

SENATE BILL No. 851

December 2, 2003, Introduced by Senators ALLEN and BIRKHOLZ and referred to the Committee on Local, Urban and State Affairs.

A bill to amend 1978 PA 390, entitled

"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,"

by amending section 6 (MCL 408.476).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 6. ~~—(1) The payment of wages shall be paid—~~ An
2 employer or agent of an employer may pay wages to an employee by
3 any of the following methods:
4 (a) Payment in United States currency. ~~—or~~
5 (b) Payment by a negotiable check or draft payable on
6 presentation at a ~~bank~~ financial institution or other
7 established place of business without discount in United States
8 currency.

1 ~~(2) An employer or agent of an employer shall not deposit~~
2 ~~an employee's wages in a bank, credit union or savings and loan~~
3 ~~association without the full, free and written consent of the~~
4 ~~employee or prospective employee, obtained without intimidation,~~
5 ~~coercion or fear of discharge or reprisal for refusal to permit~~
6 ~~the deposit.~~

7 (c) Direct deposit or electronic transfer to the employee's
8 account at a financial institution. An employer that elects to
9 pay wages under this subdivision shall provide its current
10 employees with notice of election and a period of at least 6
11 weeks for its current employees to establish an account at a
12 financial institution to accept the deposit or transfer of wages.