Legal Update

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Chicago Delays Start of New Paid Leave Law Until July 2024

On Dec. 13, 2023, the Chicago City Council voted to delay the implementation of the city's new paid leave and paid sick and safe leave ordinance from Jan. 1, 2024, to **July 1, 2024**. The council also amended the ordinance in other ways, some of which are helpful to employers. The city's existing paid sick leave ordinance will remain in effect until the new one takes effect in July.

Chicago Paid Leave and Paid Sick and Safe Leave Ordinance

On Nov. 9, 2023, Chicago passed an ordinance that significantly expanded the city's paid sick leave requirement, mandating up to 40 hours of paid leave and 40 hours of paid sick and safe leave annually. This leave entitlement was to apply to employees who perform two hours of work in Chicago in any two-week period. All Chicago employers are covered by the ordinance, which was to take effect Jan. 1, 2024.

Amendments to the Ordinance

The amendments delay the start of the ordinance to July 1, 2024, when accrual begins. Furthermore, now leave will apply only to employees who have worked **80 hours** in Chicago in any **120-day period**. Other key changes include that:

- Employers must provide written paid time off policies to each covered employee in the employee's primary language;
- Until July 1, 2026, employees must wait 16 days (or a payroll period) before filing a civil action against employers for violating the ordinance; and
- All employers with employees who work in Chicago must comply with the recordkeeping requirements of the ordinance.

The ordinance requires payout of paid leave on separation of employment or transfer outside Chicago for all but small employers, but it provides a temporary limit (16 hours of paid leave) for medium-sized employers with 51-100 employees. This limit now expires on July 1, 2025, extended from Dec. 31, 2024.

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Important Dates

Nov. 9, 2023

Chicago City Council passed a new paid leave and paid sick and safe leave ordinance increasing employees' paid leave entitlement.

Jan. 1, 2024

The paid leave and paid sick and safe leave ordinance was slated to take effect.

July 1, 2024

New effective date for paid leave and paid sick and safe leave ordinance.

The new expanded paid leave ordinance will now go into effect July 1, 2024.

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