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MAYOR JOHNSON'S PAID TIME OFF POLICY EFFECTIVE JULY 1, MINIMUM WAGE, ONE FAIR WAGE, AND FAIR WORKWEEK ALSO IN EFFECT

The new and amended labor laws aim to strengthen worker protections by guaranteeing paid time off, ensuring fair wages and prioritizing the well-being of workers

CHICAGO —Today, Mayor Brandon Johnson and the Chicago Department of Business Affairs and Consumer Protection (BACP), announced the scheduled annual increase in Chicago's minimum wage, implementation of Mayor Johnson's Paid Time Off policy, and a scheduled enhancement of the Fair Workweek Ordinance requirements. To view informational flyers, Frequently Asked Questions, and public notices on Chicago's labor laws, visit Chicago.gov/LaborStandards.

"Chicago's labor laws are a testament to my unwavering dedication to creating fair and just workplaces where every worker is respected, valued, and treated with dignity," said **Mayor Brandon Johnson.** "I am so proud that we were able to guarantee all of the working people of Chicago some paid time off. All workers have dignity, and all working people deserve to spend time with their families and loved ones."

On November 9, 2023, the Chicago City Council passed Mayor Johnson's Paid Time Off policy. The ordinance guarantees up to five days of paid time off and five days of paid sick time for all of Chicago's workers for employees who work at least 80 hours within any 120-day period.

Under Mayor Johnson's Paid Time Off policy:

• Employees accrue at a rate of 1 hour of paid time off for every 35 hours worked (up to 40 hours in a 12-month period)



- Employees must be allowed to use accrued paid time off no later than on the 90th day following the commitment of employment
- Employees can carry over up to 16 hours between 12-month periods (if paid time off is not front loaded).
- Employees can use paid time off for any reason
- Employees accrue at a rate of 1 hour of paid sick time for every 35 hours worked (up to 40 hours in a 12-month period)
- Employees must be allowed to use accrued paid sick time no later than on the 30th day following the commitment of employment
- Employees can carry over up to 80 hours between 12-month periods
- Employees can use paid sick time for medical and safety reasons

"A protected workforce is the cornerstone of a prosperous City, driving innovation, productivity, and sustainable growth," said **BACP Commissioner Kenneth J. Meyer**. "Chicago has been a leader in worker protections, and we continue to prioritize the wellbeing of workers as we create a more equitable and inclusive local economy."

Every July 1, Chicago's minimum wage increases per the Minimum Wage Ordinance. Beginning July 1, 2024:

- The minimum wage will be \$16.20.
- The minimum wage for subsidized youth employment programs, and subsidized transitional employment programs will be \$15.00.
- The minimum wage will no longer be tiered for large and small businesses.

Since reaching \$15 per hour in 2021 the minimum wage increases annually according to changes to the Consumer Price Index or 2.5%, whichever is lower.

Under the Johnson Administration, the historic One Fair Wage Ordinance was passed by the Chicago City Council phasing out the tipped wage credit for tipped workers over a 5-year period. The legislation will provide for the wages of tipped workers such as restaurant servers, bartenders, bussers and runners who earn a subminimum wage of \$11.02 per hour to increase by eight percent per year until it reaches parity with Chicago's standard hourly minimum wage on July 1, 2028.

Additionally, on July 1, 2024, the Fair Workweek Ordinance will include updated compensation metrics. Employees will be covered by the ordinance if they work in one of seven "covered" industries (building services, healthcare, hotel, manufacturing, restaurant, retail, or warehouse services), earn less than or equal to \$31.85/hour or earn less than or equal to \$61,149.35/year, and the employer has at least 100 employees globally (250



employees and 30 locations if operating a restaurant). The Fair Workweek Ordinance requires certain employers to provide workers with predictable work schedules and compensation for changes.

BACP will host free informational webinars to prepare employers for the upcoming changes to Chicago's Labor Standards Laws. The webinar, "Overview of Chicago's Minimum Wage Ordinance, Including Annual Increase and Step 1 of the phase out of the Tipped Wage Credit," will take place Tuesday, June 11 at 10:00 a.m. in English. The webinar will be presented in Spanish on Thursday, June 13 at 10:00 a.m. To register for the webinars, visit Chicago.gov/BACPwebinars. To view previous webinars, visit YouTube.com/ChicagoBACP.

Chicago businesses are required to post Public Notices for the following Chicago Labor Laws at their business: Minimum Wage, Mayor Johnson's Paid Time Off policy (Paid Leave and Paid Sick and Safe Leave Ordinance), and Fair Workweek. The <u>public notices</u> are available to workers and business owners in English, Spanish, Polish, Simplified Chinese, Tagalog, and Korean. To download the public notices, visit <u>Chicago.gov/LaborStandards</u>.

All Chicago worker protections are enforced by the BACP Office of Labor Standards (OLS). The OLS is dedicated to promoting and enforcing Chicago's labor laws, including Minimum Wage, the Paid Time Off policy, Fair Workweek, and Wage Theft Ordinance. To file a labor standards complaint, workers can use the CHI 311 system (call 3-1-1, use the CHI311 mobile app, or visit 311.chicago.gov) or complete a Complaint Form. For information on Chicago's Labor Laws, visit Chicago.gov/LaborStandards.

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