



Cook County Minimum Wage & Paid Sick Leave Study

November 13, 2017

Finance Committee Review

- The Finance Committee is tasked with assembling, analyzing, and presenting data relevant to policy choices concerning the Cook County Ordinances so as to better inform the Village Board
- The purpose of the meeting tonight is to identify research goals, data gathering methodology, timing, resources needed and cost, as well as a process for receiving public input
- Tonight, the Committee will discuss, and hear from residents, in regards to:
 - What information do we want
 - What information can we get and where can we get it
 - When can we get the information

Background

- Prior to discussion tonight, Village Staff has been asked to provide background on the Cook County Ordinances to ensure that all members of the Committee and public are working from the same set of basic facts
- This background will include:
 - Referenda Questions
 - Minimum Wage Regulations
 - Paid Sick Leave Regulations
 - Legal Matters Specific to the Village
 - Timeline of Events to Date
 - Current Map of Cook County

Referenda Questions

Minimum Wage- November 2, 2014 Gubernatorial Election

- *Shall the minimum wage in Illinois for adults over the age of 18 be raised to \$10 per hour by January 1, 2015?*
 - Yes: 70.76% (Wilmette)
 - No: 29.23% (Wilmette)

Earned Sick Time- November 8, 2016 Presidential Election

- *Shall Illinois enact the Earned Sick Time for Employees Act which will allow Illinois workers to earn up to 40 hours of sick time a year to take care of their own health or a family member's health?*
 - Yes: 73.68% (Wilmette)
 - No: 26.31% (Wilmette)

Minimum Wage Regulations

Minimum Wage

Employer = Any entity with any place of business in Cook County, or licensed by Cook County, with 1 or more “Covered Employees”

Covered Employee = Works 2 hrs. in any 2 weeks

Current IL Minimum Wage: \$8.25/hr.

July 1, 2017 \$10.00/hr.

July 1, 2018 \$11.00/hr.

July 1, 2019 \$12.00/hr.

July 1, 2020 \$13.00/hr.

July 1, 2021 and future years Annual CPI Increase

Exempt: All Units of Government other than Cook County

Paid Sick Leave Regulations

Mandatory Paid Sick Leave

Employer = Any entity with any place of business in Cook County with 1 or more “Covered Employees”

Covered Employee = Works 2 hrs. in any 2 weeks

Eligibility = Covered Employee who works at least 80 hrs. over any 120-day period (Approx. 5 hrs./week)

Accrual Rate – 1 hr. sick leave per 40 hrs. of work

Max. Yearly Accrual – 40 hrs. per 12 mo. period

Max. Carryover – 20 hrs. to next 12 mo. period

Total Max Accrual – 60 hrs.

Exempt: All Units of Government **including** Cook County

Legal Matters

Wilmette Corporation Counsel Opinion (6/19/2017)

- Wilmette has the authority to opt-out of the County ordinances:
 - Pursuant to the Illinois Constitution, a Home Rule County ordinance will apply within the territory of a municipality, unless the “county ordinance conflicts with an ordinance of a municipality” then “the municipal ordinance shall prevail within its jurisdiction.” Illinois Const., Art. VII, § 6.
 - An ordinance providing for a conflict with the Cook County Ordinances, would allow for the State regulations to remain in place. This option is expressly provided for in the Illinois Constitution and is the opinion shared by the State’s Attorney Office in its opinion number 16-4229 and dated July 22, 2016.

Legal Matters

Wilmette Corporation Counsel Opinion (6/19/2017)

- Wilmette lacks the authority to implement its own wage and hour laws:
 - It is the Corporation Counsel's opinion that the field of workplace regulations, specifically minimum wage and mandatory sick leave have been preempted by the State and are not within the home rule powers of the Village. In gathering this opinion, the Corporation Counsel found no relevant distinguishing characteristics that would allow Wilmette to enact minimum wage or mandatory sick leave regulations without facing the same level of scrutiny Highland Park faced in the Bernardi case. Should Wilmette attempt to enact its own ordinances establishing a minimum wage or mandatory sick leave time, it could face the same problems the County Ordinances may face. Therefore, the opinion of the Corporation Counsel is that the Village not consider enacting its own such ordinances as in doing so would be an improper extension of the Village's home rule powers. Doing so, despite the current validity and status of the Cook County Ordinance, would subject Wilmette to potential litigation and liability.

