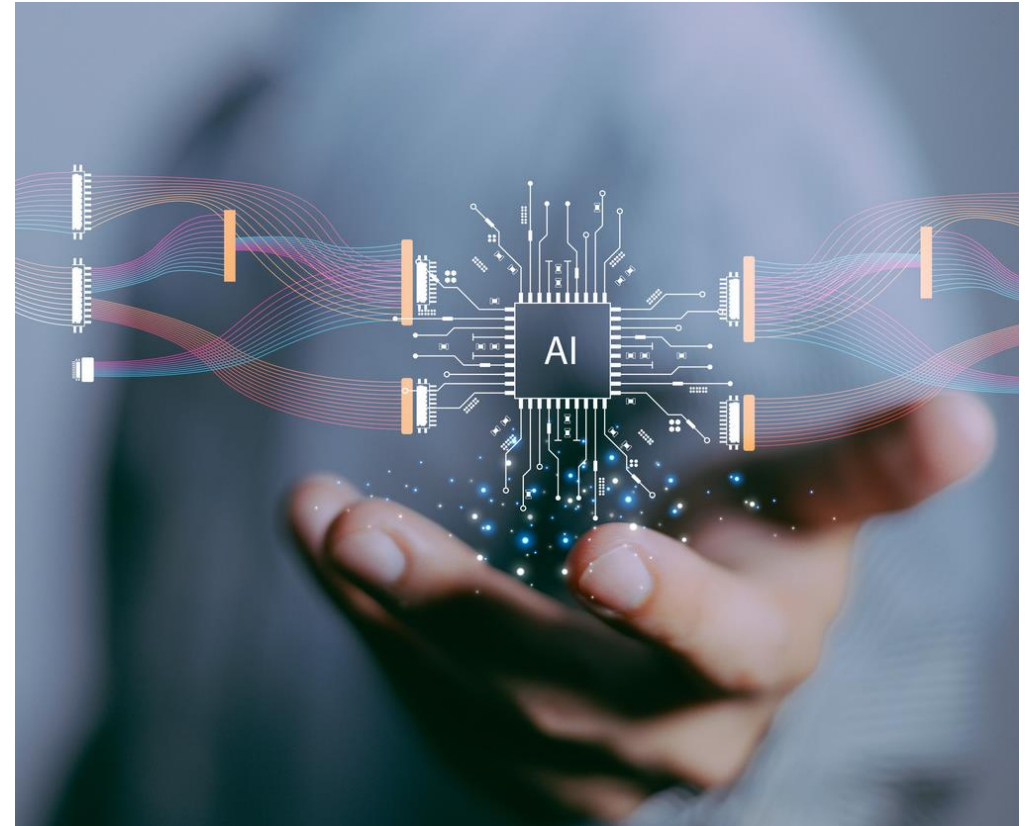


Artificial Intelligence in the Workplace

EEOC Takes On Generative AI

What Is Generative AI?

- Generative AI is an “open” AI system capable of generating text, images, video, etc. in response to prompts
 - It learns patterns/structure of input training data to generate new data with similar characteristics
 - Examples: AI “chatbots” and ChatGPT, and new products like Microsoft Copilot and Google Gemini



Generative AI Tools

Generative AI in the Hiring Process

EEOC TITLE VII GUIDANCE ON USE OF AI AND ALGORITHMIC DECISION-MAKING TOOLS

- Employers using tools such as (resume scanners, “virtual assistants,” testing software that determines a “culture fit”) should:
 - Ensure any algorithmic decision-making tools do not result in disparate or adverse impact
- Establish that the use of these tools is “job-related” and consistent with “business necessity,” and a less discriminatory tool was not available





Generative AI in the Hiring Process – Continued

ILLINOIS AMENDMENTS TO IHRA

- Effective January 1, 2026
- Notice required if AI is used for employment-related purposes
- Prohibits use of AI that results in discriminatory employment decisions
- Audits not required but recommended

