

COMPLIANCE & BEST PRACTICES

Illinois Pay Data Certificate Renewal

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Scope and Usage of the Information

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The Institute for Workplace Equality

Employer Membership Association, formed to assist the contractor community in responding to rapidly changing compliance challenges. The Institute provides national training programs and webinars addressing the latest EEO developments and strategies for effective compliance.

For more information on The Institute for Workplace Equality, visit: www.theinstitute4workplaceequality.org

Institute Membership Offers Many Benefits

- Monthly members-only roundtable meeting covering cutting edge issues, including:
 - Washington Insider Insights
 - Changing enforcement initiatives, priorities and trends
 - Growing patchwork of domestic and international pay equity laws
 - Strategic and practical key takeaways (Takeaways PDF provided after each roundtable for members to share within their organizations)
- Unique access to EEO Agency leadership
- Complimentary registration for all webinars
- Institute conferences led by our 18-person faculty of nationally recognized EEO attorneys and statisticians
- Four or more* complimentary registrations for Institute conferences, annually
 - Member organizations do not pay conference registration fees on top of annual dues
 - **number of complimentary registrations depends on your organization's membership tier*
- Access to The Institute's extensive Member Resources Library
- Access to The Institute's Member Directory, a valuable networking opportunity for members to share best practices, guidance, and knowledge
- The Institute writes white papers addressing our members compliance concerns and priorities
- Opportunities for Institute members to collaborate and attend brainstorming sessions with federal EEO Agency leadership
- Semiannual meetings with The Institute's Advisory Board, U.S. DOL, and EEO Agency leadership

Agenda

- Overview of Illinois Equal Pay Act
- Equal Pay Certificate Registration & Application
- Compliance Statement
 - What analytical options should you consider to comply?
- Key Takeaways

Illinois EPA – Pay Transparency

- Prohibits paying unequal wages to men and women for doing the same or substantially similar work
- Also prohibits paying African-American employees less than employees who are not African-American
- **Substantially-similar work** = requires substantially similar skill, effort, and responsibility, and performed under similar working conditions
- Exceptions:
 - Seniority System
 - Merit System
 - System that measures earnings by quantity or quality of production
 - Differentials based on any factor other than sex, race, or other factors that would constitute unlawful discrimination under Illinois Human Rights Act

Illinois EPA – Equal Pay Registration Certificate

- Applies to employers with 100 or more employees in Illinois as of December 31.
 - *FAQ Page Explanation: “Illinois employees are the individuals who worked at your factory/facility/office in Illinois plus the 100% remote employees who report directly to Illinois management.”*
- Must submit application to obtain certificate within 3 years of commencing business operations
- Must recertify every 2 years
- *No longer required to submit EEO-1 report*

Illinois EPRC Application

- \$150 filing fee
- Equal Pay Compliance Statement
- Individual-level wage records ([Template](#))
- **New!** (March 2025): [EPRC Portal](#)

ILLINOIS.gov
Authentication Portal

Equal Pay Compliance Statement

The business must submit a statement signed by a corporate officer, legal counsel, or authorized agent of the business certifying:

- (i) that the business is in compliance with this Act and other relevant laws, including but not limited to: Title VII of the Civil Rights Act of 1964, the Equal Pay Act of 1963, the Illinois Human Rights Act, and the Equal Wage Act;
- (ii) that the average compensation for its female and minority employees is not consistently below the average compensation for its male and non-minority employees within each of the major job ~~categories in the Employer Information Report EEO-1~~ for which an employee is expected to perform work, taking into account factors such as length of service, requirements of specific jobs, experience, skill, effort, responsibility, working conditions of the job, education or training, job location, use of a collective bargaining agreement, or other mitigating factors; as used in this subparagraph, "minority" has the meaning ascribed to that term in paragraph (1) of subsection (A) of Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act; and as used in this subparagraph, "compensation" means remuneration or compensation an employee receives in return for services rendered to an employer, including hourly wages, overtime wages, commissions, piece rate work, salary, bonuses, or any other basis of calculation for services performed;
- (iii) that the business does not restrict employees of one sex to certain job classifications, and makes retention and promotion decisions without regard to sex;
- (iv) that wage and benefit disparities are corrected when identified to ensure compliance with the Acts cited in item (i);
- (v) how often wages and benefits are evaluated; and
- (vi) the approach the business takes in determining what level of wages and benefits to pay its employees; acceptable approaches include, but are not limited to, a wage and salary survey.

Wage Records

List of all employees during the past calendar year including:

- Race/ethnicity/gender
- SSN last 4 digits
- Job title & job classification
- Hourly or salaried
- Date employee started working for business
- Termination date
- IL County where employee works
- CBA coverage
- Wages paid to each employee during the past calendar year (round to nearest \$100)
- Base hourly rate
- Hours worked (rounded to nearest hour)

Analytical Considerations

Sample Company Sample Analysis					
Location	Loc1 - Location 1				
Issue	Race				
SSEG	Count	Average Salary	Difference	Wage Ratio	Statistical Significance
JobTitle2712	146				
*Hispanic	12	\$33,732.50			
Asian	68	\$33,450.37	\$282.13	99.16%	No (t = 0.14)
Black	35	\$26,979.34	\$6,753.16	79.98%	Yes (t = 3.95)
White	31	\$27,768.71	\$5,963.79	82.32%	Yes (t = 3.80)
JobTitle2713	35				
*Asian	18	\$38,845.89			
White	10	\$33,626.00			
Hispanic	4	\$33,205.75			
Black	3	\$29,021.00			
JobTitle2714	21				
*Asian	8	\$42,903.50			
White	8	\$39,862.25			
Hispanic	3	\$38,793.00			
Black	2	\$34,255.00			

t-test – average salary comparison by job title example

Sample Company Sample Analysis					
Location	Loc1 - Location 1				
Issue	Sex				
SSEG	R2	Count	Post-Regression Weight	% Difference	Post-Regression t Value
JobTitle2711	**0.62	64			
Male		18	362.56	1.32%	0.39
Female		46			
JobTitle2712	**0.46	146			
Male		51	835.57	2.71%	1.03
Female		95			
JobTitle2713	**0.61	35			
Male		11	1300.69	3.53%	0.62
Female		24			

Regression example: accounts for merit variables

Additional Analytical Considerations

Illinois employees or all employees?

Job Title, EEO-1 category, Other Job Category, similarly-situated employees?

Simple average salary comparison or regression?

W-2 or base wages?

Illinois EPA Takeaways

- Recommend doing a privileged compensation analysis if you are going to sign a certification statement and submit individual-level wage data
 - Does not have to be an analysis specific to this submission, but could be
 - Can be a Title VII-style analysis of similarly-situated employee groups or something more specific
 - W-2 or base pay
- Employees who changed jobs during the year will have multiple entries, one for each job held during the calendar year
- If you have 100 or more employees in Illinois and have not applied for a certificate, contact the Illinois Department of Labor
- If you have a certificate, note the date. You will need to recertify every two years

Thank You