

HOUSE BILL No. 4721

April 27, 1989, Introduced by Rep. Joe Young, Jr. and referred to the Committee on Labor.

A bill to amend sections 1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008, 1009, 1010, 1011, 1012, 1013, 1014, and 1016 of Act No. 299 of the Public Acts of 1980, entitled

"Occupational code,"

sections 1005, 1008, 1009, and 1013 as amended by Act No. 463 of the Public Acts of 1988 and section 1007 as amended by Act No. 83 of the Public Acts of 1981, being sections 339.1001, 339.1002, 339.1003, 339.1004, 339.1005, 339.1006, 339.1007, 339.1008, 339.1009, 339.1010, 339.1011, 339.1012, 339.1013, 339.1014, and 339.1016 of the Michigan Compiled Laws; and to repeal certain parts of the act.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 1001, 1002, 1003, 1004, 1005, 1006,
2 1007, 1008, 1009, 1010, 1011, 1012, 1013, 1014, and 1016 of Act
3 No. 299 of the Public Acts of 1980, sections 1005, 1008, 1009,

1 and 1013 as amended by Act No. 463 of the Public Acts of 1988 and
2 section 1007 as amended by Act No. 83 of the Public Acts of 1981,
3 being sections 339.1001, 339.1002, 339.1003, 339.1004, 339.1005,
4 339.1006, 339.1007, 339.1008, 339.1009, 339.1010, 339.1011,
5 339.1012, 339.1013, 339.1014, and 339.1016 of the Michigan
6 Compiled Laws, are amended to read as follows:

7 Sec. 1001. As used in this article:

8 (a) ~~"Artist's manager" means a person acting as a manager~~
9 ~~or business advisor or rendering technical assistance to an~~
10 ~~entertainer for which the person is to receive remuneration out~~
11 ~~of future earnings of the entertainer. "CLIENT" MEANS A PERSON~~
12 ~~WHO ENGAGES THE SERVICES OF A PERSONNEL AGENCY.~~

13 (b) ~~"Emergency engagement" means an engagement which must~~
14 ~~be performed within 48 hours after the contract for the engage-~~
15 ~~ment is made. "CONSULTING AGENT" MEANS THE INDIVIDUAL DESIGNATED~~
16 ~~BY THE TYPE B PERSONNEL AGENCY WHO IS RESPONSIBLE FOR THE GENERAL~~
17 ~~MANAGEMENT OF THE TYPE B PERSONNEL AGENCY.~~

18 (c) "Employee" means a person performing ~~or seeking to~~
19 ~~perform~~ work or service for compensation.

20 (d) "Employer" means a person employing or seeking to employ
21 a person for compensation.

22 ~~(e) "Employment agency" means a person engaged for gain or~~
23 ~~profit in the business or profession of serving, assisting, or~~
24 ~~counseling an employee seeking employment or an employer seeking~~
25 ~~to procure an employee.~~

26 (E) ~~(f)~~ "Employment agent" means the individual designated
27 by the ~~employment~~ TYPE A PERSONNEL agency who is responsible

1 for the general management of the ~~office~~ TYPE A PERSONNEL
2 AGENCY.

3 (F) "FEE" MEANS ANY DIRECT OR INDIRECT COMPENSATION.

4 (g) ~~"Personnel placement consultant" means a person engaged~~
5 ~~for gain or profit in the business or profession of serving,~~
6 ~~assisting, or counseling an employee seeking employment or an~~
7 ~~employer seeking to procure an employee, which may include + of~~
8 ~~the following:~~

9 ~~(i) Resume preparation and dissemination.~~

10 ~~(ii) Personality evaluation testing.~~

11 ~~(iii) Providing a list of employers.~~

12 ~~(iv) Any other activity defined by a rule promulgated by the~~
13 ~~department.~~ "PERSONNEL AGENCY" MEANS A TYPE A PERSONNEL AGENCY
14 OR A TYPE B PERSONNEL AGENCY.

