

Act No. 18  
Public Acts of 2016  
Approved by the Governor  
February 23, 2016  
Filed with the Secretary of State  
February 23, 2016  
EFFECTIVE DATE: May 23, 2016

**STATE OF MICHIGAN  
98TH LEGISLATURE  
REGULAR SESSION OF 2016**

Introduced by Rep. Somerville

# **ENROLLED HOUSE BILL No. 5071**

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 1 (MCL 408.471).

*The People of the State of Michigan enact:*

Sec. 1. As used in this act:

(a) “Department” means the department of licensing and regulatory affairs.

(b) “Employ” means to engage or permit to work.

(c) “Employee” means an individual employed by an employer.

(d) “Employer” means an individual, sole proprietorship, partnership, association, or corporation, public or private; this state or an agency of this state; a city, county, village, township, school district, or intermediate school district; an institution of higher education; or an individual acting directly or indirectly in the interest of an employer who employs 1 or more individuals. Except as specifically provided in the franchise agreement, as between a franchisee and franchisor, the franchisee is considered the sole employer of workers for whom the franchisee provides a benefit plan or pays wages.

(e) “Fringe benefits” means compensation due an employee pursuant to a written contract or written policy for holiday, time off for sickness or injury, time off for personal reasons or vacation, bonuses, authorized expenses incurred during the course of employment, and contributions made on behalf of an employee.

(f) “Wages” means all earnings of an employee whether determined on the basis of time, task, piece, commission, or other method of calculation for labor or services except those defined as fringe benefits under subdivision (e) above.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted into law.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved .....

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Governor