



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB5854

Introduced 11/02/06, by Rep. Marlow H. Colvin

SYNOPSIS AS INTRODUCED:

820 ILCS 105/4

from Ch. 48, par. 1004

Amends the Minimum Wage Law. Provides that, from July 1, 2007 through June 30, 2008, every employer shall pay each employee who is 18 years of age or older wages of not less than \$7.50 per hour. Provides that, beginning July 1, 2008, the minimum wage shall be annually increased by the Director of Labor using the consumer price index for urban wage earners and clerical workers. Effective July 1, 2007.

LRB094 21830 WGH 60257 b

FISCAL NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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) 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 occupation
13 wages of not less than \$2.65 per hour or in the case of
14 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
24 her employees who is 18 years of age or older in every
25 occupation wages of not less than \$5.50 per hour, and from ~~on~~
26 ~~and after~~ January 1, 2005 through June 30, 2007 every employer
27 shall pay to each of his or her employees who is 18 years of age
28 or older in every occupation wages of not less than \$6.50 per
29 hour, and from July 1, 2007 through June 30, 2008 every
30 employer shall pay to each of his or her employees who is 18
31 years of age or older in every occupation wages of not less
32 than \$7.50 per hour, and on and after July 1, 2008 every

1 employer shall pay to each of his or her employees who is 18
2 years of age or older in every occupation wages of not less
3 than wages at a rate of not less than the then-current adjusted
4 minimum wage rate established under this subsection (a).

5 On March 31, 2008, and on each following March 31st, the
6 Director shall calculate an adjusted minimum wage rate to
7 maintain employee purchasing power by increasing the
8 then-current minimum wage rate by the rate of inflation. The
9 adjusted minimum wage rate shall be calculated to the nearest
10 cent using the consumer price index for urban wage earners and
11 clerical workers, CPI-W, or a successor index, for the 12
12 months prior to March 1st of the then-current year as
13 calculated by the United States Department of Labor. Each
14 adjusted minimum wage rate calculated under this subsection (a)
15 takes effect on the following July 1st.

16 At no time shall the wages paid to any employee under 18
17 years of age be more than 50¢ less than the wage required to be
18 paid to employees who are at least 18 years of age.

19 (b) No employer shall discriminate between employees on the
20 basis of sex or mental or physical handicap, except as
21 otherwise provided in this Act by paying wages to employees at
22 a rate less than the rate at which he pays wages to employees
23 for the same or substantially similar work on jobs the
24 performance of which requires equal skill, effort, and
25 responsibility, and which are performed under similar working
26 conditions, except where such payment is made pursuant to (1) a
27 seniority system; (2) a merit system; (3) a system which
28 measures earnings by quantity or quality of production; or (4)
29 a differential based on any other factor other than sex or
30 mental or physical handicap, except as otherwise provided in
31 this Act.

32 (c) Every employer of an employee engaged in an occupation
33 in which gratuities have customarily and usually constituted
34 and have been recognized as part of the remuneration for hire
35 purposes is entitled to an allowance for gratuities as part of
36 the hourly wage rate provided in Section 4, subsection (a) in

1 an amount not to exceed 40% of the applicable minimum wage
2 rate. The Director shall require each employer desiring an
3 allowance for gratuities to provide substantial evidence that
4 the amount claimed, which may not exceed 40% of the applicable
5 minimum wage rate, was received by the employee in the period
6 for which the claim of exemption is made, and no part thereof
7 was returned to the employer.

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

19 (e) A camp counselor employed at a day camp of an organized
20 not-for-profit corporation is not subject to the adult minimum
21 wage if the camp counselor is paid a stipend on a onetime or
22 periodic basis and, if the camp counselor is a minor, the
23 minor's parent, guardian or other custodian has consented in
24 writing to the terms of payment before the commencement of such
25 employment.

26 (Source: P.A. 93-581, eff. 1-1-04.)

27 Section 99. Effective date. This Act takes effect July 1,
28 2007.