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***Informational Sheet: Michigan Minimum Wage Law***  
**Youth Training Wage**

The Michigan Minimum Wage Law of 1964 allows workers under the age of 20 to be paid a training wage for the first 90 days of employment under certain conditions. This guide is intended to summarize the requirements for payment of the training wage. The statutory provisions covering the training wage can be found at MCL 408.384b(1) of the Michigan Compiled Laws. Anyone interested in information on the training wage should consult the statute for the complete text.

An employer covered by the Michigan Minimum Wage Law of 1964 may pay a newly hired employee 16 through 19 years of age a wage of \$4.25 per hour for the first 90 days of employment. Michigan's minimum wage law covers employers, **other than an employer covered by the federal minimum wage law**, employing 2 or more workers that are 16 years of age or older. Employees that make or work on goods produced for interstate commerce are covered by federal law and must be paid according to the requirements of the Federal Fair Labor Standards Act. The following employers are covered by the federal minimum wage law and may not pay employees the state's youth training wage:

- a business with gross annual revenues exceeding \$500,000 per year
- a hospital or health care facility
- a pre-school, elementary or secondary school or a college
- an agricultural employer that employs 500 "man days" of agricultural labor
- federal, state and local governments

**The following conditions apply to the training wage:**

An employer may not discharge, layoff or displace another employee or reduce the hours, wages or benefits of an employee to hire a worker at the training wage.

The overtime rate of pay for a worker subject to the training wage provisions is \$6.375 per hour; 1-1/2 times the regular hourly rate of \$4.25.

Employees who qualify for the training wage and regularly receive tips must be paid a minimum of \$2.65 per hour provided they receive and report tips in writing averaging \$1.60 per hour. A written tip statement signed by the employee AND dated before the date the paycheck was received must be maintained by the employer for each pay period that tips are reported.

The training wage period covers 90 days regardless of whether the employment occurs in a single year or over 1 or more years, employment seasons or employment periods.

A change in employment classification, duties or occupation does not extend the training wage period.

Employers that violate the training wage provisions are subject to payment of minimum wages, liquidated damages and a civil fine of up to \$1,000.

For more information visit our web site at [www.michigan.gov/wagehour](http://www.michigan.gov/wagehour).