

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5130**

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 8 (MCL 408.478).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 8. (1) ~~An~~ **Except as otherwise provided in this**
2 **subsection, an** employer, agent or representative of an employer, or
3 other person having authority from the employer to hire, employ, or
4 direct the services of other persons in the employment of the



1 employer shall not demand or receive, directly or indirectly from
2 an employee, a fee, gift, tip, gratuity, or other remuneration or
3 consideration, as a condition of employment or continuation of
4 employment. This subsection does not apply to fees—**either of the**
5 **following:**

6 (a) **Fees** collected by an employment agency licensed under the
7 laws of this state.

8 (b) Subject to subsection (3), the following remuneration or
9 consideration collected by a law enforcement agency under a signed
10 loan forgiveness agreement entered into on or after the effective
11 date of the amendatory act that added this subdivision:

12 (i) If the employee voluntarily leaves employment with the law
13 enforcement agency not more than 1 year after the date the
14 employee's law enforcement training academy ended, up to 100% of
15 the cost of the law enforcement training academy.

16 (ii) If the employee voluntarily leaves employment with the law
17 enforcement agency more than 1 year but less than 2 years after the
18 date the employee's law enforcement training academy ended, not
19 more than 75% of the cost of the law enforcement training academy.

20 (iii) If the employee voluntarily leaves employment with the law
21 enforcement agency 2 years or more but less than 3 years after the
22 date the employee's law enforcement training academy ended, not
23 more than 50% of the cost of the law enforcement training academy.

24 (iv) If the employee voluntarily leaves employment with the law
25 enforcement agency 3 years or more but less than 4 years after the
26 date the employee's law enforcement training academy ended, not
27 more than 25% of the cost of the law enforcement training academy.

28 (v) If the employee voluntarily leaves employment with the law
29 enforcement agency 4 years or more but less than 5 years after the



1 date the employee's law enforcement training academy ended, not
2 more than 10% of the cost of the law enforcement training academy.

3 (2) Except for a contribution required or expressly permitted
4 by law or by a collective bargaining agreement, an employer shall
5 not require an employee or a person seeking employment to
6 contribute directly or indirectly to a charitable, social, or
7 beneficial purpose as a condition of employment or continuation of
8 employment.

9 (3) A loan forgiveness agreement under subsection (1) (b) must
10 contain the following terms:

11 (a) That the employer will pay the cost of a law enforcement
12 training academy required for that employee to obtain a license
13 under the Michigan commission on law enforcement standards act,
14 1965 PA 203, MCL 28.601 to 28.615.

15 (b) The conditions under which the payment under subdivision
16 (a) will be provided and under which repayment to the employer by
17 the employee or another person, including, but not limited to, a
18 subsequent employer that is a law enforcement agency, may be
19 required.

20 (c) That the employer is not entitled to any percentage of the
21 cost of the law enforcement training academy if any of the
22 following apply:

23 (i) The employer terminates the employee's employment at any
24 time and on nondisciplinary grounds.

25 (ii) The employee is laid off from employment with the employer
26 because of budget cuts within 5 years after the date the employee's
27 law enforcement training academy ended.

28 (d) That the requirements of subsection (1) (b) (i) to (v) may be
29 waived by the employer if the employee voluntarily leaves



1 employment with the employer and both of the following apply:

2 (i) The employee suffers a critical incident in the course of
3 his or her employment with the employer.

4 (ii) The employee provides documentation from a mental health
5 professional that the employee is undergoing treatment from the
6 mental health professional for that critical incident.

7 (4) As used in this section:

8 (a) "Critical incident" means an event that meets both of the
9 following requirements:

10 (i) Is sudden, emotionally powerful, and outside the range of
11 normal human experience and that sufficiently impacts or overwhelms
12 the usual coping skills of an individual.

13 (ii) Occurred during the course of the employee's employment as
14 a law enforcement officer.

15 (b) "Law enforcement agency" means that term as defined in
16 section 2 of the Michigan commission on law enforcement standards
17 act, 1965 PA 203, MCL 28.602.

18 (c) "Law enforcement training academy" means that term as
19 defined in section 2 of the Michigan commission on law enforcement
20 standards act, 1965 PA 203, MCL 28.602.

