

# NOTICE TO EMPLOYERS AND EMPLOYEES

## CITY OF CHICAGO MINIMUM WAGE ORDINANCE

MUNICIPAL CODE OF CHICAGO CHAPTER 1-24 • EFFECTIVE DATE: JULY 1, 2015  
CITY OF CHICAGO • MAYOR RAHM EMANUEL

### The Minimum Wage Ordinance Applies to:

- Employers that maintain a business facility within the city of Chicago and/or are required to obtain a business license to operate in the city.
- Employees of an employer that is subject to the ordinance who work at least two hours in the city within the period of two weeks qualify for the minimum wage required by the ordinance. This includes domestic employees, day laborers and home health care workers. A union may waive its members' rights to receive the minimum wage as part of a collective bargaining agreement.

### How the Minimum Wage Increase Works:

- The minimum wage increase will be phased in on an annual basis every July 1st from 2015 – 2019 according to the schedule below. Beginning in 2020 and every year thereafter, the minimum wage increase will be tied to the rate of inflation, but not to exceed 2.5 percent, and there will be no increase to the minimum wage in years when the unemployment rate in Chicago in the previous year was equal to or greater than 8.5 percent.

Effective Date	Non-Tipped Employees	Tipped Employees*
Current (under state law)	\$8.25	\$4.95
July 1, 2015	\$10.00	\$5.45
July 1, 2016	\$10.50	\$5.95
July 1, 2017	\$11.00	Amount to be determined and announced yearly on or before June 1st.
July 1, 2018	\$12.00	
July 1, 2019	\$13.00	

\* Under both state law and the ordinance, if an employee's wages plus tips do not equal at least the number of hours worked times the applicable minimum wage, his or her employer must make up the difference.

### How Businesses Can Comply with the Ordinance:

- The overtime minimum wage is the minimum wage multiplied by 1.5. For example, the minimum overtime wage beginning on July 1, 2015 is \$10 times 1.5, which is \$15 per hour. A tipped minimum wage employee is entitled to an overtime rate of at least \$15 minus the maximum tip allowance - e.g., beginning July 1, 2015, at least \$15 minus \$4.55 (the current maximum tip allowance), which equals at least \$10.45 per hour.
- Employers are required by ordinance to post this notice of minimum wage increases and employees' rights in their business facilities and to provide the notice with each covered employee's first paycheck after the wage increases go into effect.
- For new employees hired after the minimum wage increase goes into effect, this notice must also be provided with their first paycheck.
- Employers must maintain records that support all wages paid to employees and make such records available to the Commissioner of the Department of Business Affairs and Consumer Protection (BACP) upon request.
- Employers may not discriminate or take any adverse action against any employee in retaliation for exercising his or her rights under this ordinance.
- Employers can be fined \$500-\$1,000 per offense for violations of the ordinance, in addition to facing license suspension or revocation and orders to pay restitution to underpaid employees.

### Employee Rights Under the Ordinance:

- An employee who believes he or she has not received the increased minimum wage may call 311 to report a violation of the ordinance to the City of Chicago.
- A complaint affidavit must be fully completed and returned for BACP to initiate an investigation.
- Employees are not required to provide, and the City will not request, information regarding the immigration status of any person filing a complaint.
- BACP does not act as the employee's private attorney. Any employee has the right to file a private civil action against the employer in circuit court if the employee was paid less than the minimum wage allowed by law. Employees may be able to recover three times the amount of underpayment plus costs and reasonable attorneys fees.



For complaints, call:

# 311



For additional information:

## [WWW.CITYOFCHICAGO.ORG/BACP](http://WWW.CITYOFCHICAGO.ORG/BACP)