

## Chicago Enacts New Penalties for 'Wage Theft'

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Chicago has added teeth to existing wage laws by stiffening penalties for employers engaged in "wage theft." Wage theft is broadly defined as violating wage laws, for example, by failing to pay workers overtime or minimum wage.

Ordinance 2012-8533, passed unanimously by the Chicago City Council on January 17, 2013, amends the business license suspension and revocation provisions of the Municipal Code of Chicago by authorizing the City's Commissioner of Business Affairs and Consumer Protection to penalize businesses that are found to have violated the Illinois Wage Payment and Collection Act, 820 ILCS § 115/1, or any other federal or state law regulating the payment of wages.

The Commissioner is empowered to deny an application for a business license if the applicant has admitted guilt or has been found liable for wage violations in a judicial or administrative proceeding during the five-year period prior to the date of application. In addition, the Commissioner is authorized to initiate proceedings to impose fines and/or suspend or revoke an existing business license of an offending employer. The Ordinance becomes effective on July 1, 2013.

Jackson Lewis attorneys are available to answer questions and provide training regarding best practices related to compliance with local, state and federal wage laws.

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### Practices

Wage and Hour