



News & Types: Employment, Labor & Benefits Update

Masuda Funai Employment Newsflash: Michigan Paid Sick Leave - No Changes Required

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On January 26, 2023, the Michigan Court of Appeals reversed the July 19, 2022, opinion and order of the Michigan Court of Claims that held that the “adopt-and-amend” process that the Michigan Legislature used to enact the Improved Workforce Opportunity Wage Act (“IWOWA”) and the Paid Medical Leave Act (“PMLA”) violated the Michigan Constitution. Based on the Court of Appeals decision, Michigan employers are not required to update their paid sick leave policies to provide the 72-hours of paid sick leave that was required by the 2018 Earned Sick Time Act or comply with the increased minimum wage requirements of the 2018 voter-initiated amendments to the IWOWA.

Whether an appeal to the Michigan Supreme Court is filed or the Legislature acts to change the paid sick leave requirements remains to be seen. Regardless, we will continue to monitor and report on any paid sick leave developments. In the meantime, because paid sick leave requirements vary significantly throughout the United States and continue to be a focus of state and local governments, we encourage all employers, especially multi-state employers, to review their paid sick leave compliance on an annual basis. If you need assistance, please reach out to your relationship attorney.