



CITY OF CHICAGO • OFFICE OF THE MAYOR



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**CITY OF CHICAGO CONTINUES FIGHTING TO PROTECT CHICAGO'S WORKERS**

*Office of Labor Standards has recouped nearly \$1 million for Chicago's workers through two recent major settlements; Wage Theft Ordinance and other worker protections come into effect this week*

**CHICAGO** – Today, Mayor Lori E. Lightfoot and the City of Chicago Department of Business Affairs and Consumer Protection (BACP) released an update on the Office of Labor Standards (OLS) and its ongoing fight to protect Chicago's workers. In two recent settlements for Paid Sick Leave violations, the Office has won \$935,000 in restitution for almost 3,000 Chicago workers. These settlements are the two largest cases since the creation of the Office of Labor Standards and are examples of the City's ongoing efforts to ensure all workers are guaranteed the rights and protections afforded them by Chicago's landmark labor laws. In continuing its commitment to advocate for Chicago workers, the OLS is preparing to implement new Wage Theft protections, expand Chicago's Paid Sick Leave law, and deliver additional worker protections over the coming weeks as part of Mayor Lightfoot's bold Chi Biz Strong Initiative which was recently passed by City Council.

"Chicago has and will always be a city made by workers and for workers, which is why we will never stop fighting to make sure they have the world-class protections they deserve," said Mayor Lightfoot. "Now, more than ever, every single worker here in our city should be guaranteed a living wage, a predictable schedule and protections in the event they are sick and will need to miss work. As the Wage Theft Ordinance, Chi Biz Strong and other initiatives led by BACP and OLS have made crystal clear, we are committed to making this a reality and we will always be fierce supporters of our workforce."

Chicago's Paid Sick Leave Ordinance, which came into effect on July 1, 2017, is one of Chicago's marquee labor laws enforced by BACP's Office of Labor Standards. Under the law, employees at most Chicago businesses earn one hour of guaranteed paid sick leave for every 40 hours worked.

The OLS recently completed an investigation into Tri City Foods, LLC, and found that the company failed to grant paid sick leave to 2,473 employees at 40 Burger King



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locations in Chicago from July 2017 through November 2020. On July 21, 2021, the OLS entered into a settlement agreement for this case, which requires Tri City Foods to pay a fine of \$100,000 to the City for violating the Paid Sick Leave Ordinance and pay \$458,931 in restitution to the covered employees. Through a 3-1-1 complaint made by one brave essential worker, the City has imposed the largest fine ever for violating labor laws. Payment will be sent to covered employees over the coming months.

“Protecting workers can only be achieved if our businesses comply with Chicago’s worker protection policies which we have championed over the past two years, with more to come,” said BACP Commissioner Rosa Escareño. “Basic paid sick leave is a fundamental right, and I am proud to deliver this huge victory for workers. Thousands of workers are receiving the restitution they deserve today because one brave employee stepped up and brought these violations to our attention. We hope this encourages more workers to come forward with complaints and reminds all businesses that we must work together to build a strong economy which prioritizes worker rights in our great city.”

Additionally, the Office of Labor Standards recently settled a case with Mondelēz International that found the company failed to provide paid sick leave to 465 employees from July 2017 through early 2020. Mondelēz stated they sought to bargain in good faith over the implementation of paid sick leave with the union representing those employees when the local labor contract expired. On May 20, 2021, the OLS entered into a settlement agreement through which Mondelēz will provide restitution totaling \$476,083 to covered employees and pay a fine of \$95,217 to the City. The City opted to seek a lower than maximum fine in this case due to Mondelēz’s plausible defense, full cooperation with the investigation and immediate action to correct the violation. Furthermore, the OLS found that Mondelez had corrected the violations by early 2020, meaning that proper Paid Sick Leave was provided during the COVID-19 pandemic. Payment to covered employees is underway and nearly completed.

“Labor laws only work if they are enforced, and we will continue working tirelessly to hold Chicago employers accountable,” said Andy Fox, BACP’s Director of Labor Standards. “While we thank Mondelēz International for quickly rectifying this case, we are proud to deliver this victory for so many workers. No worker should have to worry about what they will do if they are sick and need to miss work.”

In addition to Paid Sick Leave, the Office of Labor Standards enforces the \$15 minimum wage, Fair Workweek, and two anti-retaliation ordinances passed during the COVID-19 pandemic.



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Effective July 31, 2021, as part of Mayor Lightfoot's bold Chi Biz Strong Initiative, Chicago's workers will be protected by the first local Wage Theft Law. An estimated \$400 million in wages are stolen from Chicagoland workers by bad-faith employers every year – this new measure will grant the OLS greater ability to prevent wage theft and recoup stolen wages. Additionally, on August 1, 2021, the Paid Sick Leave Law will be expanded to allow workers to use accrued Paid Sick Leave to take time off to care for a family member with a closed school or place of care, to comply with public health orders, or for mental and behavioral health reasons. Also, on August 1, the Minimum Wage Ordinance will be enhanced to grant all domestic workers a \$15 minimum wage and to ensure that workers at chain businesses are paid the correct minimum wage.

In addition to these settlements, the OLS has achieved other important victories for Chicago's workers, especially over the past year as the city navigated the COVID-19 pandemic. Since its launch in early 2020, OLS has recouped \$996,000 for workers and fined nearly 150 businesses, with fines totaling nearly \$500,000.

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