



Current Minimum Wage Law Public Act 368	New Minimum Wage Law – Goes into effect 2/21/25 Public Act 337
<p>2024 - \$10.33/hr. 2025 - \$ 10.56 2026 - \$10.80 2027 - \$11.04 2028 - \$11.29 2029 - \$11.54 2030 - \$11.79 2031 - \$12.05</p>	<p><i>NOTE: As of August 24, 2024, the Michigan agencies assigned to administer this law issued an updated proposed minimum wage schedule. However, due to some ambiguities in the Court opinion, the State’s Treasury and Labor departments are asking for further clarification from the Court.</i></p> <p>February 21, 2025 (originally 2019): The minimum wage will be \$12.48/hr. The tip credit will be 48% of the minimum wage.</p> <p>February 21, 2026 – The minimum hourly wage will be \$13.29/hr, and the tip credit will be 60% of the minimum wage.</p> <p>February 21, 2027 – The minimum hourly wage will be \$14.16/hr, and the tip credit will be 70% of the minimum wage.</p> <p>February 21, 2028 - The minimum hourly wage will be \$14.97/hr, and the tip credit will be 80% of the minimum wage.</p> <p>February 21, 2029 – The minimum hourly wage will be calculated by the state treasurer, and the tip credit will no longer exist.</p>
<p>Tipped Employees 38% of full minimum wage</p> <p>NOTE: If tips plus the tipped minimum hourly wage rate do not equal or exceed the minimum hourly wage, the employer pays any shortfall to the employee.</p>	<p>New Tipped Employee Minimum Wage As of 2/21/2029 100% of non-tipped employee minimum wage and increase per inflation adjustment thereafter.</p>
Paid Medical Leave Act Public Act 369	Earned Sick Time Act - Goes into effect 2/21/25 Public Act 338
<p>Employers Covered: Employers with fifty (50) or more employees,</p>	<p>Employers Covered: Employers with one (1) or more employee</p> <p>No Exemptions – All employees and</p>



<p>Exemptions for exempt employees, bargaining unit employees, temporary and seasonal employees.</p>	<p>employees that work out of state, independent contractors, and certain seasonal, part time, variable hour and possibly independent contractor employees. Excludes U.S. government workers. Some deferral to employees covered by collective bargaining agreements.</p>
<p>Accrual and Carryover:</p>	<p>Accrual and Carryover:</p>
<p>One (1) hour of paid sick leave for every thirty-five (35) hours worked up to forty (40) hours per year.</p>	<p>Will accrue one (1) hour of paid sick leave for every thirty (30) hours worked.</p> <p>In companies with ten (10) and over employment, accrual of paid sick time would be up to seventy-two (72) hours of paid time off per year</p> <p>In companies with fewer than ten (10) employees, employees are entitled to forty (40) hours of paid leave and thirty-two (32) hours of unpaid leave per year.</p>
<p>An employer is not required to allow an eligible employee to use more than 40 hours of paid sick leave in a single benefit year or to carry over more than 40 hours of time from one benefit year to another.</p>	<p>Employers 10 or over employment – Carryover of up to seventy-two (72) hours of paid time off/year.</p> <p>Employers under 10 – Carryover of forty (40) hours paid time off per year and additional thirty-two (32) hours of unpaid time off per year.</p>
<p>Employers may provide all forty (40) hours at the start of the benefit year (lump sum method) to avoid carry-over of any unused paid time off into the following year.</p> <p>Employers using an accrual method must allow for carryover of up to forty (40) hours unused paid time off into the following year.</p>	<p>Carryover required in all cases.</p>
<p>The law creates a rebuttable presumption that an employer is in compliance with the law if the employer provides the requisite hours annually, specifying that the time provided can include paid vacation days, personal days, and paid time off.</p>	<p>The Act provides that the employer is in compliance “if the employer provides any paid leave, that may be used for the same purposes and under the same conditions provided in this act and that is accrued in total at a rate equal to or greater than the rate described....”</p>



<p>Use and Payment of Paid Time Benefit:</p>	<p>Use and Payment of Paid Time Benefit:</p>
<p>The law specifies that time may be used in one-hour increments unless the employer has a different increment policy, and that policy is in writing in an employee handbook.</p> <p>The law also requires the employer to pay at a pay rate equal to the greater of either the normal hourly wage, the base wage or the applicable minimum wage rate.</p> <p>An employer is not required to include overtime pay, holiday pay, bonuses, commissions, supplemental pay, piece-rate pay, or gratuities in the calculation.</p>	<p>Leave time can be used in the smallest increment that the employer’s payroll system uses to account for absences (e.g., 6-minute increments).</p> <p>The Act specifies “[f]or any employee whose hourly wage varies depending on the work performed, the ‘normal hourly wage’ means the average hourly wage of the employee in the pay period immediately prior to the pay period in which the employee used paid earned sick time.”</p> <p>At this time, it remains unclear as to how time must be paid to commissioned, piece-meal, tipped, and other employees with varying wages.</p>
<p>Covered Family Members:</p>	<p>Covered Family Members:</p>
<p>“Family Member” is employee’s child, parent, spouse, grandparent, grandchild, and sibling.</p>	<p>“Family Member” is employee’s child, parent, spouse, grandparent, grandchild, and sibling plus “domestic partner” and any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.</p>
<p>Notification and Documentation:</p>	<p>Notification and Documentation:</p>
<p>The law allows the employer to require the employee to comply with the employer’s usual and customary notification, procedural and documentation requirements.</p>	<p>The Act requires seven days’ notice for use or, if not possible, “as soon as practicable.” This will provide employees 72 hours of no-notice leave time.</p> <p>An employer can only require documentation after three consecutive days absence.</p> <p>Documentation that sick time is necessary will be limited to a generic statement by a health care professional – nothing more.</p> <p>Employers are responsible for any payment of the employee’s out-of-pocket costs associated with providing documentation.</p>



	Notice required to be in English, Spanish, or any other language that is the first spoken by at least 10% of the employer's workforce.
Penalties for Non-compliance:	Penalties for Non-compliance:
<p>The law provides for an administrative process for employees to lodge complaints.</p> <p>The Department of Licensing and Regulatory Affairs (LARA) must issue a determination upon conclusion of an investigation and inform the employer of its appeals rights.</p> <p>LARA may assess payment of medical leave and back-pay. The law also ensures employees are aware of their rights and able to seek relief if they've been affected by a violation.</p> <p>\$1000.00 administrative fine.</p>	<p>The law assumes the employee's side for unfavorable personnel actions, putting employers in a position of having to defend their decisions in court.</p> <p>The law creates a private right of civil action for workers and two rebuttable presumptions against employers.</p> <p>Remedies available to employees include reinstatement, attorney fees and all back pay, and benefits (doubled as liquidated damages).</p>
Recordkeeping:	Recordkeeping:
Employer shall retain records of hours worked and paid medical leave for not less than one (1) year.	Employer shall retain records of hours worked and earned sick time take by employees for three (3) years.