



**House
Legislative
Analysis
Section**

House Office Building, 9 South
Lansing, Michigan 48909
Phone: 517/373-6466

INCREASE MINIMUM WAGE

House Bill 4165

Sponsor: Rep. Jack Minore

**Committee: Employment Relations,
Training and Safety**

Complete to 4-2-03

A SUMMARY OF HOUSE BILL 4165 AS INTRODUCED 2-5-03

The bill would amend the Minimum Wage Law to increase the hourly minimum wage and to index the wage annually to the rate of inflation. Since September 1, 1997, the hourly minimum wage for the state has been set at \$5.15. Under the bill, the minimum wage rate would be increased to \$5.65 beginning September 1, 2003 and increased to \$6.15 beginning January 1, 2004. Beginning January 1, 2005, the minimum wage rate would have to be adjusted annually to reflect the cumulative annual percentage change in the consumer price index. The bill would define "consumer price index" as the most comprehensive index of consumer prices available for this state from the Bureau of Labor Statistics of the U.S. Department of Labor.

In addition, the bill would increase the minimum hourly wage paid to employees who receive gratuities, such as restaurant waitstaff, from \$2.65 per hour to one-half of the minimum hourly wage established for regular hourly workers. The bill would also delete language pertaining to two past minimum wage rates established beginning January 1, 1981 and May 1, 1997.

MCL 408.384 and 408.387a

House Bill 4165 (4-2-03)

Analyst: S. Stutzky

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.