



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4263

Introduced 1/14/2026, by Rep. Curtis J. Tarver, II

SYNOPSIS AS INTRODUCED:

820 ILCS 105/4

from Ch. 48, par. 1004

Amends the Minimum Wage Law. Provides that the regulation of allowances for gratuities as part of the hourly wage rate is an exclusive power and function of the State. Provides that a home rule unit may not regulate allowances for gratuities as part of the hourly wage rate. Effective immediately.

LRB104 14643 SPS 27785 b

1 AN ACT concerning employment.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Minimum Wage Law is amended by changing
5 Section 4 as follows:

6 (820 ILCS 105/4) (from Ch. 48, par. 1004)

7 Sec. 4. (a)(1) Every employer shall pay to each of his
8 employees in every occupation wages of not less than \$2.30 per
9 hour or in the case of employees under 18 years of age wages of
10 not less than \$1.95 per hour, except as provided in Sections 5
11 and 6 of this Act, and on and after January 1, 1984, every
12 employer shall pay to each of his employees in every
13 occupation wages of not less than \$2.65 per hour or in the case
14 of employees under 18 years of age wages of not less than \$2.25
15 per hour, and on and after October 1, 1984 every employer shall
16 pay to each of his employees in every occupation wages of not
17 less than \$3.00 per hour or in the case of employees under 18
18 years of age wages of not less than \$2.55 per hour, and on or
19 after July 1, 1985 every employer shall pay to each of his
20 employees in every occupation wages of not less than \$3.35 per
21 hour or in the case of employees under 18 years of age wages of
22 not less than \$2.85 per hour, and from January 1, 2004 through
23 December 31, 2004 every employer shall pay to each of his or

1 her employees who is 18 years of age or older in every
2 occupation wages of not less than \$5.50 per hour, and from
3 January 1, 2005 through June 30, 2007 every employer shall pay
4 to each of his or her employees who is 18 years of age or older
5 in every occupation wages of not less than \$6.50 per hour, and
6 from July 1, 2007 through June 30, 2008 every employer shall
7 pay to each of his or her employees who is 18 years of age or
8 older in every occupation wages of not less than \$7.50 per
9 hour, and from July 1, 2008 through June 30, 2009 every
10 employer shall pay to each of his or her employees who is 18
11 years of age or older in every occupation wages of not less
12 than \$7.75 per hour, and from July 1, 2009 through June 30,
13 2010 every employer shall pay to each of his or her employees
14 who is 18 years of age or older in every occupation wages of
15 not less than \$8.00 per hour, and from July 1, 2010 through
16 December 31, 2019 every employer shall pay to each of his or
17 her employees who is 18 years of age or older in every
18 occupation wages of not less than \$8.25 per hour, and from
19 January 1, 2020 through June 30, 2020, every employer shall
20 pay to each of his or her employees who is 18 years of age or
21 older in every occupation wages of not less than \$9.25 per
22 hour, and from July 1, 2020 through December 31, 2020 every
23 employer shall pay to each of his or her employees who is 18
24 years of age or older in every occupation wages of not less
25 than \$10 per hour, and from January 1, 2021 through December
26 31, 2021 every employer shall pay to each of his or her

1 employees who is 18 years of age or older in every occupation
2 wages of not less than \$11 per hour, and from January 1, 2022
3 through December 31, 2022 every employer shall pay to each of
4 his or her employees who is 18 years of age or older in every
5 occupation wages of not less than \$12 per hour, and from
6 January 1, 2023 through December 31, 2023 every employer shall
7 pay to each of his or her employees who is 18 years of age or
8 older in every occupation wages of not less than \$13 per hour,
9 and from January 1, 2024 through December 31, 2024, every
10 employer shall pay to each of his or her employees who is 18
11 years of age or older in every occupation wages of not less
12 than \$14 per hour; and on and after January 1, 2025, every
13 employer shall pay to each of his or her employees who is 18
14 years of age or older in every occupation wages of not less
15 than \$15 per hour.