15 (h) ~~"Theatrical employment agency" means the business of~~
16 ~~conducting an agency, bureau, or office for the purpose of pro-~~
17 ~~curing, offering, promising, or attempting to provide an engage-~~
18 ~~ment for a circus, vaudeville, theatrical, or other entertain-~~
19 ~~ment, an exhibition, or a performance, or of giving information~~
20 ~~as to where an engagement may be procured or provided.~~

21 "REGISTRATION FEE" MEANS A FEE OTHER THAN THE FEE SPECIFIED IN A
22 CONTRACT, WHICH A PERSONNEL AGENCY REQUIRES OR ACCEPTS FROM A
23 CLIENT PRIOR TO EXECUTION OF A CONTRACT.

24 (i) ~~"Theatrical engagement" means an engagement or employ-~~
25 ~~ment of a person as an actor, entertainer, or performer in a~~
26 ~~circus, vaudeville, theatrical, or other entertainment,~~
27 ~~exhibition, or performance.~~ "RESUME WRITING SERVICE" MEANS A

1 PERSON WHO PROVIDES PROFESSIONAL ASSISTANCE TO AN APPLICANT IN
2 COMPILING A RESUME BY ASSEMBLING RELEVANT DATA, ORGANIZING IT IN
3 WRITING, AND PROVIDING COPIES TO THE APPLICANT FOR A FEE.

4 (J) "TYPE A PERSONNEL AGENCY" MEANS A PERSON WHO IS ENGAGED
5 IN THE BUSINESS OR PROFESSION OF SERVING, ASSISTING, OR IN ANY
6 WAY AIDING A CLIENT SEEKING EMPLOYMENT OR MAKING BASIC CAREER
7 DECISIONS, WHO PUTS A CLIENT IN DIRECT CONTACT WITH EMPLOYERS,
8 AND WHO RECEIVES A FEE FROM THE CLIENT FOR THE SERVICES
9 RENDERED.

10 (K) "TYPE B PERSONNEL AGENCY" MEANS A PERSON WHO IS ENGAGED
11 IN THE BUSINESS OR PROFESSION OF SERVING, ASSISTING, OR IN ANY
12 WAY AIDING OR CONSULTING WITH A CLIENT TO MAKE BASIC CAREER DECI-
13 SIONS AND WHO RECEIVES A FEE FROM THE CLIENT FOR THE SERVICES
14 RENDERED.

15 Sec. 1002. The ~~employment~~ PERSONNEL agency board is
16 created. Six of the members shall have ~~occupied~~ SERVED, for at
17 least 3 years immediately preceding appointment, ~~an executive or~~
18 ~~managerial position in the private employment~~ AS AN OWNER OR
19 MANAGER IN THE PERSONNEL agency industry in this state.

20 Sec. 1003. (1) A person shall not open, operate, or main-
21 tain ~~an employment~~ A TYPE A OR TYPE B PERSONNEL agency ~~, the~~
22 ~~attrical employment agency, or personnel placement consulting~~
23 ~~agency~~ in this state without first obtaining ~~a~~ THE APPROPRIATE
24 license from the department. THE DEPARTMENT SHALL DETERMINE
25 WHETHER AN AGENCY IS CONSIDERED A TYPE A PERSONNEL AGENCY OR A
26 TYPE B PERSONNEL AGENCY.

1 (2) A PERSON SHALL OBTAIN FROM THE DEPARTMENT AN APPROPRIATE
2 LICENSE FOR EACH OFFICE.

3 (3) A PERSON MAY NOT APPLY FOR OR OBTAIN BOTH A TYPE A PER-
4 SONNEL AGENCY AND A TYPE B PERSONNEL AGENCY LICENSE UNDER THE
5 SAME NAME.

