



RICK SNYDER  
GOVERNOR

**Michigan Department of Licensing and Regulatory Affairs**

**Wage and Hour Division**

PO Box 30476

Lansing , MI 48909-7976

**REQUIRED POSTER**

**GENERAL REQUIREMENTS - MINIMUM WAGE and OVERTIME**



SHELLY EDGERTON  
DIRECTOR

**Coverage**

The Workforce Opportunity Wage Act, Public Act 138 of 2014, covers employers who employ 2 or more employees 16 years of age and older.

**Minimum Hourly Wage Rate**

Employees must be paid at least:

Effective Date	Minimum Hourly Wage Rate	Tipped Employee Minimum Hourly Rate	85% Rate
Sept. 1, 2014 – Jan. 1, 2016	\$8.15	\$3.10	\$7.25*
January 1, 2016	\$8.50	\$3.23	\$7.25*

\*The state 85% rate of \$6.93 from 9/1/14 to 1/1/16 and \$7.23 from 1/1/16 to 1/1/17, is lower than the federal minimum wage rate of \$7.25.

- ▶ Minors 16-17 years of age may be paid 85% of the minimum hourly wage rate.
- ▶ Beginning September 1, 2014, tipped employees may be paid a minimum hourly wage rate of 38% of the minimum hourly wage rate, provided tips are received, as documented through a signed, dated tip statement, which combined with the hourly wage paid, equals or exceeds the minimum hourly wage rate.

**Training Wage**

A training wage of \$4.25 per hour may be paid to employees 16 to 19 years of age for the first 90 days of employment.

**Overtime**

Employees covered by the Workforce Opportunity Wage Act must be paid 1-1/2 times their regular rate of pay for hours worked over 40 in a workweek. The following are exempt from overtime requirements: employees exempt from the minimum wage provisions of the Fair Labor Standards Act of 1938, 29 USC 201 to 219 (except certain domestic service employees), professional, administrative, or executive employees; elected officials and political appointees; employees of amusement and recreational establishments operating less than 7 months of the year; agricultural employees, and any employee not subject to the minimum wage provisions of the act.

**Compensatory Time**

If an employer meets certain conditions, employees may agree to receive compensatory time of 1-1/2 hours for each hour of overtime worked. The agreement must be voluntary, in writing, and obtained before the compensatory time is earned. All compensatory time earned must be paid to an employee. Accrued compensatory time may not exceed 240 hours. Employers must keep a record of compensatory time earned and paid. Contact the Wage and Hour Program for information on the conditions an employer must meet in order to offer compensatory time off in lieu of overtime compensation.

**Equal Pay**

An employer shall not discriminate on the basis of sex by paying employees a rate which is less than the rate paid to employees of the opposite sex for equal work on jobs requiring equal skill, effort, and responsibility performed under similar working conditions - except where payment is pursuant to a seniority system, merit system or system measuring earnings on the basis of quantity or quality of production or a differential other than sex.

**Enforcement**

An employee may either file civil action for recovery of unpaid minimum wages or overtime, or they may file a complaint with the Department of Licensing and Regulatory Affairs. The department may investigate a complaint and file civil action to collect unpaid wages or overtime due the employee and all employees of an establishment. Recovery under this act can include unpaid minimum wages or overtime, plus an equal additional amount as liquidated damages, costs, and reasonable attorney fees. A civil fine of \$1,000 can be assessed to an employer who does not pay minimum wage or overtime.

LARA is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

[www.michigan.gov/wagehour](http://www.michigan.gov/wagehour) • Toll Free 1-855-4MI-WAGE (1-855-464-9243)

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