

Michigan Enacts Gradual Minimum Wage Increase to \$9.25/Hour

May 28, 2014

On May 27, 2014, Michigan enacted a law that will gradually increase the minimum wage from its current \$7.40 to \$9.25 per hour by January 1, 2018. For tipped employees, the rate will eventually increase from \$2.65 to 38 percent of the regular minimum wage.

The minimum wage will increase in four stages over the next 3 ½ years: to \$8.15 on September 1, 2014, to \$8.50 on January 1, 2016, to \$8.90 on January 1, 2017, before reaching \$9.25 on January 1, 2018. Beginning January 2019, annual future increases will be tied to inflation and become effective each April, in an amount not to exceed 3.5 percent.