6 (4) A TYPE A PERSONNEL OR A TYPE B PERSONNEL AGENCY SHALL
7 NOT SHARE QUARTERS OR OFFICE SPACE OR HAVE A COMMON WAITING ROOM
8 WITH ANY OTHER PERSONNEL AGENCY, WITH A RESUME WRITING SERVICE,
9 OR WITH ANY OTHER BUSINESS WHICH THE DEPARTMENT DETERMINES IS A
10 BUSINESS RELATED TO THE BUSINESS OF A PERSONNEL AGENCY.

11 (5) EXCEPT AS PROVIDED IN SECTION 1009, EACH PERSONNEL
12 AGENCY SHALL DESIGNATE AND MAINTAIN AT ALL TIMES AN ON-SITE
13 EMPLOYMENT AGENT OR CONSULTING AGENT, AS IS APPROPRIATE, WHO
14 SHALL BE RESPONSIBLE FOR THE GENERAL MANAGEMENT OF THE LICENSED
15 OFFICE.

16 (6) ~~A~~ THE DEPARTMENT SHALL NOT REQUIRE A regularly estab-
17 lished educational institution, religious, labor, charitable,
18 benevolent organization, or department or bureau maintained for
19 the purpose of ~~obtaining~~ PROVIDING FREE employment OR CONSULT-
20 ING SERVICES for which ~~a~~ NO fee, compensation, or other valu-
21 able consideration is ~~not~~ charged or received, directly or
22 indirectly, ~~shall be exempt from the requirement of~~ TO OBTAIN a
23 license. ~~, but shall register with the department.~~

24 (7) ~~(2)~~ This article does not apply to a person who main-
25 tains an employment OR CONSULTING office for the person's own
26 intraorganization purposes exclusively, ~~nor~~ to the Michigan
27 employment security commission, TO AN ORGANIZATION WHICH PROVIDES

1 VOCATIONAL REHABILITATION SERVICES IF THE FEES ARE PAID BY AN
2 INSURER OR SELF-INSURER RESPONSIBLE UNDER APPLICABLE STATE OR
3 FEDERAL INSURANCE LAWS FOR THE PROVIDING OF VOCATIONAL REHABILI-
4 TATION SERVICES TO AN INDIVIDUAL, OR TO A PERSON UNDER A CONTRACT
5 WITH THE STATE OF MICHIGAN TO PROVIDE EMPLOYMENT SERVICES.

6 (8) ~~(3)~~ A person employing an individual to render
7 part-time or temporary personal service to, for, or under the
8 direction of a third person is not ~~an employment~~ A PERSONNEL
9 agency within the meaning of this article if the person employing
10 the individual, in addition to a wage or salary, pays federal
11 social security taxes, state and federal unemployment insurance,
12 carries worker's disability compensation insurance as required by
13 THE WORKER'S DISABILITY COMPENSATION ACT OF 1969, Act No. 317 of
14 the Public Acts of 1969, as amended, being sections 418.101 to
15 418.941 of the Michigan Compiled Laws, and sustains responsibil-
16 ity for the acts of the employee while rendering service to, for,
17 or under the direction of a third person.

18 (9) THIS ARTICLE DOES NOT APPLY TO THE BUSINESS OF PROCUR-
19 ING, OFFERING, PROMISING, PROMOTING, OR ATTEMPTING TO PROVIDE AN
20 ENGAGEMENT FOR AN ATHLETIC EVENT, A CIRCUS, CONCERT, VAUDEVILLE,
21 THEATRICAL, OR OTHER ENTERTAINMENT, OR OF GIVING INFORMATION AS
22 TO WHERE AN ENGAGEMENT MAY BE PROCURED OR PROVIDED FOR AN ACTOR,
23 ARTIST, ATHLETE, ENTERTAINER, OR PERFORMER IN AN ATHLETIC EVENT,
24 A CIRCUS, VAUDEVILLE, THEATRICAL, OR OTHER ENTERTAINMENT.

