

## Table of Contents

Michigan Reinstates 2018 Minimum Wage and Paid Sick Leave Laws	2
Minimum Wage and Tip Credit	2
Paid Sick Leave	2
Accrual and Carryover	2
Use	3
Documentation	3
Notice	3

# Michigan Reinstates 2018 Minimum Wage and Paid Sick Leave Laws

After more than three years of litigation, the Michigan Supreme Court has determined that it was unconstitutional for the legislature to adopt *and* amend a voter-initiated petition in the same legislative session. As a result, the *original* minimum wage and sick leave laws, proposed and approved by the voters of Michigan back in 2018, will take effect on **February 21, 2025**.

Below are key details from those laws. Note that it's possible there will be additional changes between now and when these laws are slated to take effect. We'll be monitoring the situation closely and will provide updates as needed.

## Minimum Wage and Tip Credit

The minimum wage will increase on a revised annual schedule, maintaining the original phase-in plan with adjustments for inflation. Minimum wages will be as follows through 2027:

- February 21, 2025: \$10 plus an inflation adjustment. The base minimum wage for tipped employees will be 48% of the state minimum wage.
- February 21, 2026: \$10.65 plus an inflation adjustment. The base minimum wage for tipped employees will be 60% of the state minimum wage.

February 21, 2027: \$11.35 plus an inflation adjustment. The base minimum wage for tipped employees will be 70% of the state minimum wage.

## Paid Sick Leave

The Earned Sick Time Act requires employers of *all sizes* to provide paid earned sick time (EST) to all Michigan employees. There is no exception for small employers.

## Accrual and Carryover

Employees will accrue EST at a rate of one hour for every 30 hours worked beginning February 21, 2025, or on their hire date—whichever is later. Employers can calculate exempt employees' accrual based on a 40-hour workweek (even if employees generally work more than that) or the normal workweek can be used if they regularly work less than 40 hours. The law doesn't address frontloading but presumably it will be allowed because it's more beneficial to employees than hour-by-hour accrual.

Carryover of unused accrued EST must be allowed from year to year.

# Use

Employees can use EST as it is accrued, except that employers can require new hires to wait until their 90th day to start using EST. Employees can use EST for the following reasons:

- Their own or their family member’s mental or physical illness, injury, or health condition, including medical diagnosis, care, treatment, or preventive medical care
- Certain reasons related to domestic violence or sexual assault
- Meetings at their child’s school or place of care related to the child’s health, disability, or the effects of domestic violence or sexual assault on the child
- The closure of their workplace or their child’s school or place of care by a public health official because of a public health emergency
- Certain reasons related to limiting the employee or their family member’s exposure to a communicable disease

Employers can cap annual use of EST at 72 hours. Employers with nine or fewer employees are only required to pay for the first 40 hours of EST but must allow employees to use up to 32 additional hours unpaid.

# Documentation

When employees use EST for *more* than three consecutive days, employers can request reasonable documentation. However, an employer will be responsible for an employee’s out-of-pocket costs associated with getting the documentation the employer requires.

# Notice

Because the notice dates in the original law won’t make sense come February 2025, we’re making a minor leap here—that said, we think it’s safe to assume that employers will need to give written notice to employees about their paid sick leave rights by February 21, 2025, or upon hire—whichever is later. The notice should include:

- The amount of earned sick time required under the law
- The employer’s definition of a “year”
- How earned sick time can be used
- An antiretaliation provision
- The employee’s right to bring a civil action or file a complaint with Michigan’s Department of Licensing and Regulatory Affairs (LARA)

Additionally, employers must display a poster with the same information as the written notice in a conspicuous and accessible location in the workplace. Both the notice and posting must be provided in English, Spanish, and any first language spoken by at least 10% of employees if the state provides a translation in that language. LARA will create notices and posters for employers to use.

The [Earned Sick Time Act](#) and [Improved Workforce Opportunity Wage Act](#) was approved by the Michigan legislature on September 5, 2018.

Michigan's Supreme Court decision, [Mothering Justice v. Attorney General and State of Michigan](#), was published on July 31, 2024.