
CITY OF CHICAGO

RULES



CHICAGO PAID LEAVE AND PAID SICK AND SAFE LEAVE RULES



Mayor Brandon Johnson

Commissioner Ivan J. Capifali

BY AUTHORITY VESTED IN THE COMMISSIONER OF BUSINESS AFFAIRS AND
CONSUMER PROTECTION PURSUANT TO CHAPTERS 2-25 AND 6-130 OF THE
MUNICIPAL CODE OF CHICAGO, THE FOLLOWING RULES REGARDING PAID LEAVE
AND PAID SICK AND SAFE LEAVE ARE HEREBY ADOPTED.

By Order of the Commissioner:

Signed: 

Date: May 15, 2026

Ivan J. Capifali
Commissioner

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ARTICLE 1 – GENERAL RULES

SECTION I. DEFINITIONS

As used in these Rules, the following definitions shall apply:

“Benefit Year” means the period of twelve consecutive months that an Employer sets for an Employee to receive Paid Leave and Paid Sick Leave benefits.

“Chapter” means Chapter 6-130 of the Municipal Code of Chicago. Citations to sections, such as “Section 6-130-XXX” or “Section 4-6-XXX” are citations to the Municipal Code of Chicago.

“Lead Agency” means an entity that coordinates and manages a specific project, program or initiative.

The terms **“Commissioner,” “Department,” “Domestic Worker,”** and **“Wage”** have the definitions assigned in Section 6-100-010 of the Municipal Code of Chicago.

The terms **“Covered Employee,” “Employee,” “Employer,” “Gratuities,” “Medium Employer,” “Paid Leave,” “Paid Sick Leave,”** and **“Small Employer”** have the definitions assigned in Section 6-130-010 of the Municipal Code of Chicago.

“Day Laborer” has the definition assigned in Section 4-6-070(a) of the Municipal Code of Chicago.

SECTION II. GENERAL PROVISIONS AND INFORMATION

Rule PTO 1.01 Immigration Status

Immigration status does not affect an individual’s status as a Covered Employee.

Rule PTO 1.02 Day Laborers

Day Laborers are considered Employees. Therefore, a Day Laborer who works at least 80 hours within any 120-day period for an Employer while physically present within the geographic boundaries of the City is a Covered Employee.

Rule PTO 1.03 Joint Employers

(a) Joint employment occurs when the essential terms and conditions of an Employee’s work are controlled by two or more entities. As a result, more than one entity may be the Employer of a Covered Employee.

(1) Separate entities may be treated as joint employers under this Chapter.

(2) Joint employers may be separate and distinct entities with separate owners, managers, and facilities.

- (3) If facts establish that a Covered Employee is jointly employed by two or more Employers, all joint employers are responsible, both individually and jointly, for compliance with all of the applicable provisions of the Chapter.
 - (4) Covered Employees jointly employed by more than one Employer shall be counted by each Employer, regardless of whether their names appear on the Employer's payroll.
- (b) Joint employment can occur in a variety of situations, including, but not limited to, when an Employer uses a temporary staffing agency, Lead Agency, professional employer organization, or other entity serving the same or similar functions.

Rule PTO 1.04 Notice and Posting

- (a) An Employer shall post the notice required by Section 6-130-050(a) through the Employer's usual methods of communication for such notices. A posted paper notice shall be printed on, and each page scaled to fill, a sheet of paper that measures no less than eleven inches by seventeen inches.

Examples of posting locations

- *Bulletin board with other Federal and State mandated required postings*
- *Breakroom or lunchroom*
- *Routine or scheduled display on a monitor or TV screen*
- *Swipe in locations*

- (b) The initial notice an Employer is required to provide in Section 6-130-050(b) may be provided prior to the commencement of a Covered Employee's employment or as part of an onboarding process. The initial notice and subsequent notices shall be printed on, and each page scaled to fill, a sheet of paper that measures no less than eight and a half inches by eleven inches.

However, where Covered Employees are enrolled in direct deposit and do not receive a "paycheck" but have the option to review their pay stubs electronically, an Employer may provide the notices to Covered Employees through the Employer's usual methods of electronic communication including, but not limited to, email, dissemination through internal communication channels, and as part of an employee handbook or part of a paid leave policy.

- (c) All notices shall be posted in English. An Employer shall request and post notices in the literary languages understood by a significant portion of its workers who are not literate in English. For purposes of this rule, "significant portion" means 5% or more of Covered Employees at a jobsite.