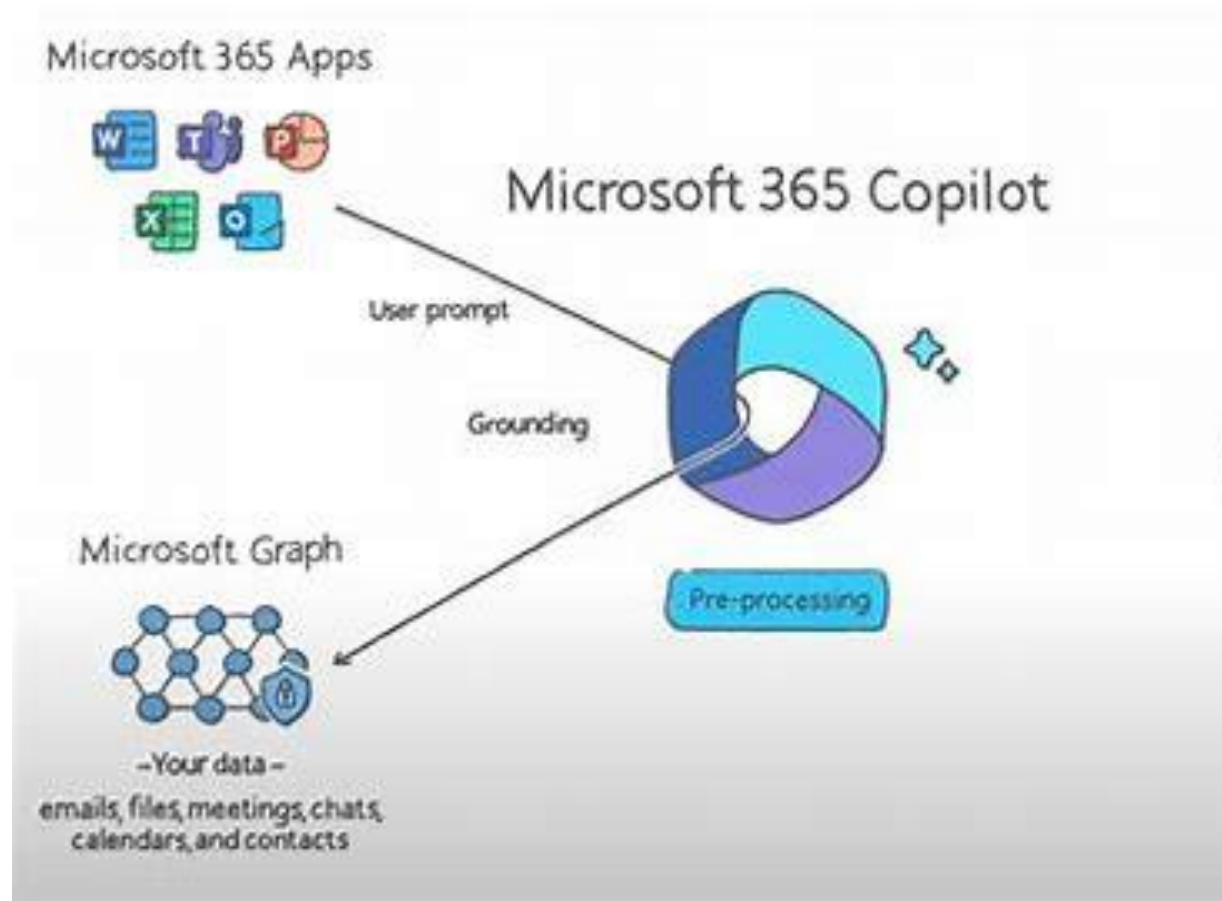
Generative AI in the Office – Continued

POTENTIAL DATA PRIVACY AND SECURITY ISSUES

- When using Generative AI tools, be aware of privacy policies and disclosures of the uses of data input within those tools
- ChatGPT’s disclaimers include:
 - “Our use of content. We may use content to provide, maintain, develop, and improve our services, comply with applicable law, enforce our terms and policies, and keep our services safe.”
 - “Output may not always be accurate. You should not rely on output from our services as a sole source of truth or factual information, or as a substitute for professional advice.”



