Legal Alert: Chicago Ordinance Requiring Paid Sick Leave

On June 22nd, 2016 the City of Chicago passed a law that requires employers to give employees paid sick days. This requirement applies to all employers with four or more employees. In addition, this requirement applies to all domestic workers regardless of the number of employees.

For Employees

An employee begins to accrue paid sick days after working eighty hours over one hundred and twenty days of employment. After this qualifying period, employees earn one hour of paid sick leave for every forty hours they work. In a twelve-month period an employee can earn up to five paid sick days.
For Employers

The ordinance will affect budgets and employment policies. Budgets will need to be adjusted to incorporate the addition of five days or forty hours, if employers were not already offering five or more days to their employees. This represents a two percent increase in hourly wages based on the typical numbers of working days in a year. In addition, policies around employee benefits may need to be revised to reflect the changes to paid sick leave.

For example, a job training organization that employs a part time writing instructor for twenty hours a week, would be required to grant the writing instructor one hour of paid sick leave every other week after the writing coach has been employed for four months, or has worked for 120 hours. If at any point the writing instructor’s hours were increased to full-time, or forty hours a week, the writing instructor would receive one hour of paid sick leave per week work until he/she accumulated forty total hours of paid sick leave for the year.

Further Assistance

If your small business or non-profit needs legal assistance in revising employment policies to be consistent with these changes, please contact us at clp@clccrul.org or (312)939-3638, or visit us online at www.clccrul.org/community-law-project.
Legal Alert: Chicago Ordinance Requiring Minimum Wage Increase

As of July 1, 2017, the Chicago minimum wage will increase to $11.00. The minimum wage for tipped employees will become $6.10. These increases are in response to a City of Chicago ordinance passed in 2014, which will eventually raise the minimum wage to $13 per hour by 2019. This requirement applies to all 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.

For Employees

A non-tipped, employee receiving minimum wage should see his or her
paycheck reflect the minimum wage increase of $11.00 after July 1st. Tipped employees should see the minimum wage increase to $6.10 reflected in their first paycheck following July 1st, 2017.

*All employees should also receive a Notice to Employers and Employees of the minimum wage increase with their first paycheck following the July 1st implementation.

**For Employers**

All businesses affected by the minimum wage increase Ordinance are required to post the Notice to Employers and Employees in each place of business beginning July 1st and include the Notice in each employee’s first paycheck following the July 1st implementation. The Notice can be downloaded [here](#).

The minimum overtime wage for employees also increases. Non-tipped employee overtime wage will increase to $16.50 per hour and the overtime wage for a tipped employee will increase to $11.60 per hour.*

Budgets will need to be adjusted to incorporate the $0.50 increase in pay to non-tipped employees earning the minimum wage, if employers were not already offering $11.00 as the minimum wage. This represents a 4.8 percent increase in hourly wages based on the typical numbers of working days in a year.

*If an employee’s wages plus tips do not equal the number of hours worked times the minimum wage, the employer must make up the difference.

**Further Assistance**
If your small business or non-profit needs legal assistance in revising employment policies to be consistent with these changes, please contact us at clp@clccrul.org or (312)939-3638, or visit us online at www.clccrul.org.

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