

HOUSE BILL No. 5579

May 14, 2014, Introduced by Rep. O'Brien and referred to the Committee on Commerce.

A bill to amend 1964 PA 154, entitled "Minimum wage law of 1964," by amending sections 4, 4b, and 7a (MCL 408.384, 408.384b, and 408.387a), section 4 as amended by 2006 PA 81, section 4b as amended by 2006 PA 375, and section 7a as amended by 1997 PA 1.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. ~~(1)~~ Subject to the exceptions specified in this act,
2 the minimum hourly wage rate shall be:

3 ~~(a) Beginning September 1, 1997, \$5.15.~~

4 ~~(b) Beginning October 1, 2006, \$6.95.~~

5 ~~(c) Beginning July 1, 2007, \$7.15.~~

6 **(A) ~~(d)~~ Beginning July 1, 2008, \$7.40.**

7 **(B) BEGINNING DECEMBER 1, 2014, \$8.15.**

8 ~~(2) Notwithstanding subsection (1), if a ballot proposal that~~

1 ~~establishes a minimum wage is approved by the majority of electors~~
2 ~~voting on the question at the general election on November 7, 2006,~~
3 ~~the minimum wage shall be as established in the ballot proposal.~~

4 Sec. 4b. (1) An employer may pay a new employee who is less
5 than 20 years of age a training hourly wage of \$4.25 for the first
6 90 days of that employee's employment. The hourly wage authorized
7 under this subsection is in lieu of the minimum hourly wage
8 otherwise prescribed by this act.

9 (2) Except as provided in subsection (1), the minimum hourly
10 wage for an employee who is less than ~~18-21~~ years of age is ~~85% of~~
11 ~~the general minimum hourly wage established in section 4.~~ **\$7.40.**

12 (3) An employer shall not displace an employee to hire an
13 individual at the hourly wage authorized under this section. As
14 used in this subsection, "displace" includes termination of
15 employment or any reduction of hours, wages, or employment
16 benefits.

17 (4) A person who violates subsection (3) is subject to a civil
18 fine of not more than \$1,000.00.

19 Sec. 7a. (1) The minimum hourly wage rate of an employee shall
20 be \$2.65 per hour, **AND BEGINNING DECEMBER 1, 2014, \$2.75 PER HOUR,**
21 if all of the following occur:

22 (a) The employee receives gratuities in the course of his or
23 her employment.

24 (b) The gratuities described in subdivision (a) equal or
25 exceed the difference between \$2.65 per hour, **OR BEGINNING DECEMBER**
26 **1, 2014, \$2.75 PER HOUR,** and the minimum hourly wage established
27 under section 4.

1 (c) The gratuities are proven gratuities as indicated by the
2 employee's declaration for federal insurance contribution act
3 purposes.

4 (d) The employee was informed by the employer of the
5 provisions of this section.

6 (2) As used in this section, "gratuities" means tips or
7 voluntary monetary contributions received by an employee from a
8 guest, patron, or customer for services rendered to that guest,
9 patron, or customer and that the employee reports to the employer
10 for purposes of the federal insurance contribution act, chapter 21
11 of subtitle C of the internal revenue code of 1986, 26 ~~U.S.C.~~ **USC**
12 3101 to 3128.