

WORKFORCE OPPORTUNITY WAGE ACT (EXCERPT)
Act 138 of 2014

408.414d Employees receiving gratuities; minimum hourly wage; "gratuities" defined.

Sec. 4d. (1) Before September 1, 2014, the minimum hourly wage rate is \$2.65 per hour and, beginning September 1, 2014, the minimum hourly wage rate is 38% of the minimum hourly wage rate established in section 4 if all of the following occur:

(a) The employee receives gratuities in the course of his or her employment.

(b) If the gratuities described in subdivision (a) plus the minimum hourly wage rate under this subsection do not equal or exceed the minimum hourly wage otherwise established under section 4, the employer pays any shortfall to the employee.

(c) The gratuities are proven gratuities as indicated by the employee's declaration for purposes of the federal insurance contributions act, 26 USC 3101 to 3128.

(d) The employee was informed by the employer of the provisions of this section.

(2) As used in this section, "gratuities" means tips or voluntary monetary contributions received by an employee from a guest, patron, or customer for services rendered to that guest, patron, or customer and that the employee reports to the employer for purposes of the federal insurance contributions act, 26 USC 3101 to 3128.

History: 2014, Act 138, Imd. Eff. May 27, 2014.