25 Sec. 1004: A person shall not ~~act~~ OPERATE as an employ-
26 ment agent OR CONSULTING AGENT in this state without first
27 obtaining ~~a~~ THE APPROPRIATE license from the department.

1 Sec. 1005. (1) ~~An application for an employment agency~~
2 ~~license shall be accompanied by a certificate of bonding from a~~
3 ~~bonding agency.~~ THE DEPARTMENT SHALL ISSUE AN EMPLOYMENT AGENT
4 LICENSE OR CONSULTING AGENT LICENSE TO A PERSON WHO COMPLIES WITH
5 ALL OF THE FOLLOWING REQUIREMENTS:

6 (A) SUCCESSFULLY COMPLETES A WRITTEN EXAMINATION WHICH SAT-
7 ISFIES THE DEPARTMENT THAT THE APPLICANT FOR LICENSURE HAS SUFFI-
8 CIENT KNOWLEDGE OF THIS ARTICLE, THE RULES PROMULGATED UNDER THIS
9 ARTICLE, THE LAWS AGAINST DISCRIMINATION IN EMPLOYMENT, AND OTHER
10 PERTINENT LAWS AS DETERMINED NECESSARY BY THE DEPARTMENT. THE
11 EXAMINATION SHALL BE APPROVED BY THE DEPARTMENT WITH THE ADVICE
12 AND ASSISTANCE OF THE BOARD.

13 (B) DEMONSTRATES GOOD MORAL CHARACTER.

14 (C) IS AT LEAST 18 YEARS OF AGE.

15 (2) ~~A principal of an employment agency, or if the employ-~~
16 ~~ment agency is a corporation, each active officer or the employ-~~
17 ~~ment agent of the corporation, or if the employment agency is a~~
18 ~~partnership, each active partner of a partnership, as a condition~~
19 ~~to initial licensing of the employment agency, by means of a~~
20 ~~written examination, shall satisfy the department that the appli-~~
21 ~~cant has sufficient knowledge of this article, the rules promul-~~
22 ~~gated under this article, and the laws against discrimination in~~
23 ~~employment and pertinent labor laws, to reasonably ensure that an~~
24 ~~act performed by the applicant is in compliance with the applica-~~
25 ~~ble law or rule.~~ AN EMPLOYMENT AGENT OR A CONSULTING AGENT SHALL
26 NOT OPERATE INDEPENDENTLY OF A TYPE A PERSONNEL AGENCY OR A TYPE
27 B PERSONNEL AGENCY, AS IS APPROPRIATE.

1 Sec. 1006. (1) ~~An application for an employment agency~~
2 ~~license shall be accompanied by a surety bond in the amount of~~
3 ~~\$5,000.00 by an authorized surety company approved by the direc-~~
4 ~~tor and filed by the director in the office of the secretary of~~
5 ~~state. The bond shall be conditioned:~~ THE DEPARTMENT SHALL
6 ISSUE A PERSONNEL AGENCY LICENSE TO A PERSON WHO COMPLIES WITH
7 ALL OF THE FOLLOWING REQUIREMENTS:

8 (a) ~~That the person applying for the license shall comply~~
9 ~~with the terms of a contract entered into between the person and~~
10 ~~an employee or employer.~~ FILES WITH THE DEPARTMENT ON A FORM
11 PROVIDED BY THE DEPARTMENT, A SURETY OR CASH BOND IN THE AMOUNT
12 OF \$10,000.00. THE BOND SHALL INSURE ALL OF THE FOLLOWING:

13 (i) THAT THE PERSON APPLYING FOR THE LICENSE SHALL COMPLY
14 WITH THE TERMS OF ANY CONTRACT ENTERED INTO BETWEEN THE PERSONNEL
15 AGENCY AND A CLIENT.

