FOR IMMEDIATE RELEASE
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New Legislation to Impose Larger Penalties on Employers that Violate the Wage Payment and Collection Act

SPRINGFIELD – The Illinois Department of Labor (IDOL) today announced that employers in Illinois that don’t adhere to rules outlined in the Wage Payment and Collection Act are now subject to larger penalties. Following Governor Pritzker’s signature of HB 118, an employer found to have violated the Act is liable for not only the unpaid wages and final compensation, but also 5% of the damages of the underpayment per month, for each month during which wages or final compensation remain unpaid. Previously, employers owed 2% of the damages for underpayment.

All wage claims are encouraged to be generated online through IDOL. The claimant will be guided through the process to submit an accurate Wage Claim Application. If a worker wants assistance filling out a paper form, they can call 312-793-2808. Online claims can be filed here: Wage Claim Application.

“The Illinois Department of Labor is committed to ensuring workers are paid what they’re owed. The Department always encourages mediation between employers and workers when there’s a wage dispute, but the monthly penalty helps hold bad actor employers accountable when they break the law,” said Illinois Department of Labor Director Michael Kleinik.

These issues arise when employees file complaints about unpaid or underpaid wages and only after the Illinois Department of Labor (IDOL) issues a finding that the employer has violated the Act.

More details about the act can be found here: Illinois Wage Payment and Collection Act

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