Microsoft 365 Copilot



Generative AI Tools

Generative AI in the Office – Continued

POTENTIAL DATA PRIVACY AND SECURITY ISSUES

- When using Generative AI tools in the workplace:
 - Adopt policies that protect client data and avoid inputting client data in Generative AI tools
 - Avoid the use of Generative AI tools that would share or retain client data (such as ChatGPT)
 - Provide training to employees and any contractors on appropriate uses of Generative AI tools and cybersecurity risks
 - Perform due diligence of any Generative AI vendors prior to implementation



Data Privacy Update

Data Privacy Update



Data Privacy – Overview

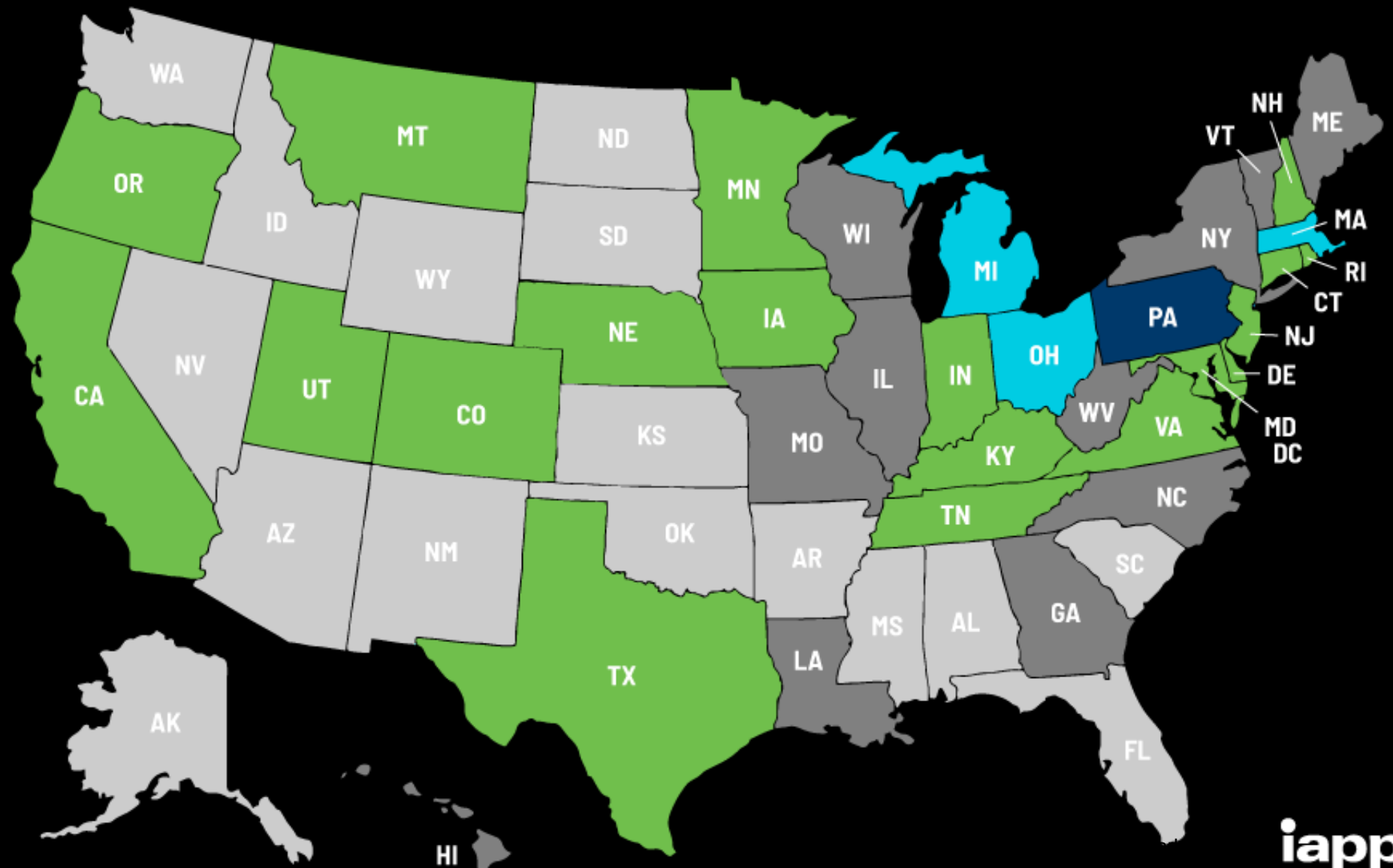
STATE LAWS

- **Effective 2023:** California, Connecticut, Utah, Virginia
- **Effective 2024:** Florida, Montana, Oregon, Texas, Washington My Health My Data Act, Nevada Consumer Health Data Privacy Law
- **Effective 2025:** Delaware, Iowa, Maryland, Minnesota, Nebraska, New Hampshire, New Jersey, Tennessee
- **Effective 2026:** Indiana, Kentucky, Rhode Island

