

SENATE BILL NO. 603

May 13, 1999, Introduced by Senators EMERSON, YOUNG, A. SMITH, LELAND, DE BEAUSSAERT and CHERRY and referred to the Committee on Human Resources, Labor, Senior Citizens and Veterans Affairs.

A bill to amend 1964 PA 154, entitled
"Minimum wage law of 1964,"
by amending sections 4 and 7a (MCL 408.384 and 408.387a), section
4 as amended by 1997 PA 2 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
2 act, the minimum hourly wage rate shall be:

3 ~~(a) Beginning January 1, 1981, \$3.35.~~

4 ~~(b) Beginning May 1, 1997, \$4.75.~~

5 (A) ~~(c)~~ Beginning September 1, 1997, \$5.15.

6 (B) BEGINNING SEPTEMBER 1, 1999, \$5.65.

7 (C) BEGINNING JANUARY 1, 2000, \$6.15.

8 (2) BEGINNING JANUARY 1, 2001, THE AMOUNT DESCRIBED IN
9 SUBSECTION (1)(C) SHALL BE ADJUSTED ANNUALLY TO REFLECT THE

1 CUMULATIVE ANNUAL PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX.
2 AS USED IN THIS SUBSECTION, "CONSUMER PRICE INDEX" MEANS THE MOST
3 COMPREHENSIVE INDEX OF CONSUMER PRICES AVAILABLE FOR THIS STATE
4 FROM THE BUREAU OF LABOR STATISTICS OF THE UNITED STATES DEPART-
5 MENT OF LABOR.

6 Sec. 7a. (1) The minimum hourly wage rate of an employee
7 shall be ~~-\$2.65 per hour~~ 1/2 THE MINIMUM HOURLY WAGE ESTABLISHED
8 UNDER SECTION 4 if all of the following occur:

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

11 (b) The gratuities described in subdivision (a) equal or
12 exceed the difference between ~~-\$2.65 per hour~~ 1/2 THE MINIMUM
13 HOURLY WAGE and the minimum hourly wage established under section
14 4.

15 (c) The gratuities are proven gratuities as indicated by the
16 employee's declaration for federal insurance contribution act
17 purposes.

18 (d) The employee was informed by the employer of the provi-
19 sions of this section.

20 (2) As used in this section, "gratuities" means tips or vol-
21 untary monetary contributions received by an employee from a
22 guest, patron, or customer for services rendered to that guest,
23 patron, or customer and that the employee reports to the employer
24 for purposes of the federal insurance contribution act, chapter
25 21 of subtitle C of the internal revenue code of 1986, 26
26 U.S.C. 3101 to 3128.