16 (ii) THAT MONEY PAID BY THE CLIENT SHALL BE REFUNDED TO THE
17 CLIENT, IF THE REFUND IS REQUIRED PURSUANT TO SECTION 1012 OR
18 1013.

19 (iii) THAT AN ACTION ON A BOND DUE TO AN ACT WHICH OCCURRED
20 BEFORE THE EXPIRATION OR CANCELLATION OF THE BOND MAY BE COM-
21 MENCED NOT LATER THAN 1 YEAR AFTER THE EXPIRATION OR CANCELLATION
22 DATE OF THE BOND.

23 (iv) THAT THE REVOCATION OR SUSPENSION OF A LICENSE SHALL
24 NOT AFFECT THE COVERAGE PROVIDED BY THE BOND AS TO AN ACT THAT
25 OCCURRED BEFORE THE DATE OF REVOCATION OR SUSPENSION.

26 (b) ~~To guarantee to the employer or employee the return of~~
27 ~~money paid out by the employer or employee as set forth in~~

1 ~~section 1016.~~ DEMONSTRATES GOOD MORAL CHARACTER. THIS
2 REQUIREMENT SHALL BE APPLICABLE TO THE OWNER AND TO ANY SUBSE-
3 QUENT OWNERS, IF THE PERSONNEL AGENCY IS A SOLE PROPRIETORSHIP;
4 TO EACH OFFICER AND ANY SUBSEQUENT OFFICERS AND TO EACH SHARE-
5 HOLDER OWNING 10% OR MORE OF THE STOCK OR SUBSEQUENT SHAREHOLDERS
6 OWNING 10% OR MORE OF THE STOCK, IF THE PERSONNEL AGENCY IS A
7 CORPORATION; AND TO EACH PARTNER AND TO ANY SUBSEQUENT PARTNERS,
8 IF THE PERSONNEL AGENCY IS A PARTNERSHIP.

9 (c) ~~That the revocation or suspension of a license shall~~
10 ~~not affect the coverage provided by the bond as to an act that~~
11 ~~occurred before the date of revocation or suspension.~~

12 DEMONSTRATES THAT THE PREMISES DESIGNATED IN THE APPLICATION FOR
13 LICENSURE IS AN ACCEPTABLE PLACE FOR THE PERSONNEL AGENCY TO CON-
14 DUCT BUSINESS.

15 (D) DESIGNATES AN EMPLOYMENT AGENT OR CONSULTING AGENT WHO
16 IS LICENSED UNDER SECTION 1005, AS IS APPROPRIATE, OR WHO IS
17 OBTAINING LICENSURE UNDER SECTION 1005 AND WHO BECOMES LICENSED
18 BEFORE THE PERSONNEL AGENCY BEGINS TO PROVIDE ITS SERVICES.

19 (2) If, in the opinion of the ~~director~~ DEPARTMENT, the
20 surety becomes irresponsible, the ~~licensee~~ PERSONNEL AGENCY,
21 upon notice given by the ~~director~~ DEPARTMENT, shall give a new
22 bond ~~subject to~~ AS DESCRIBED IN this section. The failure to
23 give a new bond within ~~10~~ 30 days after notice FROM THE
24 DEPARTMENT shall operate as ~~a~~ AN AUTOMATIC suspension of ~~a~~
25 THE AGENCY license.

26 (3) IN ORDER TO BE LICENSED IN THIS STATE, A NONRESIDENT
27 PERSONNEL AGENCY SHALL OBTAIN A CERTIFICATE OF AUTHORITY TO

1 CONDUCT BUSINESS IN THIS STATE AND FILE A COPY OF THE CERTIFICATE
2 AND AN IRREVOCABLE CONSENT APPOINTING THE DIRECTOR TO RECEIVE
3 SERVICE OF PROCESS IN ANY NONCRIMINAL PROCEEDING AGAINST THAT
4 PERSON FOR A VIOLATION OF THIS ACT, A RULE PROMULGATED UNDER THIS
5 ACT, OR AN ORDER ISSUED UNDER THIS ACT AFTER THE CONSENT IS
6 FILED.