US State Privacy Legislation Tracker 2024

Statute/bill in legislative process

- Introduced
- In committee
- In cross chamber
- In cross committee
- Passed
- Signed
- Inactive bills
- No comprehensive bills introduced



🔄 Last updated 22 July 2024

State Comprehensive Data Privacy Laws Currently in Effect

Law	Effective Date
California Consumer Privacy Act	January 1, 2020
Virginia Consumer Data Protection Act	January 1, 2023
Colorado Privacy Act	July 1, 2023
Connecticut Personal Data Privacy and Online Monitoring Act	July 1, 2023
Utah Consumer Privacy Act	December 31, 2023
Washington My Health My Data Act*	March 31, 2024
Nevada Consumer Health Data Privacy Law*	March 31, 2024
Oregon Consumer Privacy Act	July 1, 2024
Texas Data Privacy and Security Act	July 1, 2024
Florida Digital Bill of Rights	July 1, 2024
Montana Consumer Data Protection Act	October 1, 2024

*not technically a comprehensive data privacy law, but regulates broadly defined “consumer health data”



State Comprehensive Data Privacy Laws On Deck

Law	Effective Date
Iowa Consumer Data Protection Act	January 1, 2025
Delaware Personal Data Privacy Act	January 1, 2025
Nebraska Data Privacy Act	January 1, 2025
New Hampshire Data Privacy Law	January 1, 2025
New Jersey Data Protection Act	January 15, 2025
Tennessee Information Protection Act	July 1, 2025
Minnesota Consumer Data Privacy Act	July 31, 2025
Maryland Online Data Privacy Act	October 1, 2025
Indiana Consumer Data Protection Act	January 1, 2026
Rhode Island Data Transparency and Privacy Protection Act	January 1, 2026
Kentucky Consumer Data Protection Act	January 1, 2026



Data Privacy Update

California Consumer Privacy Act

EMPLOYEE ISSUES

- The CCPA is so far unique among data privacy laws because it applies to any employee data held by a covered business in California
 - A “business” under the CCPA does business in California (very broad definition) and one of the following:
 - Earns over \$25 million in annual revenue
 - Collects the personal information of over 100,000 California residents, or
 - Earns 50% or more of its revenue from selling or sharing California residents’ personal information
- If your business has any employees in California and earns over \$25 million annually, it is subject to the CCPA and must provide compliant privacy notices to its employees and to the public, among other requirements



Data Privacy Update

International Data Protection Laws

INTERNATIONAL DATA PROTECTION LAWS ARE EXTRATERRITORIAL

- They may apply to companies based in the U.S. if they collect or process data regarding international individuals
 - EU, Norway, Liechtenstein, Iceland, Switzerland - General Data Protection Regulation (GDPR)
 - UK has its own version of the GDPR
 - Canada
 - China
 - Brazil
 - India



Illinois Developments

Illinois Developments

Illinois & Chicago Paid Leave

ILLINOIS PAID LEAVE FOR ALL WORKERS ACT (PLAWA)

- Effective January 1, 2024
- 1 hour for every 40 worked, up to 40 hours in a 12-month period. May frontload 40 hours, in which case no carryover required
- Start accruing on Day 1 – can require 90 days' employment to use
- May be used for any reason, and employer may not ask why
- Can implement requirements around use, including notice and blackout dates
- If keep separate, don't have to pay on termination
- Does not apply if covered by Chicago or another local ordinance



Illinois Developments

Illinois & Chicago Paid Leave – Continued

CHICAGO PAID SICK & SAFE LEAVE

- Effective: July 1, 2024
- 1 hour per 35 hours worked, up to 40 in 12 months
- May carry over up to 80 hours to next year *even if frontload*
- Accrue starting on 1st day and can use after 30 days
- May require use in 2 hour increments
- May require 7 days notice for foreseeable, can't require notice if not foreseeable. Can't require documentation until 4th consecutive day
- Not payable on termination if kept separate