Rule PTO 1.05 Contents of Records of Employers

- (a) Employers must maintain the following records for a period of not less than five years, and shall make such records available for inspection upon request by the Department:
 - (1) Name of each Covered Employee.
 - (2) Mailing address, telephone number, and email address of each Covered Employee during the time of employment.
 - (3) Occupations and job titles of Covered Employees and whether they are tipped, non-tipped, or perform duties of both tipped and non-tipped positions.
 - (4) Hire date of each Covered Employee.
 - (5) Date each Covered Employee was eligible to use Paid Leave.
 - (6) Date each Covered Employee was eligible to use Paid Sick Leave.
 - (7) Number of hours of Paid Leave accrued by or awarded to each Covered Employee.
 - (8) Number of hours of Paid Sick Leave accrued by or awarded to each Covered Employee.
 - (9) Dates and number of hours each Covered Employee used Paid Leave.
 - (10) Dates and number of hours each Covered Employee used Paid Sick Leave
 - (11) Rates of pay for each Covered Employee.
 - (12) Hours worked each day and each workweek by each Covered Employee.
 - (13) Type of payment (hourly rate, salary, commission, etc.), straight-time and overtime pay, and total Wages paid to each Covered Employee in each pay period.
 - (14) Dates of payment of each pay period covered by each Wage payment to each Covered Employee.

ARTICLE 2 - PAID LEAVE AND PAID SICK LEAVE RULES

Rule PTO 2.01 General

- (a) The Chapter articulates three main Paid Leave and Paid Sick Leave requirements: (i) accrual / grant of hours of Paid Leave and Paid Sick Leave; (ii) carryover of Paid Leave and Paid Sick Leave from one Benefit Year to the next; and (iii) usage of Paid Leave and Paid Sick Leave.
- (b) The Chapter establishes minimum standards, and Employers are at liberty to go above those standards.

Example:

Employers are not prevented from permitting the use of Paid Sick Leave for additional purposes other than those articulated in the Chapter.

- (c) Those Employers whose paid time off policies meet or exceed the three main requirements of the Chapter enumerated above are not required to provide additional

leave or keep records beyond what is required to demonstrate compliance with the Chapter.

- (d) It is a violation of the Chapter to change paid time off, Paid Leave, or Paid Sick Leave policies to avoid application or use of the Chapter.

Rule PTO 2.02 Rate of Pay for Covered Employees Who Are Not Exempt from the Overtime Requirements of the Minimum Wage Law

For any Covered Employee who is paid on a Commission basis, whether base Wage plus Commission or Commission only, the Employer must pay Paid Leave and Paid Sick Leave to the Covered Employee at the hourly rate of pay based on the base Wage or the highest hourly rate of the federal minimum wage, the Illinois minimum wage or the full Chicago minimum wage (without any allowance or credit for tips), whichever is greater.

For any Covered Employee who receives Gratuities, the Employer must pay Paid Leave and Paid Sick Leave to the Covered Employee at the highest hourly rate of their base hourly Wage, federal minimum wage, the Illinois minimum wage or the full Chicago minimum wage (without any allowance or credit for tips).

Rule PTO 2.03 Rate of Pay for Covered Employees Who Are Not Exempt from the Overtime Requirements of the Minimum Wage Law and Have Experienced a Reduction in Pay

The Rate of Pay for Covered Employees who have received a reduction in pay in the previous 90-day period shall be calculated by dividing the Covered Employee's total Wages by the total hours worked in the full pay periods of the prior 90 days of employment. Wages under this subsection do not include overtime pay, Gratuities, or Commissions.

Example:

Employer pays Employee \$19 an hour for 30 calendar days and Employee works 160 hours during that period, but then Employer lowers the pay rate to \$18 an hour for the next 60 calendar days, and the Employee works 320 hours during that period. The pay rate for Paid Leave or Paid Sick Leave taken immediately after this 90-day period would be calculated by taking \$3040 (the Wages from the first 30 days) plus \$5760 (the Wages from the next 60 days) and dividing it by the hours worked, in this case 480 hours, for a rate of \$18.34 an hour and not \$18.00 an hour.

Rule PTO 2.04 Accrual

- (a) Only hours worked within the City of Chicago count toward the accrual of Paid Leave and Paid Sick Leave.

