

## GOVERNOR SNYDER SIGNS INTO LAW MINIMUM WAGE AND PAID MEDICAL LEAVE BILLS

By: Kimberley P.H. Mitchell, Attorney

On December 14 Governor Snyder signed into law two bills that will increase Michigan's minimum wage and require employers to provide paid medical leave to employees. The new laws are weaker than hoped for by many activists.

The new minimum wage law increases minimum wage to \$9.45 per hour in 2019, with additional increases each year until reaching \$12.05 per hour in the year 2030. It also maintains a separate minimum wage for tipped workers at 35% of the standard minimum wage. These workers will have an increase in 2019 to \$3.59 per hour, with additional increases each year until 2030, when the minimum wage will be \$4.58 per hour.

The new paid medical leave law, which applies only to employers with 50 or more employees, requires employers to provide eligible employees with paid medical leave for personal or family health needs. Eligible employees will accrue one hour of paid leave for every 35 hours worked. Employers need not allow employees to accrue more than one hour per week and may limit accrual to 40 hours per benefit year. Alternatively, employers may simply provide at least 40 hours of paid medical leave at the beginning of each benefit year. Employers may limit employees' use of paid medical leave to 40 hours per year. Additionally, although employees may carry over unused time to subsequent benefit years, employers may limit that carry-over to 40 hours per year. Notably, the benefit does not apply to exempt employees, temporary employees, variable hour employees, or employees working fewer than 25 hours per week.

These laws will become effective in late March - 90 days after the end of the current legislative session. **Employers will need to make changes to their policies, payroll practices and benefits to address these new laws**, and Smith Haughey can assist. Please contact Kim Mitchell or Samantha Pepprock for more information.



Kim Mitchell is an attorney in Smith Haughey's Holland office, practicing in the areas of employee benefits and employment law. Kim counsels clients on the design and maintenance of their self-insured and insured health plans, cafeteria plans, wellness programs, and health reimbursement arrangements. Kim is seasoned in assisting clients with compliance with the Affordable Care Act, HIPAA, COBRA and other laws. She also advises clients on an array of employment law issues including hiring, discipline and termination practices, non-competition and non-solicitation agreements, and the development of policies and employee handbooks.

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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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