CHICAGO PAID LEAVE FOR ANY REASON

- Effective: July 1, 2024
- 1 hour per 35 hours worked, up to 40 in 12 months
- May carry over up to 16 hours to next year – *no carryover if front load*
- Accrue starting on 1st day and can use after 90 days
- May require use in 4 hour increments
- May require 7 days notice and preapproval. May only deny if necessary based on reasonable, preestablished rationale
- Whether need to pay on termination depends on size of employer. If use unlimited approach, must pay for 16 unless can establish 40 have been used

Illinois Developments

Other Employee Leave Updates

P.A. 103-0314 (HB 2493) – VESSA AMENDMENT

- Effective: January 1, 2024
- Victims' Economic Security and Safety Act (VESSA) was amended, expanding bereavement leave rights
- Allows two weeks of unpaid leave in the event a family or household member is killed in a crime of violence
- This leave can be used for funerals, making arrangements, and grieving the loss

P.A. 103-0450 (HB 3516) – ORGAN DONATION

- Effective: January 1, 2024
- Amends the Employee Blood Donation Leave Act (now the Employee Blood and Organ Donation Leave Act)
- Allows employees to use up to 10 days of paid leave in any 12-month period to serve as an organ or bone marrow donor

P.A. 103-0466 (SB 2034) – CHILD EXTENDED BEREAVEMENT LEAVE ACT

- Effective: January 1, 2024
- Allows employers to take up to 12 weeks of unpaid leave if their child dies by suicide or homicide
- Applies to:
 - Employers with more than 250 employees
 - Employers with at least 50 employees must allow for up to 6 weeks of unpaid leave

Illinois Human Rights Act Updates (Effective 2025-2026)

- Protections for Employees Making Reproductive Health Decisions (2025)
- Protections for Employees Participating in Family Responsibilities (2025)
- Extension of Time to File Harassment, Discrimination, or Retaliation Claims to **TWO YEARS** (2025)



Illinois Developments

Biometric Information Privacy Act (BIPA)

ILLINOIS AMENDS BIPA TO LIMIT EXPOSURE FOR VIOLATIONS

- Under BIPA, an aggrieved party is now only entitled to recover for **a single violation** (they previously could recover for *each* violation)

Type of Violation	Damages Available	Other Remedies
Intentional	\$5,000 or actual damages, whichever is greater	Attorney's fees and costs; injunctive relief
Negligent	\$1,000 or actual damages, whichever is greater	Attorney's fees and costs; injunctive relief

- Electronic signatures suffice on written release to collect/distribute biometric information

Illinois Developments

Equal Pay Act – Salary Transparency

AMENDMENT TO ILLINOIS EQUAL PAY ACT

- Effective: January 1, 2025
- Requires most Illinois employers (15+ employees) to include (or provide to third-party services for inclusion) the following information for job postings:
 - **Pay Scale:** The wage, salary, or wage or salary range (actual range of employees holding the position or budgeted amount)
 - Range must be “good faith”
 - **Benefits:** General description of the benefits and compensation the employer expects to offer for the position
 - Includes bonuses, stock options, and other incentives





Equal Pay Act – Salary Transparency – Continued

AMENDMENT TO ILLINOIS EQUAL PAY ACT

- Covered Positions:
 - Job positions that will be physically performed (at least in part) in Illinois
 - Job positions that will be performed outside of Illinois, if the employee would report to an office, worksite, or supervisor in Illinois
- Opportunities for promotion must be made known internally within 14 days of any external posting

Equal Pay Act – Salary Transparency – Continued

ACTIVE VS. INACTIVE JOB POSTINGS

- Whether job postings are “active” or “inactive” is determined by considering the totality of the circumstances, including:
 - Whether a position has been filled
 - The length of time a posting has been accessible to the public
 - The existence of a date range for which a given position is active
 - And whether the employer is no longer accepting applications

Illinois Developments

Equal Pay Act – Salary Transparency – Continued

Violations for Active Postings

Offense Number	Cure Period	Penalty (Fine)
First Offense	14 Days	Up to \$500
Second Offense	7 Days	Up to \$2,500
Third Offense	None	Up to \$10,000

Violations for Inactive Postings

Offense Number	Cure Period	Penalty (Fine)
First Offense	N/A	Up to \$250
Second Offense	N/A	Up to \$2,500
Third Offense	N/A	Up to \$10,000



