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Senate Bill 32 (Substitute S-2 as passed by the Senate)  
Sponsor: Senator Sylvia Santana  
Committee: Civil Rights, Judiciary, and Public Safety

Date Completed: 3-16-23

## **CONTENT**

**The bill would amend Public Act 390 of 1978, which regulates the time and manner of payments of wages and fringe benefits to employees, to do the following:**

- **Allow a law enforcement agency that entered into an agreement to collect specified percentages of the costs of a law enforcement training academy if an employee voluntarily left employment with the agency within four years after the employee left the training academy.**
- **Allow an employer to collect the costs of an employee's education under an agreement in which the employer offered to fund an employee's education with the understanding that the employee would repay the costs unless the employee remained with the employer for a specific period.**

Public Act 390 prohibits an employer, agent or representative of an employer, or other person having authority from the employer to hire, employ, or direct the services of other people in the employment of the employer from demanding or receiving, directly or indirectly from an employee, a fee, gift, tip, gratuity, or other remuneration or consideration, as a condition of employment or continuation of employment. This provision does not apply to fees collected by an employment agency licensed under the law of the State.

Under the bill, the provision also would not apply to the following remuneration or consideration collected by a law enforcement agency under a signed agreement entered into on or after the bill's effective date:

- If the employee voluntarily left employment with the law enforcement agency within one year after the date the employee's law enforcement training academy ended, 100% of the cost of the law enforcement training academy up to and not exceeding the employee's salary for the first year of employment with the law enforcement agency.
- If the employee voluntarily left employment with the law enforcement agency more than one year but less than two years after the date the employee's law enforcement training academy ended, 75% of the cost of the law enforcement training academy up to and not exceeding the employee's salary for the first year of employment with the agency.
- If the employee voluntarily left employment with the law enforcement agency two years or more but less than three years after the date the employee's law enforcement training academy ended, 50% of the cost of the law enforcement training academy up to and not exceeding the employee's salary for the first year of employment with the agency.
- If the employee voluntarily left employment with the law enforcement agency three years or more but less than four years after the date the employee's law enforcement training academy ended, 25% of the cost of the law enforcement training academy up to and not exceeding the employee's salary for the first year of employment with the agency.

("Law enforcement agency" would mean that term as defined in the Michigan Commission on Law Enforcement Standards Act: an entity that is established and maintained in accordance

with the laws of the State and is authorized by the laws of the State to appoint or employ law enforcement officers

"Law enforcement training academy" would mean that term as defined in the Michigan Commission on Law Enforcement Standards Act: an agency basic law enforcement training academy, a preservice college basic law enforcement training academy, or a regional basic law enforcement training academy.)

In addition, the provision would not apply to remuneration or consideration collected by an employer under an optional education repayment agreement in which the employer offered to fund an employee's education with the understanding that the employee would repay the costs incurred unless the employee remained with the employer for a specific period.

("Employer" means an individual, sole proprietorship, partnership, association, or corporation, public or private; the State or an agency of the 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 one or more individuals.)

An agreement entered into by a law enforcement agency would have to contain the following terms:

- That the employer would pay the cost of a law enforcement training academy required for that employee to obtain a license under the Michigan Commission on Law Enforcements Standards Act.
- The conditions under which the payment would be provided and under which repayment to the employer by the employee or another person could be required.

An agreement entered into by a law enforcement agency also would have to specify that remuneration or consideration from the employee would be waived by the employer if the employee were not required to be licensed as a law enforcement officer under the Michigan Commission on Law Enforcements Standards Act within either of the following:

- One year after leaving employment with the employer if the employee voluntarily left employment with the law enforcement agency within one year after the date the employee's law enforcement training academy ended.
- Two years after leaving employment with the employer if the employee voluntarily left employment with the law enforcement agency at least one year but not more than three years after the date the employee's law enforcement training academy ended.

MCL 408.478

### **BRIEF RATIONALE**

According to testimony before the Senate Committee on Civil Rights, Judiciary, and Public Safety, some law enforcement agencies in the State provide funds for employees' law enforcement academy training while others do not. Reportedly, this results in a significant number of officers leaving one law enforcement agency for another soon after they complete their training. Some people believe that agencies should be able to collect training costs from employees that voluntarily leave within a certain number of years after paying for training.

### **PREVIOUS LEGISLATION**

*(Please note: The information in this summary provides a cursory overview of previous legislation and its progress. It does not provide a comprehensive account of all previous legislative efforts on the relevant subject matter.)*

The bill is a reintroduction of Senate Bill 375 from the 2021-2022 Legislative Session. The bill was reported from the Senate Committee on Judiciary and Public Safety but received no further action.

Legislative Analyst: Tyler P. VanHuyse

### **FISCAL IMPACT**

The bill could have a fiscal impact on a local law enforcement agency if an employee whose training was funded by that agency left voluntarily before three years of service and had to reimburse that agency for its cost for the employee's academy tuition. The costs of tuition for a law enforcement training academy in Michigan range between \$6,000 and \$10,000.

Fiscal Analyst: Bruce R. Baker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.