LRB9206583WHcs

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AN ACT concerning the minimum wage.

Be it enacted by the People of the State of Illinois,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)

Sec. 4. (a) <u>Beginning January 1, 2002, and until</u>
January 1, 2003, every employer shall pay, to each of his or
<u>her employees who has reached the age of 18 years, wages at a</u>
<u>rate of not less than \$6.50 per hour.</u>

11 Beginning on January 1, 2003, every employer shall pay to 12 each of his or her employees who has reached the age of 18 13 years wages at a rate of not less than the amount established 14 under this subsection (a).

On September 30, 2002, and on each following September 15 30th, the Department of Labor shall calculate an adjusted 16 minimum wage rate to maintain employee purchasing power by 17 18 increasing the current year's minimum wage rate by the rate of inflation. The adjusted minimum wage rate shall be 19 calculated to the nearest cent using the consumer price index 20 for urban wage earners and clerical workers, CPI-W, or a 21 22 successor index, for the 12 months prior to each September 23 1st as calculated by the United States Department of Labor. Each adjusted minimum wage rate calculated under this 24 subsection (a) takes effect on the following January 1st. 25

The Director of Labor shall by rule establish the minimum wage for employees under the age of 18 years. Every--employer shall--pay-to-each-of-his-employees-in-every-occupation-wages of-not-less-than-\$2.30-per-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-and-6-of-this--Act,--and--on

1 and--after--January-1,-1984,-every-employer-shall-pay-to-each 2 of-his-employees-in-every-occupation-wages-of-not--less--than \$2.65--per-hour-or-in-the-case-of-employees-under-18-years-of 3 4 age-wages-of-not-less-than-\$2.25-per-hour,-and-on--and--after 5 October--17--1984--every--employer--shall--pay-to-each-of-his б employees-in-every-occupation-wages-of-not--less--than--\$3.00 7 per--hour--or--in-the-case-of-employees-under-18-years-of-age 8 wages-of-not-less-than-\$2.55-per-hour-and-on-and--after--July 9 1,--1985-every-employer-shall-pay-to-each-of-his-employees-in 10 every-occupation-wages-of-not-less-than-\$3.35-per-hour-or-in 11 the-case-of-employees-under-18-years-of-age-wages-of-not-less 12 than-\$2.85-per-hour.

At no time shall the wages paid by every employer to each 13 of his employees in every occupation be less than the federal 14 15 minimum hourly wage prescribed by Section 206(a)(1) of Title 16 29 of the United States Code, and at no time shall the wages paid to any employee under 18 years of age be more than 50¢ 17 less than the wage required to be paid to employees 18 who are 19 at least 18 years of age.

No employer shall discriminate between employees on 20 (b) 21 the basis of sex or mental or physical handicap, except as 22 otherwise provided in this Act by paying wages to employees 23 at a rate less than the rate at which he pays wages to employees for the same or substantially similar work on jobs 24 25 the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working 26 27 conditions, except where such payment is made pursuant to (1) a seniority system; (2) a merit system; (3) a system which 28 29 measures earnings by quantity or quality of production; or 30 (4) a differential based on any other factor other than sex 31 or mental or physical handicap, except as otherwise provided in this Act. 32

33 (c) Every employer of an employee engaged in an34 occupation in which gratuities have customarily and usually

1 constituted and have been recognized as part of the 2 remuneration for hire purposes is entitled to an allowance for gratuities as part of the hourly wage rate provided in 3 4 Section 4, subsection (a) in an amount not to exceed 40% of 5 the applicable minimum wage rate. The Director shall require 6 each employer desiring an allowance for gratuities to provide 7 substantial evidence that the amount claimed, which may not 8 exceed 40% of the applicable minimum wage rate, was received 9 by the employee in the period for which the claim of exemption is made, and no part thereof was returned to the 10 11 employer.

(d) No camp counselor who resides on the premises of 12 а seasonal camp of an organized not-for-profit corporation 13 shall be subject to the adult minimum wage if the camp 14 counselor (1) works 40 or more hours per week, and (2) 15 16 receives a total weekly salary of not less than the adult minimum wage for a 40-hour week. If the counselor works less 17 than 40 hours per week, the counselor shall be paid the 18 19 minimum hourly wage for each hour worked. Every employer of a camp counselor under this subsection is entitled to an 20 21 allowance for meals and lodging as part of the hourly wage 22 rate provided in Section 4, subsection (a), in an amount not 23 to exceed 25% of the minimum wage rate.

(e) A camp counselor employed at a day camp of an organized not-for-profit corporation 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.

31 (Source: P.A. 86-502.)

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