

Paid Medical Leave Act, Minimum Wage Increase Take Effect

Supreme Court Considers Advisory Opinion on Constitutionality

March 29, 2019

On March 29, 2019, the Improved Workforce Opportunity Wage Act (IWOWA) and the Paid Medical Leave Act (PMLA) take effect. These laws are the result of two citizen-led 2018 ballot initiatives – one raising the state's minimum wage and tying future increases to inflation; and the other requiring employers to provide employees with paid sick leave up to 72 hours per year. These were adopted by the legislature under Article 2, Section 9 of the Michigan Constitution and, thus, became law without the Governor's signature. Subsequently, the legislature amended both near the end of the 2018 legislative session, scaling back the rate at which the minimum wage would increase over time and **limiting mandatory paid sick leave**. Governor Rick Snyder signed both amendments into law.

On February 20, 2019, both houses of the legislature adopted resolutions seeking an advisory opinion from the Michigan Supreme Court about whether the 2018 amendments to the two statutes were constitutional. Specifically, some have questioned whether the Michigan Constitution permits the legislature to adopt a citizen-initiated law and then amend it within the same legislative session by a simple majority vote.

As of March 29, 2019, the Supreme Court has not yet decided whether it will issue an advisory opinion. It is not required to do so. If the Supreme Court were to accept the invitation to issue an advisory opinion, the outcome could have significant ramifications.

What does this mean for employers? For now, both laws remain in effect. Thus, the minimum wage for non-tipped employees is \$9.45/hour effective March 29, 2019 and covered employers must comply with the PMLA starting on the same date. Miller Canfield will continue to monitor and report on further developments regarding the Court's movements. As always, please feel free to contact your Miller Canfield attorney if you have questions.