7 Sec. 1007. (1) ~~On the filing of an application for an~~
8 ~~employment agency license, on a form provided by the department,~~
9 ~~the director shall cause an investigation to be made as to the~~
10 ~~good moral character and responsibility of the applicant, or if~~
11 ~~the applicant is a corporation, of each officer or a stockholder~~
12 ~~owning 10% or more of the stock of the corporation, or if a part-~~
13 ~~nership of each partner, and of the employment agent, and shall~~
14 ~~examine the premises designated in the application as the place~~
15 ~~in which it is proposed to conduct the agency. The application~~
16 ~~may be rejected if the department determines that the applicant~~
17 ~~or other appropriate person described in this section lacks good~~
18 ~~moral character, business integrity, or financial~~
19 ~~responsibility.~~ A LICENSE GRANTED UNDER THIS ARTICLE IS NOT
20 TRANSFERABLE.

21 (2) WITHIN 15 DAYS AFTER A PERSONNEL AGENCY CHANGES FROM A
22 SOLE PROPRIETORSHIP TO A PARTNERSHIP OR CORPORATION, OR FROM A
23 PARTNERSHIP TO A SOLE PROPRIETORSHIP OR CORPORATION, OR FROM A
24 CORPORATION TO A SOLE PROPRIETORSHIP OR PARTNERSHIP, ALL LICEN-
25 SURE REQUIREMENTS FOR THE NEW ENTITY SHALL BE MET.

26 (3) A PERSONNEL AGENCY MAY ADMIT A NEW PARTNER TO AN
27 EXISTING PARTNERSHIP OR A NEW OFFICER OR STOCKHOLDER TO AN

1 EXISTING CORPORATION. A PERSONNEL AGENCY SHALL NOTIFY THE
2 DEPARTMENT ON A FORM PROVIDED BY THE DEPARTMENT WITHIN 15 DAYS
3 AFTER A CHANGE IN THE PARTNERS OF A PARTNERSHIP OR THE OFFICERS
4 OF A CORPORATION OR THE STOCKHOLDERS OF A CORPORATION OWNING 10%
5 OR MORE OF THE STOCK OF THE CORPORATION.

6 Sec. 1008. ~~The employment agency license shall state the~~
7 ~~name of the employment agent charged with the general management~~
8 ~~of the office and the name under which the business is to be~~
9 ~~conducted.~~ THE DEPARTMENT SHALL NOT RENEW A LICENSE UNDER THIS
10 ARTICLE IF THE DEPARTMENT HAS BEEN NOTIFIED BY THE PERSON ISSUING
11 THE BOND THAT THE BOND REQUIRED UNDER SECTION 1006 HAS BEEN
12 TERMINATED.

13 Sec. 1009. (1) ~~A license granted under this article shall~~
14 ~~not be transferable, except that the employment agency may admit~~
15 ~~a partner, officer, or stockholder to the business. The employ-~~
16 ~~ment agent of the employment agency shall notify the department~~
17 ~~within 15 days after a change in the board of directors or a~~
18 ~~partner.~~ A PERSONNEL AGENCY, AN EMPLOYMENT AGENT, OR CONSULTING
19 AGENT SHALL DISPLAY THEIR LICENSE IN A CONSPICUOUS PLACE WITHIN
20 THE OFFICE OF THE LICENSED AGENCY.

