

## **SENATE COMMITTEE PASSES BILLS REGARDING MINIMUM WAGE AND PAID SICK TIME**

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On November 28, 2018, the Senate Government Operations Committee passed two bills that would slow down the changes in two laws adopted by the Republican-led legislature in September. The legislature adopted these laws to avoid having them on the ballot to be decided by Michigan voters. By adopting the laws and not having them on the ballot, the legislature is allowed to amend the laws with only a simple majority vote, rather than a two-thirds vote if they had been passed by Michigan voters through ballot initiative.

The two laws adopted by the legislature in September addressed raising the minimum wage and requiring employers to offer paid sick leave.

The first law would raise the minimum hourly wage to \$12 by the year 2022 and also raise tipped workers to \$12 an hour by the year 2024.

Now, the recently passed bill by the Senate Government Operations Committee (SB 1171) would change the law so that the minimum wage would not reach \$12 per hour until the year 2030, as opposed to 2022. In addition, the bill would keep tipped workers at a separate minimum wage and increase their minimum wage to only \$4 per hour by the year 2030.

As a point of reference, the current minimum wage in Michigan for non-tipped workers is \$9.25 per hour. The current minimum wage for tipped workers is \$3.52 per hour.

The second law adopted by the legislature in September required employers to pay sick time to their employees. Employers would have to pay their employees one hour of sick time per 30 hours that the employee worked, capping off at 72 hours of sick time per year.

Now, the committee passed a bill (SB 1175) which would require employers to pay their employees one hour of sick time per 40 hours worked, capping off at only 36 hours of sick time per year. The bill also limits the employers who must comply to only those with 50 or more employees, whereas the September law would apply to many more employers. Ultimately, small businesses with fewer than 50 employees will not be required to pay sick time to their employees under the new bill.

Whether these bills become law for employers remains to be seen. The bills will need approval by the full Senate, full House, and a signature from the Governor before they become law.



Samantha Pepprock is an experienced attorney practicing primarily from the firm's Muskegon office. Samantha's practice is focused in the areas of real estate, estate planning and immigration law. Samantha is fluent in Spanish and very active in the community.

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