



93RD GENERAL ASSEMBLY

State of Illinois

2003 and 2004

HB7358

Introduced 11/17/04, by Rep. Maria Antonia Berrios

SYNOPSIS AS INTRODUCED:

820 ILCS 105/4

from Ch. 48, par. 1004

Amends the Minimum Wage Law. Provides that, beginning in 2006, the minimum wage for employees who are at least 18 years of age shall be adjusted each year by the Illinois Department of Labor, using the percentage change in the consumer price index for urban wage earners and clerical workers during the immediately preceding calendar year.

LRB093 23979 WGH 54085 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 March 31, 2006, every
27 employer shall pay to each of his or her employees who is 18
28 years of age or older in every occupation wages of not less
29 than \$6.50 per hour.

30 Beginning on April 1, 2006, every employer shall pay to
31 each of his or her employees who is 18 years of age or older in
32 every occupation wages of not less than the adjusted minimum

1 wage rate established under this subsection (a).

2 On January 31, 2006, the Illinois Department of Labor shall
3 calculate an adjusted minimum wage rate. The adjusted minimum
4 wage rate shall be calculated to the nearest cent and shall be
5 calculated by adjusting the minimum wage rate in effect during
6 2005 by the same percentage as the percentage change in the the
7 consumer price index for urban wage earners and clerical
8 workers, CPI-W, or a successor index, during 2005 as determined
9 by the United States Department of Labor, or a successor
10 agency. The adjusted minimum wage rate calculated on January
11 31, 2006 shall be in effect from April 1, 2006 through March
12 31, 2007.

13 On January 31 in 2007 and each subsequent year, the
14 Illinois Department of Labor shall calculate an adjusted
15 minimum wage rate. The adjusted minimum wage rate shall be
16 calculated to the nearest cent and shall be calculated by
17 adjusting the minimum wage rate in effect at the time of the
18 calculation by the same percentage as the percentage change in
19 the the consumer price index for urban wage earners and
20 clerical workers, CPI-W, or a successor index, during the
21 immediately preceding calendar year as determined by the United
22 States Department of Labor, or a successor agency. The adjusted
23 minimum wage rate calculated on January 31 of a given year
24 shall be in effect from April 1 of that year through March 31
25 of the following year.

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

29 (b) No employer shall discriminate between employees on the
30 basis of sex or mental or physical handicap, except as
31 otherwise provided in this Act by paying wages to employees at
32 a rate less than the rate at which he pays wages to employees
33 for the same or substantially similar work on jobs the
34 performance of which requires equal skill, effort, and
35 responsibility, and which are performed under similar working
36 conditions, except where such payment is made pursuant to (1) a

1 seniority system; (2) a merit system; (3) a system which
2 measures earnings by quantity or quality of production; or (4)
3 a differential based on any other factor other than sex or
4 mental or physical handicap, except as otherwise provided in
5 this Act.

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

18 (d) No camp counselor who resides on the premises of a
19 seasonal camp of an organized not-for-profit corporation shall
20 be subject to the adult minimum wage if the camp counselor (1)
21 works 40 or more hours per week, and (2) receives a total
22 weekly salary of not less than the adult minimum wage for a
23 40-hour week. If the counselor works less than 40 hours per
24 week, the counselor shall be paid the minimum hourly wage for
25 each hour worked. Every employer of a camp counselor under this
26 subsection is entitled to an allowance for meals and lodging as
27 part of the hourly wage rate provided in Section 4, subsection
28 (a), in an amount not to exceed 25% of the minimum wage rate.

29 (e) A camp counselor employed at a day camp of an organized
30 not-for-profit corporation is not subject to the adult minimum
31 wage if the camp counselor is paid a stipend on a onetime or
32 periodic basis and, if the camp counselor is a minor, the
33 minor's parent, guardian or other custodian has consented in
34 writing to the terms of payment before the commencement of such
35 employment.

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