21 (2) A PERSONNEL AGENCY SHALL NOTIFY THE DEPARTMENT IN WRIT-
22 ING WITHIN 5 BUSINESS DAYS AFTER THE DATE ITS DESIGNATED EMPLOY-
23 MENT AGENT OR CONSULTING AGENT IS NO LONGER EMPLOYED BY THE PER-
24 SONNEL AGENCY OR IS NO LONGER CHARGED WITH THE GENERAL MANAGEMENT
25 OF THE OFFICE. THE PERSONNEL AGENCY SHALL DESIGNATE ANOTHER
26 EMPLOYMENT AGENT OR CONSULTING AGENT WHO SHALL BE CHARGED WITH
27 THE GENERAL MANAGEMENT OF THE OFFICE WITHIN 10 DAYS AFTER THE

1 DESIGNATED AGENT IS NO LONGER EMPLOYED BY THE PERSONNEL AGENCY OR
2 IS NO LONGER CHARGED WITH THE GENERAL MANAGEMENT OF THE OFFICE.
3 THE PERSONNEL AGENCY SHALL THEN NOTIFY THE DEPARTMENT WITHIN 5
4 DAYS AFTER THE DESIGNATION OF THE NAME OF THE PERSON DESIGNATED
5 AS THE EMPLOYMENT AGENT OR CONSULTING AGENT. A TEMPORARY LICENSE
6 MAY BE ISSUED TO AN APPLICANT FOR AN AGENT'S LICENSE PURSUANT TO
7 SECTION 213.

8 (3) AN EMPLOYMENT AGENT OR CONSULTING AGENT SHALL NOTIFY THE
9 DEPARTMENT IN WRITING WITHIN 5 BUSINESS DAYS AFTER THE DATE HE OR
10 SHE IS NO LONGER EMPLOYED BY A PERSONNEL AGENCY OR IS NO LONGER
11 CHARGED WITH THE GENERAL MANAGEMENT OF THE OFFICE OF THAT PERSON-
12 NEL AGENCY.

13 (4) A PERSONNEL AGENCY SHALL NOTIFY THE DEPARTMENT, IN WRIT-
14 ING, WITHIN 30 DAYS AFTER THE DATE OF ANY CHANGE OF ADDRESS AND
15 SHALL DEMONSTRATE THAT THE PREMISES DESIGNATED IS AN ACCEPTABLE
16 PLACE FOR THE PERSONNEL AGENCY TO CONDUCT BUSINESS.

17 Sec. 1010. (1) ~~An employment agent shall not open, con-~~
18 ~~duct, or maintain an employment agency at a place not specified~~
19 ~~in the employment agency's license without first obtaining the~~
20 ~~approval of the department. The employment agency shall maintain~~
21 ~~and keep open an office or place of business at the place speci-~~
22 ~~fied in its license.~~ A PERSONNEL AGENCY, OR AN EMPLOYMENT AGENT
23 OR CONSULTING AGENT, OR THE AGENT OR EMPLOYEE OF A PERSONNEL
24 AGENCY MAY NOT REQUEST OR ACCEPT A REGISTRATION FEE.

25 (2) A PERSONNEL AGENCY, OR AN EMPLOYMENT AGENT OR CONSULTING
26 AGENT, OR THE AGENT OR EMPLOYEE OF A PERSONNEL AGENCY SHALL NOT
27 REQUEST OR ACCEPT, OR GIVE, OFFER, OR PROMISE TO GIVE, A GIFT

1 WITH INTENT TO INFLUENCE AN ACTION OF AN EMPLOYER OR TO BENEFIT A
2 PERSONNEL AGENCY OR AN EMPLOYMENT AGENT OR CONSULTING AGENT, OR
3 THE AGENT OR EMPLOYEE OF A PERSONNEL AGENCY.

4 (3) A PERSONNEL AGENCY SHALL ONLY SHARE A FEE WITH A
5 LICENSED PERSONNEL AGENCY OF THIS STATE, A LICENSED PERSONNEL
6 AGENCY OF ANOTHER STATE IN WHICH A LICENSE IS REQUIRED, OR AN
7 UNLICENSED PERSONNEL AGENCY OF A STATE IN WHICH LICENSURE IS NOT
8 REQUIRED.

