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Gov. Snyder and Michigan Legislature Move to Block \$10.10 Minimum Wage Initiative from November Ballot

Measure signed into law Tuesday night – dubbed a "repeal and replace bill" by Senate GOP sponsor – establishes \$9.25 minimum, attempts to block voters from opting for higher rate

Lansing, MI – Less than 24 hours before signatures were to be submitted to place a \$10.10 minimum wage increase on the ballot in Michigan this November, the state legislature approved on Tuesday a measure <u>dubbed</u> by GOP Senate Majority Leader Randy Richardville a "repeal and replace bill" that attempts to block the voter initiative from appearing on the ballot and imposes a weaker wage increase to \$9.25 per hour by 2018 in its place. Governor Snyder signed the bill into law Tuesday evening – despite <u>polling</u> released earlier that day showing 56% support for the \$10.10 voter initiative, compared to only 49% support for the smaller wage increase.

"The Michigan minimum wage law is a step in the right direction to raise pay for low wage workers and boost the state's economy, but motive matters, and we hope this political sleight of hand doesn't trump the right of voters to have a say on this crucial policy," said **Christine Owens, executive director of the National Employment Law Project**. "The voters deserve a chance to weigh-in on the \$10.10 minimum wage initiative this November, rather than being silenced by a smaller pay bump that will leave thousands of low-wage workers still struggling to make ends meet."

The bill signed into law on Tuesday attempts to render the proposed voter initiative ineffectual by repealing the portions of the Michigan minimum wage law that the initiative would amend, and recodifying them elsewhere in the state code. Fifty-four percent of voters in Michigan, including majorities in all demographic groups, expressed opposition to the legislature passing any measure to preempt the voter initiative, according to <u>a poll released Tuesday morning</u> by the Detroit Free Press.

Aside from setting a lower wage rate than the proposed initiative, the bill approved on Tuesday also allows employers in Michigan to pay tipped workers a base wage equal to only 38 percent of the state's full minimum wage, reaching approximately \$3.50 per hour by 2018. Census <u>data</u> show that tipped workers – 70 percent of whom are women – are more than twice as likely to fall under the poverty line as all other workers; restaurant servers, who make up the largest share of tipped workers, are nearly three times as likely to fall under the poverty line. The voter initiative would have guaranteed tipped workers a base wage equal to 100 percent of the state's full minimum wage – a model policy that <u>seven states</u> across the country have already adopted, and that has proven effective in reducing poverty for tipped workers.

Earlier this year, the GOP-controlled legislature in Alaska also <u>attempted</u> to block a voter initiative from the ballot that would raise the state's minimum wage and index it to rise with the cost of living; the preemption bill passed the state House before ultimately stalling in the state Senate, leaving the voter initiative in place on the ballot this November.

Across the country, raising the minimum wage continues to rank as a top-tier priority for voters, with polling showing over 70 percent support for increasing the federal minimum wage to \$10.10 per hour and indexing it to inflation. With Congress gridlocked over a federal increase, a growing number of states have moved to raise the minimum wage this year; voter initiatives are expected to appear on the ballot in November in Alaska, South Dakota, Arkansas, Massachusetts, and Nebraska.

The National Employment Law Project is a non-partisan, not-for-profit organization that conducts research, education and advocacy on issues affecting low-wage and unemployed workers. For more about NELP, visit <u>www.nelp.org</u> or <u>www.raisetheminimumwage.org</u>.

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