



HOUSE BILL No. 5352

October 31, 1995, Introduced by Reps. Llewellyn, Gustafson, Nye, McBryde, Voorhees, LeTarte, Horton, Kukuk, Green, Crissman, Rhead, Hammerstrom, Middleton, Dobb, Jaye, Dolan and Galloway and referred to the Committee on House Oversight and Ethics.

A bill to amend section 7 of Act No. 390 of the Public Acts of 1978, entitled as amended

"An act to regulate the time and manner of payment of wages and fringe benefits to employees; to prescribe rights and responsibilities of employers and employees, and the powers and duties of the department of labor; to require keeping of records; to provide for settlement of disputes regarding wages and fringe benefits; to prohibit certain practices by employers; to prescribe penalties and remedies; and to repeal certain acts and parts of acts,"

as amended by Act No. 124 of the Public Acts of 1993, being section 408.477 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 7 of Act No. 390 of the Public Acts of
2 1978, as amended by Act No. 124 of the Public Acts of 1993, being
3 section 408.477 of the Michigan Compiled Laws, is amended to read
4 as follows:

1 Sec. 7. (1) ~~With the exception of~~ EXCEPT FOR those
2 deductions required or expressly permitted by law or by a
3 collective bargaining agreement, an employer shall not deduct
4 from the wages of an employee, directly or indirectly, any amount
5 INCLUDING AN EMPLOYEE CONTRIBUTION TO A SEPARATE SEGREGATED FUND
6 ESTABLISHED BY A CORPORATION OR LABOR ORGANIZATION UNDER SECTION
7 55 OF THE MICHIGAN CAMPAIGN FINANCE ACT, ACT NO. 388 OF THE
8 PUBLIC ACTS OF 1976, BEING SECTION 169.255 OF THE MICHIGAN
9 COMPILED LAWS, without the full, free, and written consent of the
10 employee, obtained without intimidation or fear of discharge for
11 refusal to permit the deduction.

12 (2) Except as provided in this subsection, a deduction for
13 the benefit of the employer requires written consent from the
14 employee for each wage payment subject to the deduction, and the
15 cumulative amount of the deductions shall not reduce the gross
16 wages paid to a rate less than minimum rate as defined in the
17 minimum wage law of 1964, Act No. 154 of the Public Acts of 1964,
18 ~~as amended,~~ being sections 408.381 to 408.398 of the Michigan
19 Compiled Laws. A nonprofit organization shall obtain a written
20 consent from an employee for deductions TO THAT NONPROFIT
21 ORGANIZATION that qualify as charitable contributions under fed-
22 eral law. ~~to that nonprofit organization.~~ However, this subsec-
23 tion does not require the nonprofit organization to obtain from
24 an employee a separate written consent for each subsequent pay-
25 check from which deductions that qualify as charitable contribu-
26 tions that benefit the employer are made. An employee at any
27 time may rescind in writing his or her authorization to have

1 charitable contributions deducted from his or her paycheck. As
2 used in this subsection, "nonprofit organization" means an organ-
3 ization that is exempt from taxation under section 501(c)(3) of
4 the internal revenue code OF 1986, 26 U.S.C. 501.

5 (3) Each deduction from the wages of an employee shall be
6 substantiated in the records of the employer and shall be identi-
7 fied as pertaining to an individual employee. Prorating of
8 deductions between 2 or more employees is not permitted.