

**IMPROVED WORKFORCE OPPORTUNITY WAGE ACT (EXCERPT)**  
**Act 337 of 2018**

**408.934 Minimum hourly wage rate.**

Sec. 4. (1) Subject to the exceptions specified in this act, the minimum hourly wage rate is:

- (a) Beginning February 21, 2025, \$12.48.
- (b) Beginning January 1, 2026, \$13.73.
- (c) Beginning January 1, 2027, \$15.00.

(2) Every October beginning in October, 2027, the state treasurer shall calculate an adjusted minimum wage rate. The adjustment must increase the minimum wage by the rate of inflation. The state treasurer shall calculate the increase by multiplying the otherwise applicable minimum wage by the 12-month percentage increase, if any, in the Consumer Price Index for the midwest region, CPI-U, or a successor index, as published by the Bureau of Labor Statistics of the United States Department of Labor, based on the most recent 12-month period for which data are available. The state treasurer shall publish the adjusted minimum wage rate by November 1 of the year in which it is calculated. The adjusted minimum wage rate is effective beginning January 1 of the immediately succeeding year.

(3) An increase in the minimum hourly wage rate as prescribed in subsection (2) does not take effect if the unemployment rate, as determined by the Bureau of Labor Statistics of the United States Department of Labor, for this state is 8.5% or greater for the year immediately preceding the year of the prescribed increase.

**History:** 2018, Act 337, Eff. Mar. 29, 2019;—Am. 2018, Act 368, Eff. Mar. 29, 2019;—2018, Act 337, Eff. Feb. 21, 2025;—Am. 2025, Act 1, Imd. Eff. Feb. 21, 2025.

**Compiler's note:** Public Act 337 was proposed by initiative petition pursuant to Const. 1963, art 2, section 9. On September 5, 2018, the initiative petition was approved by an affirmative vote of the majority of the members of the Senate and an affirmative vote of the majority of the members of the House of Representatives, and filed with the Secretary of State on September 5, 2018.

For the transfer of powers and duties of the department of licensing and regulatory affairs and the powers and duties of the director of the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

See *Mothering Justice v Attorney General*, case no. 165325, July 31, 2024. The Michigan Supreme Court held that 2018 PA 368 was unconstitutional and, therefore void and revived the original initiative as enacted by the Legislature on September 5, 2018, effective February 21, 2025.