

Michigan's Minimum Wage Increases

On May 27, 2014 Michigan's lawmakers cut a deal on legislation to raise Michigan's minimum wage to \$9.25 by 2018 and index the rate in future years to inflation. In three short hours SB 934 flew through the House, Senate, and was signed by Gov. Snyder.

At the end of the day, this bipartisan deal was the only way for lawmakers to pass legislation undercutting the ballot proposal that would have raised the rate to \$10.10 by 2017, eliminated the tipped wage, and indexed the rate to the Detroit Consumer Price Index. Republicans did not have the votes to carry the weight all on their own, giving Democrats, who linked this bill with votes on the upcoming transportation package, a lot of negotiating power.

SB 934 was signed into law as Public Act 138 of 2014. The revised legislation raises the state's minimum wage to \$8.15 September 1, this year and increases each year except 2015, until it reaches \$9.25 on January 1, 2018.

Sept 1, 2014 - \$8.15

Jan. 1, 2016 - \$8.50

Jan. 1, 2017 - \$8.90

Jan. 1, 2018 - \$9.25

Beginning Jan. 2019 the State Treasurer will adjust the wage based on the average annual percentage change in the Midwestern Region CPI for the most recent 5-year period. New rates will be posted by February 1 and effective April 1 of that year. Annual increases cannot exceed 3.5%. There will not be a rate increase if unemployment in Michigan reaches 8.5% or higher.

Click [HERE](#) or go to michigan.gov/lara/0,4601,7-154-61256_11407_32352-140972--,00.html for more information.