

CHICAGO CITY COUNCIL PASSES FAIR WORK WEEK ORDINANCE

On Wednesday, July 24, 2019, after several delays in taking votes, the Chicago City Council unanimously passed an ordinance which will require employers to give employees two weeks notice of their schedules and to compensate employees for last minute changes. Titled the “Fair Workweek Ordinance”, the legislation has been in the works for two years and was a point of contention between business and labor right up to the vote.

After extensive negotiations between the business and labor community, compromises were reached and many business and employer organizations dropped their opposition to the bill before the final vote. The final ordinance applies to businesses with more than 100 employees and non-profits with more than 250 employees. It covers employees and temporary employees who work in building services, health care, hotels, manufacturing, restaurants, retail and warehouse services. It covers employees who make less than \$26 an hour and salaried employees making less than \$50,000. The ordinance applies in workplaces with a collective bargaining agreement unless the ordinance is explicitly waived in the contract. It does not apply to City of Chicago employees. This is the first legislation of its kind in the country to include healthcare workers. In the restaurant industry, the ordinance applies to restaurants with at least thirty locations and 250 employees globally and to franchisees with four or more locations.

The ordinance contains exemptions for employees who work ticketed events, and provides exemptions for health care institutions for unexpected service demands such as severe weather, violence, large public events or other situations beyond the employers control. Many labor organizations in the health care industry have expressed concern of the pay threshold, as it would exempt many works who are regularly subjected to short notice call ins and cancelled shifts by their employer.

Starting July 1, 2020, employers must give at least 10 days advance notice of schedules, increasing to a minimum of 14 days by 2022. If the employees’ schedule is changed within the notice period before the shift, the employer will be required to provide the employees an hour of predictability pay at the employee’s regular rate of pay. If a shift is canceled or reduced within 24 hours of the start of a scheduled shift, the employer must pay the employee half of what they would have made on the shift as it was originally scheduled. The ordinance also provides employees a right to rest, meaning they cannot be required to work a shift starting less than 10 hours after the finish of their last shift. An employer must get written consent from an employee to work a second shift within 10 hours or will have to pay the employee at time and a quarter. Employers who need to schedule additional work to fill a schedule must offer those hours to part-time employees before it can hire new employees. Violations of the ordinance subject employers to fines from \$300 to \$500.

If you have questions about if or how the new ordinance may apply to your members or in your workplace, please do not hesitate to contact the firm.

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Dated: July 31, 2019

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