

SB1386



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

SB1386

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 January 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, and employees shall be paid the State minimum wage or the federal minimum wage, whichever is higher.

LRB095 08730 WGH 30853 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 December 31, 2010 every employer shall pay to each
17 of 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 Beginning on January 1, 2011, every employer shall pay each
20 of his or her employees who is 18 years of age or older at a
21 rate of not less than the then-current adjusted minimum wage
22 rate established under this subsection (a) or the federal
23 minimum hourly wage prescribed by Section 206(a)(1) of Title 29
24 of the United States Code, whichever is higher.

25 On September 30, 2010, and on each following September
26 30th, the Department of Labor shall calculate an adjusted

1 minimum wage rate to maintain employee purchasing power by
2 increasing the then-current minimum wage rate by the rate of
3 inflation. The adjusted minimum wage rate shall be calculated
4 to the nearest 5-cent increment using the consumer price index
5 for urban wage earners and clerical workers, CPI-W, or a
6 successor index, for the 12 months prior to September 1st of
7 the then-current year as calculated by the United States
8 Department of Labor. Each adjusted minimum wage rate calculated
9 under this subsection (a) takes effect on the following January
10 1st, with the first adjusted minimum wage rate to take effect
11 on January 1, 2011. No adjustment under this item (1) shall be
12 less than zero.

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

20 (3) At no time shall the wages paid to any employee under
21 18 years of age be more than 50¢ less than the wage required to
22 be paid to employees who are at least 18 years of age under
23 item (1) of this subsection (a).

24 (b) No employer shall discriminate between employees on the
25 basis of sex or mental or physical handicap, 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) a
6 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 handicap, 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 (d) No camp counselor who resides on the premises of a
24 seasonal camp of an organized not-for-profit corporation shall
25 be subject to the adult minimum wage if the camp counselor (1)
26 works 40 or more hours per week, and (2) receives a total

1 weekly salary of not less than the adult minimum wage for a
2 40-hour week. If the counselor works less than 40 hours per
3 week, the counselor shall be paid the minimum hourly wage for
4 each hour worked. Every employer of a camp counselor under this
5 subsection is entitled to an allowance for meals and lodging as
6 part of the hourly wage rate provided in Section 4, subsection
7 (a), in an amount not to exceed 25% of the minimum wage rate.

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

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