Client Alert
Illinois Year End Updates

Sample policies for the topics covered in this Alert can be downloaded here.

Family Neonatal Intensive Care Leave Act

WHAT'S NEW: Illinois enacted the Family Neonatal Intensive Care Leave Act effective **June 1, 2026**.

Employers will be required to provide unpaid leave to an employee whose child is a patient in a neonatal intensive care unit.

- Employers with 16-50 employees must provide up to 10 days of leave.
- Employees with 51 or more employees must provide up to 20 days of leave.
- If an employee is also entitled to FMLA, leave under the Illinois Intensive Care Leave Act will be applied at the completion of and in addition to FMLA.
- Employees may take time in 2-hour increments or more.
- Employees may use any accrued paid time off available, but the employer must not require that they do so.
- Employers may request reasonable verification.

WHAT EMPLOYERS SHOULD DO: Employers should review their policies and revise as necessary and ensure that managers are educated on the new requirements.

Amendments to Nursing Mothers in the Workplace Act

WHAT'S NEW: Illinois amended the Nursing Mothers in the Workplace Act.

Effective **January 1, 2026**, employers are required to provide paid lactation breaks. Employers are also prohibited from reducing an employee's rate of pay and from requiring an employee to use paid leave during the break.

WHAT EMPLOYERS SHOULD DO: Employers should review and update policies and ensure that managers are educated on the new requirements.

The Victims' Economic Security and Safety Act

WHAT'S NEW: Illinois amended the Victims' Economic Security and Safety Act governing an employee's use of employer's equipment. The updates become effective January 1, 2026.

The updates to the law add the following requirements and restrictions:

- An employer may not discriminate or retaliate against an employee because the employee used employer-issued equipment to record domestic violence, sexual violence, gender violence or any other crime of violence committed against the employee or a family or household member of the employee.
- An employer must not deprive an employee of employer issued equipment because the employee used or attempted to use the equipment to record a covered act of violence.
- An employer must grant an employee access to any photographs or other digital documents stored on an employer-issued device related to any covered act of violence.

WHAT EMPLOYERS SHOULD DO: Employers should update internal policies pertaining to the issuance of employer equipment and restrictions on use, and ensure managers are educated on the new requirements.

Amendments to Employee Blood and Organ Donation Leave Act

WHAT'S NEW: Illinois amended the Employee Blood and Organ Donation Leave Act.
The updated law expands leave entitlements for organ donation to part- time employees, effective **January 1, 2026**.

WHAT EMPLOYERS SHOULD DO: Employers should review and update internal policies and ensure managers understand the new requirements.

Amendments to Workplace Transparency Act

WHAT'S NEW: Illinois updated its workplace transparency law. The updated law will apply to any employment contract entered into, modified or extended on or after **January 1, 2026**.

WHY IT MATTERS: The law currently voids any contractual provision that interferes with an employee's ability to report unlawful employment practices. This is currently defined to include claims of discrimination, harassment or retaliation. The amendments to the law make the following changes:

- The definition of unlawful employment practices is expanded to include disclosures related to violations of wage and hour laws, workplace safety laws and labor laws.
- Concerted activity is specifically protected by prohibiting employers from limiting an individual's ability to collectively "address workplace issues".
- Any provisions that shorten applicable statute of limitations, apply non-Illinois law to an Illinois employee's claim or require adjudication of a claim in a venue outside of Illinois are void.
- For any confidentiality provisions in a settlement agreement pertaining to unlawful employment practices, the consideration must be bargained for and must be separate and apart from the consideration for the release of claims. In addition, confidentiality must be the preference of the employee in order to be included as part of a separation or settlement agreement and may not be unilaterally included by the employer.

WHAT EMPLOYERS SHOULD DO: Employers should work with counsel to review any employment contract or agreement templates to ensure compliance with the new law.

Amendments to Illinois Human Rights Act

WHAT'S NEW: Illinois amended the Illinois Human Rights Act to prohibit employers from discrimination in the use of artificial intelligence (AI). The updates become effective **January 1, 2026**.

The new amendments place additional obligations and restrictions on employers as it pertains to their use of AI. Some key takeaways are as follows:

- Employers are prohibited from using AI that discriminates against employees and applicants based on protected class.
- Artificial intelligence means "a machine-based system, that for explicit or implicit objectives, infers from the input it receives how to generate outputs such as predictions, content, recommendations, or decisions that can be influence physical or virtual environment."
- The law prohibits employers from using zip codes as proxy for protected classes.
- The law requires employers to notify employees and applicants when artificial intelligence is used for employment-related decisions.

WHAT EMPLOYERS SHOULD DO: Employers should review any automated tools used for hiring, recruiting, performance management, or other employment decisions and check whether the results disadvantage any group of employees or applicants.

If a third party oversees the AI tools, employers should confirm how that vendor reviews the tool's results and what steps they take to prevent unfair treatment of any group.

Amendments to the Military Leave Act

WHAT'S NEW: Illinois amended the Family Military Leave Act (now Military Leave Act) to require employers, with 51 or more employees, to provide paid leave for eligible employees to participate in funeral honors detail, effective **August 1, 2025**.

The updated law requires employers with 51 or more employees to provide eligible employees paid leave to participate in a funeral honors detail up to eight (8) hours per calendar month and a total of forty (40) hours per year.

An employee qualifies for the leave if:

- The employee has worked for a covered employer for at least 12 months and has performed at least 1, 250 hours of service;
- The employee is trained to participate in a funeral honors detail at the funeral of a veteran; and
- Is a retired or active member of the armed forces or reserves (including the Illinois national guard) or is an authorized provider or registered member of an authorized provider. An "Authorized provider" may include veterans service organizations, trained volunteers of the Reserve Officer Training Corps or honor guards.

Employees are required to provide reasonable notice, and employers may not require employees to use their vacation time before using funeral honors detail leave.

WHAT EMPLOYERS SHOULD DO: Employers should review and update internal policies and ensure managers are educated on the new requirements.

If you have any questions, please contact your HR Business Partner/Consultant.