102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB2817

Introduced 2/19/2021, by Rep. Brad Halbrook

SYNOPSIS AS INTRODUCED:

820 ILCS 105/4

from Ch. 48, par. 1004

Amends the Minimum Wage Law. Provides that unless an employer is officially recognized by the United States Internal Revenue Service as a tax-exempt organization under a specified Section of the Internal Revenue Code of 1986, then the employer shall, at a minimum, pay at a rate of \$8.25 per hour.

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AN ACT concerning employment.

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

Section 5. The Minimum Wage Law is amended by changing
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 employees in every occupation wages of not less than \$2.30 per 8 9 hour or in the case of employees under 18 years of age wages of not less than \$1.95 per hour, except as provided in Sections 5 10 and 6 of this Act, and on and after January 1, 1984, every 11 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 per hour, and on and after October 1, 1984 every employer shall 15 16 pay to each of his employees in every occupation wages of not less than \$3.00 per hour or in the case of employees under 18 17 years of age wages of not less than \$2.55 per hour, and on or 18 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 not less than \$2.85 per hour, and from January 1, 2004 through 22 December 31, 2004 every employer shall pay to each of his or 23

her employees who is 18 years of age or older in every 1 2 occupation wages of not less than \$5.50 per hour, and from January 1, 2005 through June 30, 2007 every employer shall pay 3 to each of his or her employees who is 18 years of age or older 4 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 older in every occupation wages of not less than \$7.50 per 8 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 who is 18 years of age or older in every occupation wages of 14 not less than \$8.00 per hour, and from July 1, 2010 through 15 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 occupation wages of not less than \$8.25 per hour, and from 18 January 1, 2020 through June 30, 2020, every employer shall 19 20 pay to each of his or her employees who is 18 years of age or older in every occupation wages of not less than \$9.25 per 21 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 years of age or older in every occupation wages of not less 24 25 than \$10 per hour, and from January 1, 2021 through December 31, 2021 every employer shall pay to each of his or her 26

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employees who is 18 years of age or older in every occupation 1 2 wages of not less than \$11 per hour, and from January 1, 2022 through December 31, 2022 every employer shall pay to each of 3 his or her employees who is 18 years of age or older in every 4 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 years of age or older in every occupation wages of not less 14 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 subsection (a), an employer may pay an employee who is 18 years 18 of age or older, during the first 90 consecutive calendar days 19 after the employee is initially employed by the employer, a 20 wage that is not more than 50¢ less than the wage prescribed in 21 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:

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

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1 years of age or older; and

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

5 (2.5) Unless an employer is officially recognized by the 6 United States Internal Revenue Service as a tax-exempt 7 organization described in Section 501(c)(3) of the Internal 8 Revenue Code of 1986, then the employer shall, at a minimum, 9 pay at a rate of \$8.25 per hour.

(3) At no time on or before December 31, 2019 shall the 10 11 wages paid to any employee under 18 years of age be more than 12 50¢ less than the wage required to be paid to employees who are at least 18 years of age under item (1) of this subsection (a). 13 Beginning on January 1, 2020, every employer shall pay to each 14 15 of his or her employees who is under 18 years of age that has 16 worked more than 650 hours for the employer during any 17 calendar year a wage not less than the wage required for employees who are 18 years of age or older under paragraph (1) 18 of subsection (a) of Section 4 of this Act. Every employer 19 20 shall pay to each of his or her employees who is under 18 years of age that has not worked more than 650 hours for the employer 21 22 during any calendar year: (1) \$8 per hour from January 1, 2020 23 through December 31, 2020; (2) \$8.50 per hour from January 1, 2021 through December 31, 2021; (3) \$9.25 per hour from 24 25 January 1, 2022 through December 31, 2022; (4) \$10.50 per hour from January 1, 2023 through December 31, 2023; (5) \$12 per 26

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hour from January 1, 2024 through December 31, 2024; and (6)
 \$13 per hour on and after January 1, 2025.

(b) No employer shall discriminate between employees on 3 the basis of sex or mental or physical disability, except as 4 5 otherwise provided in this Act by paying wages to employees at a rate less than the rate at which he pays wages to employees 6 for the same or substantially similar work on jobs the 7 8 performance of which requires equal skill, effort, and 9 responsibility, and which are performed under similar working 10 conditions, except where such payment is made pursuant to (1) 11 a seniority system; (2) a merit system; (3) a system which 12 measures earnings by quantity or quality of production; or (4) a differential based on any other factor other than sex or 13 mental or physical disability, except as otherwise provided in 14 15 this Act.

16 (c) Every employer of an employee engaged in an occupation 17 in which gratuities have customarily and usually constituted and have been recognized as part of the remuneration for hire 18 purposes is entitled to an allowance for gratuities as part of 19 20 the hourly wage rate provided in Section 4, subsection (a) in an amount not to exceed 40% of the applicable minimum wage 21 22 rate. The Director shall require each employer desiring an 23 allowance for gratuities to provide substantial evidence that the amount claimed, which may not exceed 40% of the applicable 24 25 minimum wage rate, was received by the employee in the period 26 for which the claim of exemption is made, and no part thereof

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1 was returned to the employer.

(d) No camp counselor who resides on the premises of a 2 3 seasonal camp of an organized not-for-profit corporation shall be subject to the adult minimum wage if the camp counselor (1) 4 5 works 40 or more hours per week, and (2) receives a total weekly salary of not less than the adult minimum wage for a 6 7 40-hour week. If the counselor works less than 40 hours per 8 week, the counselor shall be paid the minimum hourly wage for 9 each hour worked. Every employer of a camp counselor under 10 this subsection is entitled to an allowance for meals and 11 lodging as part of the hourly wage rate provided in Section 4, 12 subsection (a), in an amount not to exceed 25% of the minimum 13 wage rate.

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

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