Illinois Developments

Freelance Worker Protection

- Protects independent contractors who provide products or services in Illinois or who work for a hiring entity located in Illinois when the value of that work is equal to or greater than \$500 in a 120-day period. Also, a “freelance worker” must be a “natural person,” which is defined as an “individual human being”
- Remote workers? It may depend on the specific situation, but the DOL has traditionally had jurisdiction to enforce Illinois laws for work performed in Illinois and/or for an Illinois company

Only applies to contracts that took effect after July 1, 2024





Freelance Worker Protection – Continued

FREELANCE WORKERS ARE ENTITLED TO ALL OF THE FOLLOWING:

- Full payment for the services by the due date in the contract, or if the due date is not specified, within 30 days of completing the services outlined in the contract
- Protection from retaliation and/or other negative action for exercising rights under the FWPA
- Written contract



Freelance Worker Protection – Continued

WRITTEN CONTRACT MUST INCLUDE:

- Name and contact information for hiring entity and freelance worker
- Itemization of products and services
- Rate and method of compensation
- Date of compensation due
- Date of services to be provided

Illinois Developments

Freelance Worker Protection – Continued

EXCLUDED FROM DEFINITION OF FREELANCE WORKER:

- Individuals performing construction services and certain subcontractors (as defined in Section 10 of Employee Classification Act)
- An employee as defined in Section 2 of the Illinois Wage Payment and Collection Act



Illinois Developments

Freedom of Speech Act

- Signed on July 31, 2024 and will go into effect on January 1, 2025
- Employers cannot penalize employees for declining to attend or participate in an employer-sponsored meeting or to receive or listen to communications from the employer about religious matters or political matters
- “Political matters” are broadly defined as matters relating to elections for political office, political parties, proposals to change legislation, proposals to change regulations, proposals to change public policy, and the decision to join or support any political party or political, civic, community, fraternal, or labor organization



Illinois Developments



Freedom of Speech Act - Continued

- Employees have a private right of action and remedies include lost pay and benefits, reinstatement, attorney's fees and costs, injunctive relief, and "any other appropriate relief as deemed necessary by the court to make the employee whole"
- Certain "interested parties" are also given right to file complaints
- Targeted at "captive audience" meetings in union campaigns, but includes management employees as well as rank and file
- Several legal challenges already have been filed

Other State Law Developments

State Law Developments

MINNESOTA

Changes to Earned Sick and Safe Time Law and Parental Leave entitlements; Penalties for misclassification of workers and independent contractors; New Pay Transparency Requirements