- (1) Covered Employees who are not exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) accrue Paid Leave and Paid Sick Leave on all hours worked including overtime hours worked.
 - (2) The accrual rate for a Covered Employee who is exempt from overtime requirements of the FLSA shall be capped at 40 hours per work week for purposes of Paid Leave and Paid Sick Leave accrual.
 - (3) Remote workers (who meet the definition requirements of a Covered Employee) and those who telecommute (who meet the definition requirements of a Covered Employee) are covered by the Ordinance, even if the Employer is physically located outside of the geographical boundaries of the City.
 - (4) Covered Employees do not accrue Paid Leave or Paid Sick Leave for the hours they are not physically working within the geographical boundaries of the City even if the Employer is located within the geographical boundaries of the City.
- (b) A Covered Employee who works on Commission and whose hours are not tracked shall accrue Paid Leave and Paid Sick Leave as a salaried Covered Employee would.
 - (c) An Employer is not required to allow accrual of Paid Leave and Paid Sick Leave during a Covered Employee's use of any paid or unpaid leave.
 - (d) An Employer shall keep track of hours worked by non-salaried Covered Employees to ensure proper accrual.

Rule PTO 2.05 Accrual Versus Immediate Grant/Frontloading

- (a) Instead of following an accrual model, Employers may choose to immediately grant Covered Employees Paid Leave or Paid Sick Leave or both at the beginning of employment or Benefit Year, a practice sometimes known as frontloading. Frontloading of Paid Leave done in the manner explained in PTO 2.05(b) relieves the Employer from having to follow the requirements of accrual and carryover. Frontloading of Paid Sick Leave done in the manner explained in PTO 2.05(c) relieves the Employer from having to follow the requirements of accrual BUT NOT of carryover.
- (b) If an Employer grants Covered Employees 40 hours of Paid Leave no later than 90 days after the Covered Employee began working for the Employer, then the Employer is not required to provide additional Paid Leave.
- (c) If an Employer grants Covered Employees 40 hours of Paid Sick Leave no later than 30 days after the Covered Employee began working for the Employer, then the Employer is not required to provide additional Paid Sick Leave.

- (d) Where the ordinance and these rules use the term “accrued”, hours granted by frontloading shall be understood to be included in the term.
- (e) An Employer may utilize an accrual method and may also allow its Covered Employees to use Paid Leave or Paid Sick Leave prior to the actual accrual of those hours.

Rule PTO 2.06 Carryover

(a) Paid Leave

- (1) Unless an Employer frontloads in accordance with PTO 2.05(b), an Employer must allow the Covered Employee to carry over up to 16 hours of accrued and unused Paid Leave into the next Benefit Year.
- (2) If a Covered Employee carries over accrued and unused Paid Leave to the following Benefit Year, accrual of Paid Leave in the subsequent Benefit Year shall be in addition to the hours that were accrued and unused in the previous Benefit Year and carried over.

(b) Paid Sick Leave

- (1) An Employer must allow a Covered Employee to carry over up to 80 hours of accrued and unused Paid Sick Leave into the next Benefit Year.
- (2) If a Covered Employee carries over accrued and unused Paid Sick Leave to the following Benefit Year, the accrual of Paid Sick Leave in the subsequent Benefit Year shall be in addition to the hours accrued and unused in the previous Benefit Year and carried over.

Rule PTO 2.07 Usage

- (a) Regardless of the number of Employees the Employer employs, any Covered Employee is eligible to use:
 - (1) accrued Paid Leave by the 90th calendar day following the commencement of employment.
 - (2) accrued Paid Sick Leave by the 30th calendar day following commencement of employment.
- (b) Paid Sick Leave provided by the Chapter can be used by a Covered Employee when the Covered Employee’s child’s place of care has an unscheduled closure. The term “place of care” under Section 6-130-030(i)(1)(D) includes not only professional and formal organizations (e.g. afterschool programs, childcare centers, summer camps) but also includes providers outside of institutional settings and locations (e.g. paid babysitters, family and friends who supervise children when Covered Employees are working).

Examples:

- (1) An at-home babysitter cancels on a day when school is not in session and the Covered Employee is scheduled to work.*
- (2) The unplanned cancellation of after-school programming for the child of a Covered Employee who is scheduled to work.*

Rule PTO 2.08 Alternative Policies

An Employer may establish a policy that allows Covered Employees access to accrue up to 80 hours of paid time off as long as it meets or exceeds all requirements of Section 6-130-030.

Example:

Employer X grants new employees 120 hours of PTO that can be used for any reason upon commencement of employment.