16 (2) Unless an employee's wages are reduced under Section
17 6, then in lieu of the rate prescribed in item (1) of this
18 subsection (a), an employer may pay an employee who is 18 years
19 of age or older, during the first 90 consecutive calendar days
20 after the employee is initially employed by the employer, a
21 wage that is not more than 50¢ less than the wage prescribed in
22 item (1) of this subsection (a); however, an employer shall
23 pay not less than the rate prescribed in item (1) of this
24 subsection (a) to:

25 (A) a day or temporary laborer, as defined in Section
26 5 of the Day and Temporary Labor Services Act, who is 18

1 years of age or older; and

2 (B) an employee who is 18 years of age or older and
3 whose employment is occasional or irregular and requires
4 not more than 90 days to complete.

5 (3) At no time on or before December 31, 2019 shall the
6 wages paid to any employee under 18 years of age be more than
7 50¢ less than the wage required to be paid to employees who are
8 at least 18 years of age under item (1) of this subsection (a).
9 Beginning on January 1, 2020, every employer shall pay to each
10 of his or her employees who is under 18 years of age that has
11 worked more than 650 hours for the employer during any
12 calendar year a wage not less than the wage required for
13 employees who are 18 years of age or older under paragraph (1)
14 of subsection (a) of Section 4 of this Act. Every employer
15 shall pay to each of his or her employees who is under 18 years
16 of age that has not worked more than 650 hours for the employer
17 during any calendar year: (1) \$8 per hour from January 1, 2020
18 through December 31, 2020; (2) \$8.50 per hour from January 1,
19 2021 through December 31, 2021; (3) \$9.25 per hour from
20 January 1, 2022 through December 31, 2022; (4) \$10.50 per hour
21 from January 1, 2023 through December 31, 2023; (5) \$12 per
22 hour from January 1, 2024 through December 31, 2024; and (6)
23 \$13 per hour on and after January 1, 2025.

24 (b) No employer shall discriminate between employees on
25 the basis of sex or mental or physical disability, except as
26 otherwise provided in this Act by paying wages to employees at

1 a rate less than the rate at which he pays wages to employees
2 for the same or substantially similar work on jobs the
3 performance of which requires equal skill, effort, and
4 responsibility, and which are performed under similar working
5 conditions, except where such payment is made pursuant to (1)
6 a seniority system; (2) a merit system; (3) a system which
7 measures earnings by quantity or quality of production; or (4)
8 a differential based on any other factor other than sex or
9 mental or physical disability, except as otherwise provided in
10 this Act.

11 (c) Every employer of an employee engaged in an occupation
12 in which gratuities have customarily and usually constituted
13 and have been recognized as part of the remuneration for hire
14 purposes is entitled to an allowance for gratuities as part of
15 the hourly wage rate provided in Section 4, subsection (a) in
16 an amount not to exceed 40% of the applicable minimum wage
17 rate. The Director shall require each employer desiring an
18 allowance for gratuities to provide substantial evidence that
19 the amount claimed, which may not exceed 40% of the applicable
20 minimum wage rate, was received by the employee in the period
21 for which the claim of exemption is made, and no part thereof
22 was returned to the employer.

23 The regulation of allowances for gratuities as part of the
24 hourly wage rate is an exclusive power and function of the
25 State. A home rule unit may not regulate allowances for
26 gratuities as part of the hourly wage rate. This subsection

1 (c) is a denial and limitation of home rule powers and
2 functions under subsection (h) of Section 6 of Article VII of
3 the Illinois Constitution.

4 (d) No camp counselor who resides on the premises of a
5 seasonal camp of an organized not-for-profit corporation shall
6 be subject to the adult minimum wage if the camp counselor (1)
7 works 40 or more hours per week, and (2) receives a total
8 weekly salary of not less than the adult minimum wage for a
9 40-hour week. If the counselor works less than 40 hours per
10 week, the counselor shall be paid the minimum hourly wage for
11 each hour worked. Every employer of a camp counselor under
12 this subsection is entitled to an allowance for meals and
13 lodging as part of the hourly wage rate provided in Section 4,
14 subsection (a), in an amount not to exceed 25% of the minimum
15 wage rate.

16 (e) A camp counselor employed at a day camp is not subject
17 to the adult minimum wage if the camp counselor is paid a
18 stipend on a onetime or periodic basis and, if the camp
19 counselor is a minor, the minor's parent, guardian or other
20 custodian has consented in writing to the terms of payment
21 before the commencement of such employment.

22 (Source: P.A. 101-1, eff. 2-19-19.)

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.