Effective Date of Chicago Paid Leave and Paid Sick and Safe Leave Ordinance Delayed to July 1, 2024

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The Chicago City Council has passed an amendment to the <u>Chicago Paid Leave and Paid Sick and Safe Leave Ordinance</u> to delay its effective date to July 1, 2024, in addition to other changes.

Under the amendment's modifications, the Ordinance's requirement that employees accrue "Paid Leave" and "Paid Sick Leave" at a rate of one hour for every 35 hours worked will take effect on July 1, 2024, instead of January 1, 2024. For now, it appears the Chicago Paid Sick Leave Ordinance will remain in effect until the Paid Leave and Paid Sick and Safe Leave Ordinance takes effect on July 1, 2024.

A "Covered Employee" is defined as "an Employee who works at least 80 hours for an Employer within any 120-day period while physically present within the geographic boundaries of the City." Once this threshold is reached, "the Employee will remain a Covered Employee for the remainder of the time that the Employee works for the Employer." Before this amendment, the Ordinance defined a "Covered Employee" as "an Employee who, in any particular two-week period, performs at least two hours of work for an employer while physically present within the geographic boundaries of the City."

"Medium Employers" who employ 51–100 Covered Employees will be required to pay out a maximum of 16 hours of accrued but unused Paid Leave upon separation until July 1, 2025. Starting on July 1, 2025, Medium Employers will be required to pay out the full amount of accrued but unused Paid Leave upon separation. "Small Employers" with up to 50 Covered Employees need not pay out any accrued but unused Paid Leave upon separation, while employers with more than 100 Covered Employees will be required to pay out the full amount of accrued but unused Paid Leave upon separation.

The amended Ordinance also states that an employer that has an employee whose regular work duties take place within the geographical boundaries of Chicago must maintain the records required by the Ordinance for Covered Employees, even if the employee does not meet the definition of a Covered Employee and is not entitled to Paid Leave or Paid Sick Leave.

An amendment to Section 6-100-040 of the Municipal Code of Chicago also requires employers to provide their employment policies, including written time off policies, to Covered Employees in the employee's primary language. This provision further requires employers to provide employees with a 14-day notice of changes to any employment policies.

The Department of Business Affairs, through its Office of Labor Standards (OLS), is charged with administering the Ordinance. The OLS is preparing guidance and other resources to assist employers with compliance.

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Associate (312) 803-2544 Emma.Graham@jacksonlewis.com Employers can monitor the <u>OLS website</u> for updates. For more about the Chicago Paid Leave and Paid Sick and Safe Leave Ordinance, the <u>Illinois Paid Leave for All Workers</u>
<u>Act</u>, or other paid leave laws, please contact a Jackson Lewis attorney.

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