

SUBSTITUTE FOR
HOUSE BILL NO. 4001

A bill to amend 2014 PA 138, entitled
"Workforce opportunity wage act,"
by amending sections 4 and 4b (MCL 408.414 and 408.414b); and to
repeal acts and parts of acts.

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 is:

3 ~~(a) Before September 1, 2014, \$7.40.~~

4 ~~(b) Beginning September 1, 2014, \$8.15.~~

5 ~~(c) Beginning January 1, 2016, \$8.50.~~

6 ~~(d) Beginning January 1, 2017, \$8.90.~~

7 ~~(e) Beginning January 1, 2018, \$9.25.~~

8 **(a) Beginning February 21, 2025, \$12.00.**

(b) Beginning January 1, 2026, \$12.50.

(c) Beginning January 1, 2027, \$13.00.

(d) Beginning January 1, 2028, \$14.00.

(e) Beginning January 1, 2029, \$15.00.

(2) Every January beginning in January ~~2019,~~ **2030**, the state treasurer shall adjust the minimum wage by an amount determined by the state treasurer at the end of the **immediately** preceding calendar year to reflect the average annual percentage change in the ~~consumer price index~~ **Consumer Price Index** for the most recent 5-year period for which data are available. As used in this subsection, ~~"consumer price index"~~ **"Consumer Price Index"** means the most comprehensive index of consumer prices available for the midwest region from the ~~bureau~~ **Bureau** of ~~labor statistics~~ **Labor Statistics** of the United States ~~department~~ **Department** of ~~labor~~ **Labor**. The wage and hours division of the department of licensing and regulatory affairs shall post the adjusted minimum wage on its website ~~by not later than~~ **by not later than** February 1 of the year it is calculated, and the adjusted rate is effective beginning April 1 of that year. An annual increase under this subsection ~~shall~~ **must** not exceed 3.5%.

(3) An increase in the minimum hourly wage rate as prescribed in subsection (2) does not take effect if the unemployment rate determined by the ~~bureau~~ **Bureau** of ~~labor statistics~~ **Labor Statistics of the** United States ~~department~~ **Department** of ~~labor~~ **Labor**, for this state is ~~8.5%~~ **7.5%** or ~~greater~~ **more** for the year preceding the year of the prescribed increase.

Sec. 4b. (1) An employer may pay a new employee who is less than 20 years of age a training hourly wage ~~of \$4.25~~ **that is 75% of the general minimum hourly wage established under section 4** for the

1 first 90 days of that employee's employment. The hourly wage
2 authorized under this subsection is in lieu of the minimum hourly
3 wage otherwise prescribed by this act.

4 (2) ~~Except as provided in subsection (1), the~~ **The** minimum
5 hourly wage for an employee who is less than 18 years of age is ~~85%~~
6 **75%** of the general minimum hourly wage established ~~in~~ **under** section
7 4.

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

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

15 Enacting section 1. The improved workforce opportunity wage
16 act, 2018 PA 337, MCL 408.931 to 408.945, is repealed.