

Chicago's Laws are Changing – Are You Ready?

By Elizabeth N. Hall and Ryan Probasco

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Several upcoming changes to the laws in Chicago will affect many employers with employees in the City. Employers should act promptly to ensure that they are (or by the effective date of the laws will be) in compliance.

Chicago Increases the Minimum Wage

Effective July 1, 2022, Chicago's minimum wage will increase as follows:

- \$15.40 per hour for employers with 21 or more employees;
- \$15.40 per hour for all domestic workers (regardless of the number employed by the employer);
- \$14.50 per hour for employers with 4–20 employees;
- \$9.24 per hour for tipped employees who work for an employer with 21 or more employees; and
- \$8.70 per hour for tipped employees who work for an employer with 4–20 employees.

City Bolsters Fair Workweek Ordinance Protections

Chicago's Fair Workweek Ordinance, originally enacted in July of 2019, generally requires certain employers to provide workers with predictable work schedules and compensation for changes to those schedules.

Effective July 1, 2022, the Fair Workweek Ordinance will require Chicago employers in building services, health care, hotel, manufacturing, restaurant, retail or warehouse service industries to post work schedules for covered employees at least fourteen (14) days in advance (up from ten (10) days). Similar to the original version of the Fair Workweek Ordinance, employers must provide employees with additional pay if schedule changes are made with less than fourteen (14) days of notice, and in certain cases employees may decline to work certain shifts if enough notice of a schedule change is not provided.

The universe of employees covered by the amended Ordinance will also change. Under the amendments, covered non-exempt employees must earn less than or equal to \$29.35 per hour (an increase from the Ordinance's original threshold of \$26.00 per hour or less), and covered exempt employees must make less than or equal to \$56,381.85 per year (as compared to the previous \$50,000.00 or less per year salary requirement).

What Steps Should Employers Take Now?

Chicago employers should act promptly to ensure they are in compliance with the amendments to the City's laws by their effective dates.

If you have any questions regarding the topics discussed in this article, please contact **Elizabeth N. Hall** at ehall@vedderprice.com, **Ryan Probasco** at rprobasco@vedderprice.com or any other Vedder Price attorney with whom you have worked.