

SENATE BILL No. 319

March 17, 2005, Introduced by Senators CLARKE, SCHAUER, EMERSON, BRATER, PRUSI, CLARK-COLEMAN, BASHAM, OLSHOVE, JACOBS, LELAND, BERNERO, SWITALSKI, THOMAS and SCOTT and referred to the Committee on Commerce and Labor.

A bill to amend 1964 PA 154, entitled
 "Minimum wage law of 1964,"
 by amending section 7a (MCL 408.387a), as amended by 1997 PA 1.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7a. (1) The minimum hourly wage rate of an employee shall
 2 be \$2.65 per hour **AND SHALL INCREASE TO \$3.40 ON JULY 1, 2005, TO**
 3 **\$4.15 ON JANUARY 1, 2006, AND TO \$4.60 ON JANUARY 1, 2007,** if all
 4 of the following occur:

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

7 (b) The gratuities described in subdivision (a) equal or
 8 exceed the difference between ~~-\$2.65 per hour~~ **THE WAGE SET FORTH**
 9 **UNDER SUBSECTION (1)** and the minimum hourly wage established under
 10 section 4.

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1 (c) The gratuities are proven gratuities as indicated by the
2 employee's declaration for **PURPOSES OF THE** federal insurance
3 ~~contribution~~ **CONTRIBUTIONS** act, ~~purposes~~ **26 USC 3101 TO 3128**.

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~~ **CONTRIBUTIONS**
11 act, ~~chapter 21 of subtitle C of the internal revenue code of~~
12 ~~1986,~~ **26 U.S.C. USC** 3101 to 3128.