



TO P-12 Building Engineers

FROM: Ruth A. Bankhead, Director of Human Resources, Non-Instructional

RE: Federal and State Posting Requirements

DATE: February 22, 2019

The new Paid Medical Leave Act takes effect on March 29, 2019 as does the new State minimum wage information.

Please take a few minutes to post these two fliers on the bulletin board next to the laminated posters you have in your building with all of the federal and state requirements.

If you have any questions or if you need further information, please do not hesitate to contact me. Thank you in advance for your cooperation.

cc: Building Principals

Attach.



GRETCHEN WHITMER
GOVERNOR

Michigan Department of Licensing and Regulatory Affairs

**Wage and Hour Division
PO Box 30476
Lansing, MI 48909-7976**



ORLENE HAWKS
DIRECTOR

**REQUIRED POSTER
GENERAL REQUIREMENTS - MINIMUM WAGE and OVERTIME**

Coverage

The Improved Workforce Opportunity Wage Act (IWOWA), Public Act 337 of 2018, as amended, 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		85%**
		Minimum Hourly Rate	Reported Average Hourly Tips	Hourly Rate
January 1, 2018	\$9.25	\$3.52	\$5.73	\$7.86
March 29, 2019	\$9.45	\$3.59	\$5.86	\$8.03
January 1, 2020*	\$9.65	\$3.67	\$5.98	\$8.20
January 1, 2021*	\$9.87	\$3.75	\$6.12	\$8.39

*An increase in the minimum hourly wage rate as prescribed in subsection (1) does not take effect if the unemployment rate for this state, as determined by the Bureau of Labor Statistics, United States Department of Labor, is 8.5% or greater for the calendar year preceding the calendar year of the prescribed increase. An increase in the minimum hourly wage rate as prescribed in subsection (1) that does not take effect pursuant to this subsection takes effect in the first calendar year following a calendar year for which the unemployment rate for this state, as determined by the Bureau of Labor Statistics, United States Department of Labor, is less than 8.5%.

▶ ** Minors 16-17 years of age may be paid 85% of 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 IWOWA must be paid 1-1/2 times their regular rate of pay for hours worked over 40 in a 7-day 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 Division 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.



Michigan Department of Licensing and Regulatory Affairs

Wage and Hour Division

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REQUIRED POSTER

GENERAL REQUIREMENTS – PAID MEDICAL LEAVE ACT*



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GOVERNOR

ORLENE HAWKS
DIRECTOR

Coverage

The Paid Medical Leave Act, 2018 Public Act 338, as amended by 2018 Public Act 369, effective March 29, 2019, covers employers who employ 50 or more individuals. The act covers individuals engaged in service to an employer in the business of the employer and from whom an employer is required to withhold for federal income tax purposes. An eligible employee does not include executive, administrative, and professional overtime exempt employees, employees covered by a private collective bargaining agreement that is in effect, employees of the United States government, another state, or a political subdivision of another state, individuals whose primary work location is not in this state, individuals 16-19 years of age being paid the youth training wage in accordance with the Improved Workforce Opportunity Wage Act, temporary employees as described in the Michigan Employment Security Act, variable hour employees as defined by 26 CFR 54.4980H-1, employees covered by the Railway Labor Act and Railroad Unemployment Insurance Act, individuals employed by an employer for 25 weeks or fewer in a calendar year for a job scheduled for 25 weeks or fewer, individuals who worked, on average, fewer than 25 hours per week during the immediately preceding calendar year. (See section 2 of The Paid Medical Leave Act, 2018 Public Act 338.)

Paid Medical Leave Accrual

Paid medical leave accrual begins on March 29, 2019, or upon commencement of the employee's employment, whichever is later. Paid medical leave is accrued at a rate of 1 hour for every 35 actual hours worked; however, an employer is not required to allow accrual of over 1 hour in a calendar week or more than 40 hours in a benefit year. A benefit year is any consecutive 12-month period used by an employer to calculate an eligible employee's benefits. Employees can carry over up to 40 hours of unused accrued paid medical leave from one benefit year to the next; however, employers are not required to allow employees to use more than 40 hours in a single benefit year. An employer may provide the total amount of paid medical leave all at once by providing at least 40 hours at the beginning of the benefit year or on the date that the individual becomes eligible during the benefit year on a prorated basis. If an employer adopts this practice, it does not have to permit employees to carry over unused leave to the next benefit year. (See section 3 of the Paid Medical Leave Act, 2018 Public Act 338).

Paid Medical Leave Usage

An employee may use paid medical leave as it is accrued except an employer may require an employee to wait until the 90th calendar day after commencing employment before using accrued paid medical leave. Paid medical leave must be used in 1-hour increments unless the employer has a different increment policy set forth in writing in an employee handbook or other employee benefit document. Employees must follow the employer's usual and customary notice, procedural, and documentation requirements for requesting leave. The employee must be allowed at least 3 days to provide documentation. Employees may take paid medical leave for any of the following:

- Physical or mental illness, injury, or health condition of the employee or his or her family member
- Medical diagnosis, care, or treatment of the employee or employee's family member
- Preventative care of the employee or his or her family member
- Closure of the employee's primary workplace by order of a public official due to a public health emergency
- The care of his or her child whose school or place of care has been closed by order of a public official due to a public health emergency
- The employee's or his or her family member's exposure to a communicable disease that would jeopardize the health of others as determined by health authorities or a health care provider

For domestic violence and sexual assault situations, employees may use paid medical leave for any of the following:

- Medical care or psychological or other counseling
- Receiving services from a victim services organization
- Relocation and obtaining legal services
- Participation in civil or criminal proceedings related to or resulting from the domestic violence or sexual assault

Employee Rights

An employee may file a complaint with the Department of Licensing and Regulatory Affairs within 6 months of the alleged violation. LARA shall investigate a complaint and attempt mediation, where appropriate.

Penalties

If informal resolution is unsuccessful and a violation found, payment of paid medical leave improperly withheld will be requested and penalties may be imposed. An employer who fails to provide paid medical leave is subject to an administrative fine of not more than \$1,000.00. An employer who willingly violates the posting requirement is subject to an administrative fine of not more than \$100.00 for each separate violation.

***For precise language of the statute, see Public Act 338 of 2018, as amended**

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 • Toll Free 1-855-4MI-WAGE (1-855-464-9243)

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