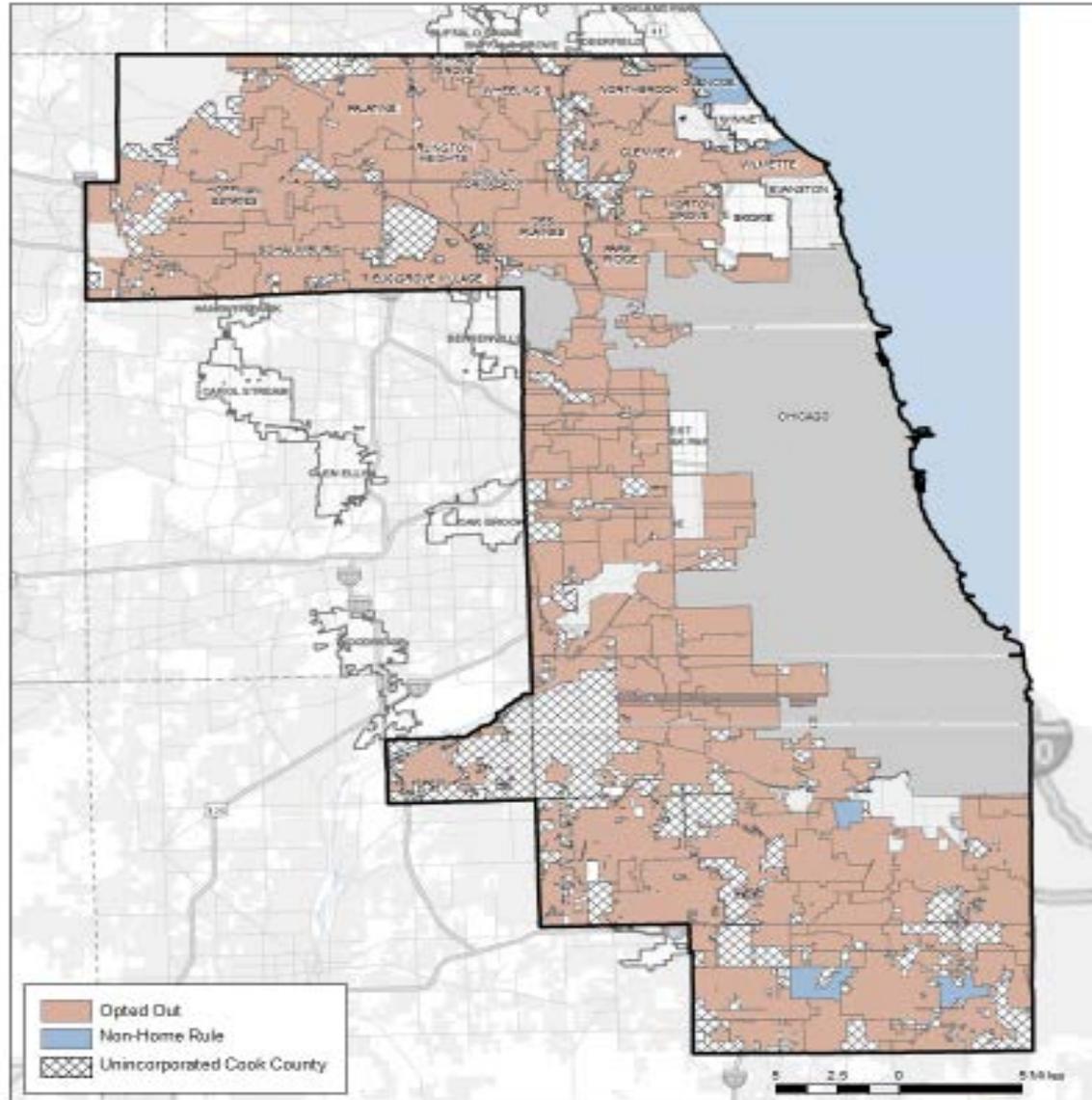
Timeline- Minimum Wage

Action	Date
Ordinance introduced and referred to the Cook County Legislation & Intergovernmental Relations Committee	October 5, 2016
Cook County State's Attorney issues opinion that the County lacks authority to adopt the ordinance	October 25, 2016
Legislation & Intergovernmental Relations Committee recommends ordinance for approval	October 25, 2016
Ordinance approved by the Cook County Board	October 26, 2016
Palos Heights becomes one of the first municipalities to opt out of the ordinance	February 7, 2017
Cook County issues Interpretative and Procedural Rules	May 25, 2017
Approximately 41 Communities adopted ordinances opting out of the ordinance	May 31, 2017
Wilmette/Kenilworth Chamber of Commerce request for the Village to opt out of Cook County Ordinance	June 1, 2017
Wilmette introduces ordinance to opt out of Cook County requirements	June 13, 2017
Glenview joins Northbrook in opting out of the ordinance	June 15, 2017
Wilmette becomes the 82 nd community to adopt ordinance opting out of requirements	June 27, 2017
Cook County ordinance goes into effect	July 1, 2017

Timeline- Paid Sick Leave

Action	Date
Introduced and referred to the Cook County Labor Committee	June 29, 2016
Moved from the Labor Committee to the Finance Committee	July 13, 2016
Cook County State's Attorney issues opinion that the County lacks authority to adopt the ordinance	July 22, 2016
Finance Committee recommends ordinance for approval	October 5, 2016
Ordinance approved by the Cook County Board	October 5, 2016
Palos Heights becomes one of the first municipalities to opt out of the ordinance	February 7, 2017
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Map of Cook County



Cook County Minimum Wage and Paid Sick Leave Opt Out Status



Date: 7/20/2017

Finance Committee Review

- The Finance Committee seeks to submit a report to the Village Board no later than April 2018 (in advance of the next scheduled wage increase)
- Study areas to consider reviewing include:
 1. Wilmette Data
 - Private sector employment data for Wilmette, which may include information such as number of employers, size of employers, employee benefit and compensation information
 2. Comparability Data
 - Identification of relevant municipalities (both opt-out and those that did not) for comparison data
 3. Impact Data
 - Identifying and gathering, if possible, relevant data from other municipalities regarding the effects of either opting-out or not doing so