VERMONT

New Transparency Requirements

NEW YORK

Expansion of Paid Family Leave & Protected Category Expansion

MASSACHUSETTS

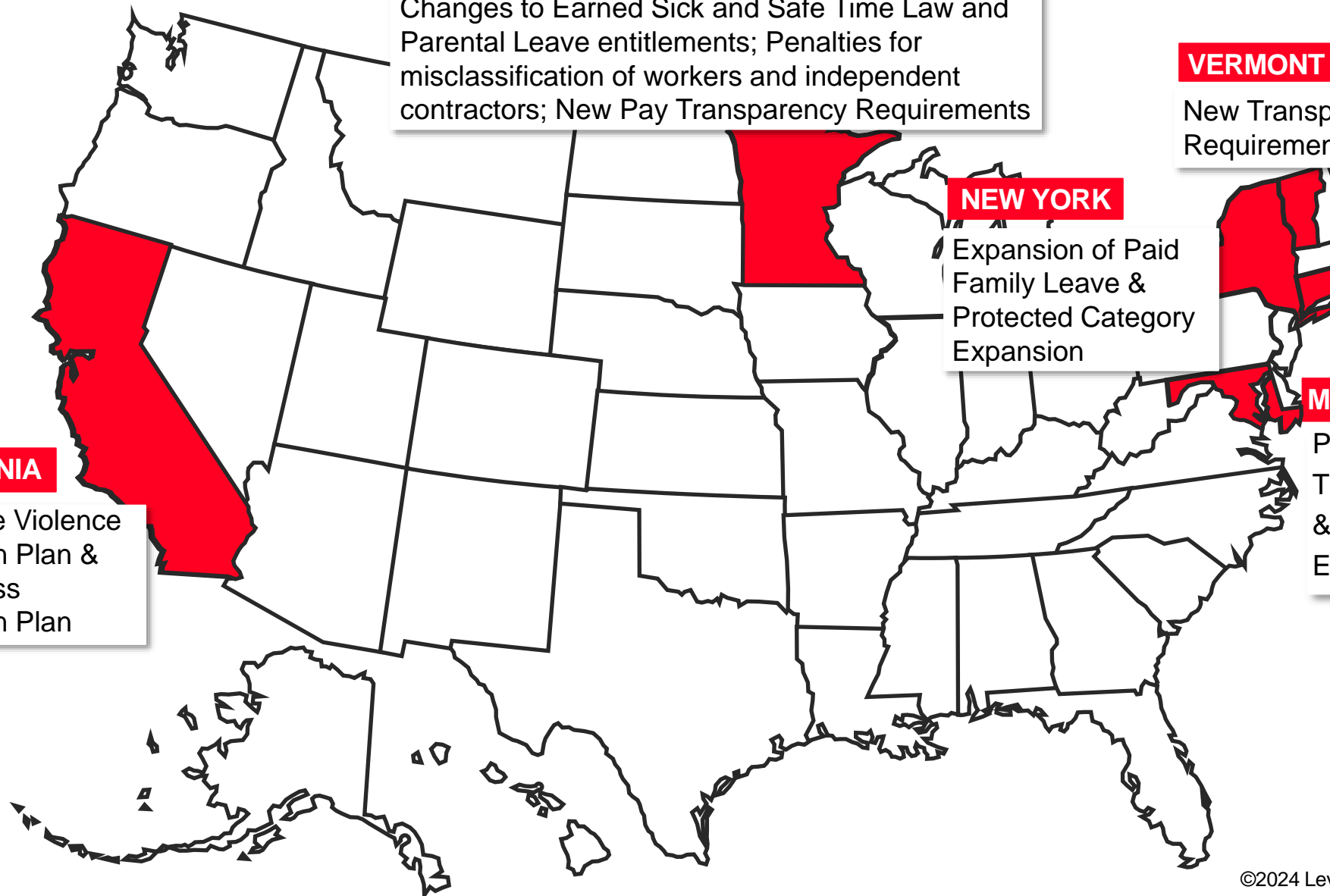
New Pay Transparency Requirements

MARYLAND

Paid Family Leave, Transparency Requirements & Protected Category Expansion

CALIFORNIA

Workplace Violence Prevention Plan & Heat Illness Prevention Plan



Any questions?

Ask us anything. We're happy to answer now,
or connect with us later if you prefer.

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Purpose in practice

We cultivate deep business relationships that last and have seen our clients thrive beyond their expectations.



We've always seen ourselves as much more than a law firm. Since 1999, we've been focused on a single purpose: helping our clients achieve amazing things.

Our Services

Across service areas, we've structured our team to offer knowledge, experience, and creative thinking that puts our clients' goals within reach.



Our Services

We've structured our team to offer knowledge, experience, and creative thinking that put our clients' goals in reach.

COMMUNITY ASSOCIATION

We are a one-stop shop to help navigate contract review, collections, governance, and more.

CORPORATE

We work to understand and anticipate your needs through complex legal, tax, and business issues.

EMPLOYMENT AND EXECUTIVE COMPENSATION

Our attorneys routinely advise employers on compliance with the full range of federal, state, and local employment laws.

FINANCIAL SERVICES AND RESTRUCTURING

We assess opportunity and risk to guide commercial lenders and borrowers.

INTELLECTUAL PROPERTY

We work diligently to protect our clients' ideas and products.

LITIGATION

We work to protect your assets: products, intellectual capital, human resources, and time.

REAL ESTATE

We act as business partners and deal managers through the acquisition of commercial properties.

TAX PLANNING AND LITIGATION

Our attorneys bring creativity, intellect, and pragmatism to the full range of tax matters.

TRUSTS AND ESTATES

We help clients achieve their business and personal goals through gift, charitable, and estate planning.



Our Services

Employment & Executive Compensation

We routinely advise employers on compliance with the full range of federal, state, and local employment laws, and assist companies in implementing sound policies, practices, and programs to avoid problems in the future. We have experience handling virtually every type of employment matter and the know-how to help you effectively resolve even the most complicated issues.

