

SB1700



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB1700

Introduced 2/9/2007, by Sen. Kimberly A. Lightford

SYNOPSIS AS INTRODUCED:

820 ILCS 105/4

from Ch. 48, par. 1004

Amends the Minimum Wage Law. Provides that, beginning July 1, 2011, the minimum wage shall be annually increased by the Department of Labor using the consumer price index for urban wage earners and clerical workers.

LRB095 10185 WGH 30399 b

FISCAL NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

A BILL FOR

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 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

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 ~~on and after~~ July 1,
16 2010 through June 30, 2011 every employer shall pay to each of
17 his or her employees who is 18 years of age or older in every
18 occupation wages of not less than \$8.25 per hour.

19 On and after July 1, 2011, every employer shall pay to each
20 of his or her employees who is 18 years of age or older in every
21 occupation wages of not less than the then-current adjusted
22 minimum wage rate established under this item (1) of subsection
23 (a).

24 On March 31, 2011, and on each following March 31st, the
25 Department of Labor shall calculate an adjusted minimum wage
26 rate to maintain employee purchasing power by increasing the

1 then-current minimum wage rate by the rate of inflation. The
2 adjusted minimum wage rate shall be calculated to the nearest
3 5-cent increment using the consumer price index for urban wage
4 earners and clerical workers, CPI-W, or a successor index, for
5 the 12 months prior to March 1st of the then-current year as
6 calculated by the United States Department of Labor. Each
7 adjusted minimum wage rate calculated under this subsection (a)
8 takes effect on the following July 1st, with the first adjusted
9 minimum wage rate to take effect on July 1, 2011.

10 (2) Unless an employee's wages are reduced under Section 6,
11 then in lieu of the rate prescribed in item (1) of this
12 subsection (a), an employer may pay an employee who is 18 years
13 of age or older, during the first 90 consecutive calendar days
14 after the employee is initially employed by the employer, a
15 wage that is not more than 50¢ less than the wage prescribed in
16 item (1) of this subsection (a).

17 (3) At no time shall the wages paid to any employee under
18 18 years of age be more than 50¢ less than the wage required to
19 be paid to employees who are at least 18 years of age under
20 item (1) of this subsection (a).

21 (b) No employer shall discriminate between employees on the
22 basis of sex or mental or physical handicap, except as
23 otherwise provided in this Act by paying wages to employees at
24 a rate less than the rate at which he pays wages to employees
25 for the same or substantially similar work on jobs the
26 performance of which requires equal skill, effort, and

1 responsibility, and which are performed under similar working
2 conditions, except where such payment is made pursuant to (1) a
3 seniority system; (2) a merit system; (3) a system which
4 measures earnings by quantity or quality of production; or (4)
5 a differential based on any other factor other than sex or
6 mental or physical handicap, except as otherwise provided in
7 this Act.

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

20 (d) No camp counselor who resides on the premises of a
21 seasonal camp of an organized not-for-profit corporation shall
22 be subject to the adult minimum wage if the camp counselor (1)
23 works 40 or more hours per week, and (2) receives a total
24 weekly salary of not less than the adult minimum wage for a
25 40-hour week. If the counselor works less than 40 hours per
26 week, the counselor shall be paid the minimum hourly wage for

1 each hour worked. Every employer of a camp counselor under this
2 subsection is entitled to an allowance for meals and lodging as
3 part of the hourly wage rate provided in Section 4, subsection
4 (a), in an amount not to exceed 25% of the minimum wage rate.

5 (e) A camp counselor employed at a day camp of an organized
6 not-for-profit corporation is not subject to the adult minimum
7 wage if the camp counselor is paid a stipend on a onetime or
8 periodic basis and, if the camp counselor is a minor, the
9 minor's parent, guardian or other custodian has consented in
10 writing to the terms of payment before the commencement of such
11 employment.

12 (Source: P.A. 93-581, eff. 1-1-04; 94-1072, eff. 7-1-07.)