

Act No. 534
Public Acts of 2004
Approved by the Governor
January 3, 2005
Filed with the Secretary of State
January 3, 2005
EFFECTIVE DATE: January 3, 2005

**STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2004**

Introduced by Senators Allen and Birkholz

ENROLLED SENATE BILL No. 851

AN ACT 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:

Sec. 6. (1) An employer or agent of an employer may pay wages to an employee by any of the following methods:

(a) Payment in United States currency.

(b) Payment by a negotiable check or draft payable on presentation at a financial institution or other established place of business without discount in United States currency.

(c) Direct deposit or electronic transfer to the employee's account at a financial institution.

(d) Issuance of a payroll debit card to the employee. As used in this section, "payroll debit card" means a stored-value debit card that provides an employee access to his or her wages, for withdrawal or transfer by the employee, through a network of automatic teller machines. The term includes cards commonly known as payroll debit cards, payroll cards, and paycards.

(2) Except as provided in section 283a of the management and budget act, 1984 PA 431, MCL 18.1283a, an employer or agent of an employer shall not deposit an employee's wages in a bank, credit union, or savings and loan association without the full, free, and written consent of the employee, obtained without intimidation, coercion, or fear of discharge or reprisal for refusal to permit the deposit.

(3) An employer or agent of an employer shall not issue a payroll debit card to an employee under subsection (1)(d) without the full, free, and written consent of the employee, obtained without intimidation, coercion, or fear of discharge or reprisal for refusal to accept the payroll debit card. However, an employer paying wages by payroll debit card to 1 or more of its employees as of January 1, 2005 may pay wages to any of its employees by payroll debit card without obtaining the consent described in this subsection.

(4) An employer shall not require an employee to pay any fees or costs incurred by the employer in connection with paying wages or establishing a process for paying wages under subsection (1)(c) or (d).

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 850 of the 92nd Legislature is enacted into law.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate

Gay E. Randall

Clerk of the House of Representatives

Approved

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Governor