

# Legal Update

January 2019

## SIGNIFICANT CHANGES IN ILLINOIS LAW

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We wish our clients and friends a healthy, happy, and prosperous 2019. Our January *Legal Update* highlights new laws and amendments that may be of interest to Illinois businesses and individuals. We encourage all those potentially affected by these developments to consult with legal counsel to ensure they are in compliance with, or consider taking advantage of, new provisions in these laws.

### Amendments and New Laws Effective January 1, 2019

#### Expense Reimbursement Amendment to the Illinois Wage Payment and Collection Act

Illinois employers are now required, with certain exceptions, to reimburse employees for authorized expenses or losses that are incurred as part of their jobs. The law also (a) provides that if an employee does not follow the employer's written reimbursement policy, the employer is not required to reimburse the employee, and (b) allows employers to place certain limits on the amounts of the reimbursement through a written policy. Illinois employers should strongly consider adopting or updating their written policies governing expense reimbursements. Our February, 2019 newsletter will focus on this amendment and provide additional details.

#### Amendments to the Illinois Procurement Code Requiring Sexual Harassment Policies

Anyone who submits a bid for a State contract must now have a written sexual harassment policy in place that complies with numerous requirements, including (a) a description and examples of sexual harassment, (b) details on the bidder's complaint process, and (c) directions on how to contact the Illinois Department of Human Rights and the Illinois Human Rights Commission.

#### Amendments to Continuing Education Requirements for Illinois Professional License Renewal

The Illinois Department of Financial & Professional Regulation (IDFPR) has added a new requirement for licensed professionals that have continuing education obligations. License renewals through IDFPR on or after January 1, 2020 will require professionals to spend at least one of their continuing education hours on sexual harassment prevention training.

#### Expired Mechanics' Lien Pilot Program

Illinois has created a pilot program designed to address the problem of expired mechanics' liens on residential properties. If the county participates in the pilot program, the county recorder can establish a mechanics' lien demand and referral process, which allows an administrative law judge to remove an expired lien from a residential property.

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### **Illinois Health Care Violence Prevention Act**

Health care providers must comply with new workplace violence training and related safety requirements, such as adoption of a workplace violence prevention program that complies with federal and Illinois guidelines and posting of notices stating that verbal aggression will not be tolerated and that physical assault will be reported to law enforcement. The statute also provides whistleblower protections for those who report violations of the Act.

### **Illinois Service Member Employment and Reemployment Rights Act**

The new Illinois Service Member Employment and Reemployment Rights Act (ISERRA), which applies to most Illinois employers, consolidates various job-related protections for military service members under existing federal and Illinois laws. Among other duties, ISERRA requires posting a notice of employee rights and prohibits employers from discriminating against service members or restricting a service member employee's military leave.

## **Amendments and New Laws Effective Since the Last FVLD Annual Update**

### **Illinois Entity Omnibus Act**

As discussed in our [January 2018 Legal Update](#), the Illinois Entity Omnibus Act amended various Illinois business statutes effective July 1, 2018. The Act made it easier for Illinois businesses to convert into other entity forms (e.g., a corporation into a limited liability company) and to domesticate to another state. The Act also allows foreign entities to convert to Illinois entities and domesticate to Illinois. Prior to making any changes, however, businesses should consider the other effects of conversion and domestication, such as federal or state franchise tax or liability exposure.

### **Amendments to the Illinois Securities Law of 1953**

The Illinois Securities Law generally requires securities and investment fund shares to be registered with the Illinois Secretary of State unless the securities are exempt from registration. As of June 1, 2018, among other changes, agents or affiliates of title insurance companies, registered broker-dealers, and law firms can act as "qualified escrowees" for certain sales that are exempt from registration. The amendments also removed the requirement, with respect to certain exempt transactions, that a dealer must be organized under Illinois law and authorizes the payment of finder's fees and other payments.

### **Amendments to the Nursing Mothers in the Workplace Act**

As of July 1, 2018, Illinois employers with more than 5 employees must provide reasonable break time to an employee to express breast milk for her child for one year after the child's birth. Employers must provide break time as needed unless doing so would be prohibitively expensive or disruptive. Moreover, the amendment prohibits Illinois employers from reducing an employee's compensation for time spent breastfeeding a baby or expressing milk (but this time may run concurrently with any break time already provided to the employee).

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### **Amendments to the Day and Temporary Labor Services Act**

As of July 1, 2018, day and temporary labor service agencies must comply with new requirements, including to furnish transportation in certain circumstances and to inform laborers of the equipment, protective clothing, and training required for a task at the time of dispatch. Day and temporary labor service agencies are now prohibited from charging laborers for the expense of conducting any consumer reports, drug tests, or criminal background checks. Agencies must also attempt to place temporary laborers in permanent positions and comply with new Illinois Department of Labor reporting requirements.

### **Illinois Pollinator Friendly Solar Site Act**

As of August 21, 2018, the Pollinator Friendly Solar Site Act encourages solar developers to create habitats for bees and other pollinators within their solar sites. The Act creates a scorecard that sets minimum standards that solar developers must fulfill if they want to claim that their projects are “pollinator-friendly.”

Please note that this Legal Update discusses only a small sample of new Illinois laws, provides an overview for informational purposes only and is general in nature. It is not intended to take into account all exceptions, exemptions, and nuances that may apply to you or your business. Certain laws that we do not mention, including new Federal laws and laws in other States, may nonetheless affect you or your business. You should consult with your legal and other advisors about the entire legal landscape impacting you or your business.

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