

HOUSE BILL No. 4452

March 13, 2007, Introduced by Reps. Cheeks, Condino, Miller, Meadows, Byrnes, Scott, Virgil Smith, Espinoza, Leland, Wojno, Kathleen Law, Lemmons, Bennett, Valentine, Donigan, Young, Robert Jones, Johnson, Vagnozzi and Jackson and referred to the Committee on 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, and
by adding section 7b.

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 \$4.45 ON THE EFFECTIVE DATE**
3 **OF THE AMENDATORY ACT THAT ADDED SECTION 7B, TO \$4.65 ON JULY 1,**
4 **2007, AND TO \$4.90 ON JULY 1, 2008,** if all 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

1 section 4.

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

5 (d) The employee was informed by the employer of the
6 provisions of this section.

7 (2) As used in this section, "gratuities" means tips or
8 voluntary monetary contributions received by an employee from a
9 guest, patron, or customer for services rendered to that guest,
10 patron, or customer ~~and~~ that the employee reports to the employer
11 for purposes of the federal insurance ~~contribution~~**CONTRIBUTIONS**
12 act, ~~chapter 21 of subtitle C of the internal revenue code of 1986,~~
13 ~~26 U.S.C.~~**USC** 3101 to 3128.

14 **SEC. 7B. THE MINIMUM WAGE REQUIRED UNDER SECTIONS 4 AND 7A**
15 **SHALL BE ADJUSTED ANNUALLY TO REFLECT THE CUMULATIVE ANNUAL**
16 **PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX. AS USED IN THIS**
17 **SECTION, "CONSUMER PRICE INDEX" MEANS THE MOST RECENT COMPREHENSIVE**
18 **INDEX OF CONSUMER PRICES AVAILABLE FOR THIS STATE FROM THE BUREAU**
19 **OF LABOR STATISTICS OF THE UNITED STATES DEPARTMENT OF LABOR.**