

**PAYMENT OF WAGES AND FRINGE BENEFITS (EXCERPT)**  
**Act 390 of 1978**

**408.488 Violations; ordering payments; civil penalty.**

Sec. 18. (1) The department shall order an employer who violates section 2, 3, 4, 5, 6, 7, or 8 to pay the following:

- (a) Wages due to the employee.
- (b) Fringe benefits due to or on the behalf of the employee in accordance with the terms set forth in the written contract or written policy.
- (c) A penalty at the rate of 10% annually on the wages and fringe benefits due beginning at the time the employer is notified that a complaint has been filed and ending when payment is made.
- (2) The department may order an employer who violates section 2, 3, 4, 5, 6, 7, or 8 to pay to the employee exemplary damages of not more than twice the amount of the wages and fringe benefits which were due, if the violation is flagrant or repeated.
- (3) The department may order an employer who violates section 2, 3, 4, 5, 6, 7, or 8 to pay attorney costs, hearing costs, and transcript costs.
- (4) The department may assess a civil penalty of not more than \$1,000.00 against an employer who violates this act, which civil penalty shall be credited to the general fund of this state.

**History:** 1978, Act 390, Imd. Eff. Aug. 1, 1978;—Am. 1978, Act 602, Imd. Eff. Jan. 4, 1979.

**Compiler's note:** For creation of bureau of worker's and unemployment compensation within department of consumer and industry services; transfer of powers and duties of bureau of worker's compensation and unemployment agency to bureau of worker's and unemployment compensation; transfer of powers and duties of director of bureau of worker's compensation and director of unemployment agency to director of bureau of worker's and unemployment compensation; and, transfer of powers and duties of wage and hour division of worker's compensation board of magistrates to bureau of worker's and unemployment compensation, see E.R.O. No. 2002-1, compiled at MCL 445.2004 of the Michigan Compiled Laws.

For creation of the new wage and hour division as a type II agency within the department of labor and economic growth, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

For transfer of powers and duties of the former wage and hour division of the department of consumer and industry services, transferred to the bureau of worker's and unemployment compensation, to the new wage and hour division within the department of labor and economic growth by type II transfer, see E.R.O. No. 2003-1, compiled at MCL 445.2011.

For the transfer of powers and duties of the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.