Rule PTO 2.09 Disciplinary Leave

An Employer is not required to allow the use of Paid Leave or Paid Sick Leave when a Covered Employee has been suspended or otherwise placed on leave for disciplinary reasons.

Rule PTO 2.10 Payment of Paid Leave and Paid Sick Leave

- (a) Paid Leave and Paid Sick Leave must be paid no later than the next regular payroll period beginning after the Paid Leave or Paid Sick Leave was used by the Covered Employee.
- (b) An Employer may not request a Covered Employee to waive the right to use Paid Leave or Paid Sick Leave in exchange for receiving payment for unused Paid Leave or Paid Sick Leave.

Rule PTO 2.11 Employer Size Determination for Paid Leave Payout Provision

- (a) To calculate an Employer's size, the Department will count the average number of all Covered Employees who worked for compensation during a 12-month period.
- (b) To calculate a new Employer's size, the Department will count the average number of all Covered Employees who worked for compensation during the previous 90-days.

Rule PTO 2.12 Employer's Sale or Transfer of Covered Employees

Failure to properly transfer a Covered Employee's accrued and unused Paid Leave and Paid Sick Leave to a successor Employer constitutes a policy or practice of not providing meaningful

access to Paid Leave and Paid Sick Leave in violation of this Chapter. The original and successor Employer and any joint employer are individually and jointly liable for any violation of this Chapter.

Rule PTO 2.13 Paid Leave and Paid Sick Leave Usage Policy and Notification Policy

- (a) An Employer shall establish and adopt a reasonable written Paid Leave and Paid Sick Leave policy.
 - (1) The Paid Leave and Paid Sick Leave policies shall be made available in English. If an Employer has Employees that are not literate in English, the Employer shall provide the Paid Leave and Paid Sick Leave policies in languages in which those Employees are literate.
 - (2) The Paid Leave and Paid Sick Leave policies may be a part of an employer manual, employer handbook, or a separate document.
 - (3) The Paid Leave policy may require a Covered Employee to give reasonable notice, which may not exceed seven days before using such Paid Leave.
 - (4) An Employer that denies a Paid Leave request must do so in writing; the denial must state pre-established policy rationale and be issued to the Covered Employee immediately upon the denial.
 - (5) A Paid Leave policy may require a Covered Employee to obtain reasonable pre-approval from the Employer before using Paid Leave for the purposes of maintaining continuity of Employer operations. A denial of a Paid Leave request made out of consideration of an Employer's operational needs should include relevant factors such as:
 - (A) Whether granting Paid Leave during a particular time-period would significantly impact business operations.
 - (B) Whether the Employer provides a need or service critical to the health, safety, or welfare of the people of Chicago.
 - (C) Whether similarly situated employees are treated the same for the purposes of reviewing, approving, and denying Paid Leave.
 - (D) Whether the Covered Employee has meaningful access to use all Paid Leave time the Covered Employee is entitled to use over the established Benefit Year. "Meaningful access" means that a Covered Employee has a reasonable ability to utilize accrued Paid Leave. An example of a reasonable policy is one that allows a Covered Employee to take Paid Leave a Friday seven days from the request. But the policy can also say that the Covered Employee may not take Paid Leave on a Friday if it is the busiest day of the Employer's year. An example of an over-restrictive policy is one that does not allow for the usage of Paid Leave on any day except for Tuesdays, Wednesdays, and Thursdays.

(b) An Employer may establish reasonable methods for the Covered Employee to notify the Employer of the Covered Employee's need to use Paid Leave or Paid Sick Leave. There shall be a reasonable expectation that a Covered Employee will notify an Employer of the Covered Employee's need to use Paid Leave or Paid Sick Leave. Examples of such methods include:

- (1) Notifying the Covered Employee's immediate supervisor in writing or verbally.
- (2) Calling a designated phone number at which a Covered Employee can leave a message.
- (3) Following a uniform-call in procedure.
- (4) Sending an e-mail to a designated e-mail address.
- (5) Submitting a leave request in a scheduling software system.
- (6) Using another reasonable and accessible means of communication identified by the Employer.

An Employer may not include the requirement that a Covered Employee appear in person at a worksite or administrative offices or deliver any document to the Employer prior to using Paid Sick Leave or after usage to return to work.

(c) An Employer may restrict a Covered Employee's use of Paid Leave or Paid Sick Leave to the Covered Employee's regular work week.

