

New Minimum Wage Rates in Effect for 2020

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SPRINGFIELD – Illinoisans rang in the New Year with a new, higher minimum wage, and the Department of Labor is encouraging employees to watch their paychecks to ensure that time worked in 2020 is paid at the new rate.

Governor JB Pritzker signed the new minimum wage law last February providing a path to a \$15 minimum wage by 2025. Minimum wage earners received an increase of \$1 to \$9.25 an hour on January 1, which will be followed by an increase to \$10 an hour on July 1. The minimum wage will then increase an additional \$1 an hour each January 1 until it reaches \$15 an hour in 2025.

“While we expect compliance by all employers regarding the new minimum wage, it is important that workers earning minimum wage are aware that the \$1 increase should be reflected in their paychecks for any time they work after the first of the year,” said Michael Kleinik, director of the Illinois Department of Labor.

The last time Illinois increased its minimum wage was a decade ago in 2010 when it was raised to \$8.25. Since that time, Cook County has put in place a \$12 per hour minimum wage and Chicago’s minimum wage is now \$13 an hour.

More than 1.4 million adult hourly workers in Illinois currently make less than \$15 per hour, according to the Illinois Economic Policy Institute at the University of Illinois.

The new law maintains provisions for employers to count gratuities to offset wages for workers such as food servers who regularly earn tips. Tipped employees may be paid 60 percent of the hourly minimum wage. These workers must still earn the minimum wage after receiving tips.

Workers who are under 18 years old and work fewer than 650 hours in a year earn a minimum wage of \$8 per hour beginning January 1, up from the old youth minimum wage of \$7.75. The youth minimum wage rate will gradually rise to \$13 an hour by Jan. 1, 2025.

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1-1-2020 \$9.25
7-1-2020 \$10.00
1-1-2021 \$11.00
1-1-2022 \$12.00
1-1-2023 \$13.00
1-1-2024 \$14.00
1-1-2025 \$15.00