Rule PTO 2.14 Available Paid Leave Written Notification

(a) An Employer may choose a reasonable system for giving notice to its Covered Employees of the availability and use of Paid Leave and Paid Sick Leave, including, but not limited to, listing updated amounts of Paid Leave and Paid Sick Leave available to each Covered Employee on pay stubs or regular payroll statements; developing an online system where Covered Employees can access such information; or providing a hand-written record of available time. Regardless of the method of notification to the Covered Employees, Employers are still required to maintain copies of these records to be in compliance with the Chapter.

(b) An Employer is not required to provide notification to a Covered Employee if the Covered Employee has not worked any hours since the last notification.

(c) If an Employer chooses to frontload, the Employer must make written notification of the fact and the availability of the hours to a Covered Employee at the beginning of the Benefit Year.

(d) An Employer that frontloads hours is obligated to keep its Covered Employees apprised of their available and used benefits in accordance with Section 6-130-050(c).

Rule PTO 2.15 Benefit-Year Change

An Employer may set different dates for each Covered Employee or synchronize all of its Covered Employees to have benefits granted at the same time.

Examples of qualifying Benefit Years:

- *Anniversary date of employment*
- *Calendar Year*
- *Contract Year*
- *Fiscal Year*
- *Tax Year*

Each Benefit Year shall renew consecutively for the duration of employment unless the Employer does all the following:

- (a) Gives written notice to Covered Employees at least 14 days prior to the end of the Benefit Year informing them that the Benefit Year is changing or ending.
- (b) Gives written notice of the changes the Employer is making.
- (c) Ensures that changing the Benefit Year does not reduce the number of Paid Leave and Paid Sick Leave hours a Covered Employee is entitled to in a Benefit Year.

Rule PTO 2.16 Certification

Section 6-130-030(i)(3) provides that an Employer may require certification for the use of Paid Sick Leave if a Covered Employee is absent for three or more consecutive workdays.

- (a) Three consecutive workdays means Paid Sick Leave absences on three consecutive days that a Covered Employee is scheduled to work. A shift that spreads from one calendar day into the next calendar day shall be counted as one workday.

For example, if a Covered Employee is scheduled to work Monday, Wednesday, and Friday and the Covered Employee uses Paid Sick Leave for those three workdays, then the Employer may require certification for use of the Paid Sick Leave.

- (b) An Employer shall not require certification before receiving notification that a Covered Employee will be using Paid Sick Leave for a third consecutive workday. However, in no event shall a Covered Employee not be allowed to submit the required certification as soon as reasonably practicable.
- (c) An Employer shall not delay the use of Paid Sick Leave nor delay payment of accrued Paid Sick Leave wages on the basis that the Employer has not received the certification.
- (d) In light of the potentially significant impact on interstate commerce caused by unexpected absences during peak travel periods, a common carrier regulated under subchapter II of the Railway Labor Act, 45 U.S.C. §§ 181-188, may require certification for the use of Paid Sick Leave for an absence of one or more workdays during travel

periods associated with Federal holidays and from October 29 through November 1. Such a certification requirement, and any action taken in accordance with the Employer's paid sick leave policy in conjunction with the Covered Employee's failure to provide such certification, shall not in and of itself be deemed to contravene Section 6-100-030 pertaining to the entirety of Article II of Title 6.

Rule PTO 2.17 Covered Employee Abuse of Paid Sick Leave

An Employer may take disciplinary action, up to and including termination against a Covered Employee who abuses or uses Paid Sick Leave for purposes other than those described in Section 6-130-030(i)(1).

Examples of abuse of Paid Sick Leave include, but are not limited to, patterns of use of:

- *Unscheduled Paid Sick Leave on or adjacent to weekends, regularly scheduled days off, holidays, vacation or pay day;*
- *Taking scheduled Paid Sick Leave on days when other leave has been denied;*
- *Taking Paid Sick Leave on days when the Covered Employee is scheduled to work a shift or perform duties perceived as undesirable.*

Rule PTO 2.18 Other Legal Requirements

Nothing in this Chapter shall be construed as creating or imposing any requirement in conflict with any federal or state law, rule or regulation.

ARTICLE 3 – SEVERABILITY

Rule PTO 3.01 Severability

These rules are declared to be separate and severable. If any clause, sentence, paragraph, subdivision, section, subsection, or portion of these rules or the application thereof to any Employer, Employee, or circumstance, is held to be invalid, it shall not affect the validity of the remainder of these rules, or the validity of the application of the rules to other persons or circumstances.