9 Sec. 1011. (1) ~~The holder of a class 1 employment agency~~
10 ~~license may serve a person in an occupation not enumerated in~~
11 ~~classes 2, 3, 4, and 5, except a teachers' employment agency. An~~
12 ~~employment agency shall be under the direct supervision and con-~~
13 ~~trol of a licensed employment agent. A PERSONNEL AGENCY SHALL~~
14 NOT USE A NAME UNLESS THE NAME IS APPROVED BY THE DEPARTMENT.
15 THE DEPARTMENT MAY DISAPPROVE A NAME SIMILAR TO THAT OF THE
16 MICHIGAN EMPLOYMENT SECURITY COMMISSION, A NAME LIKELY TO BE CON-
17 FUSED WITH A FREE PLACEMENT BUREAU, AN EXISTING LICENSED PERSON-
18 NEL AGENCY, OR A NAME THE DEPARTMENT DETERMINES LIKELY TO BE MIS-
19 LEADING TO THE PUBLIC. THE PERSONNEL AGENCY WHOSE NAME IS DISAP-
20 PROVED MAY APPEAL THE DISAPPROVAL TO THE BOARD IN THE MANNER PRO-
21 VIDED FOR IN SECTION 515.

22 (2) ~~The holder of a class 2 employment agency license may~~
23 ~~serve a person seeking employment and a person seeking an~~
24 ~~employee in technical, clerical, accounting, executive, profes-~~
25 ~~sional nursing, sales, engineering, or a similar pursuit. An out~~
26 ~~of state corporation licensed to do business in this state shall~~
27 ~~file a report of its activities with the director. An~~

~~1 irrevocable appointment of the department to receive service of~~
~~2 lawful process in a civil proceeding arising under this article~~
~~3 against the employment agency or the employment agency's employ-~~
~~4 ment agent shall include the applicant's name and address, and~~
~~5 the forms, date, and jurisdiction of the organization. A PERSON-~~
~~6 NEL AGENCY SHALL NOT PERSUADE, INDUCE, OR SOLICIT AN EMPLOYER TO~~
~~7 DISCHARGE AN EMPLOYEE.~~

8 (3) ~~The holder of a class 3 employment agency license may~~
~~9 serve a person seeking employment or a person seeking an employee~~
~~10 in a circus, vaudeville, theatrical, entertainment, exhibition,~~
~~11 or performance, or a similar pursuit. A PERSONNEL AGENCY AND ITS~~
~~12 EMPLOYMENT AGENT OR CONSULTING AGENT SHALL BE JOINTLY AND SEVER-~~
~~13 ALLY RESPONSIBLE FOR THE ACTIONS OF A PERSON EMPLOYED BY THE PER-~~
~~14 SONNEL AGENCY.~~

15 (4) ~~The holder of a class 4 employment agency license may~~
~~16 serve as a manager, business advisor, or rendering technical~~
~~17 service to an entertainer. An artist's manager shall be licensed~~
~~18 under a class 4 employment agency license regardless of where the~~
~~19 business is conducted. A PERSONNEL AGENCY, AN EMPLOYMENT AGENT~~
~~20 OR CONSULTING AGENT, OR THE AGENT OR EMPLOYEE OF A PERSONNEL~~
~~21 AGENCY SHALL NOT KNOWINGLY PROCURE, ENTICE, SEND, OR AID IN PRO-~~
~~22 CURING, ENTICING, OR SENDING A PERSON TO PERFORM AN ILLEGAL ACT.~~

23 (5) ~~This act shall not prohibit an employment agency hold-~~
~~24 ing a class 1 employment agency license from serving a person who~~
~~25 falls within the classification set forth in subsection (2), if~~
~~26 the agency is conducted under the rules governing a class 2~~
~~27 employment agency license. A class 1 employment agency license~~

1 ~~does not permit the conducting of a theatrical agency.~~ A
2 PERSONNEL AGENCY SHALL GIVE TO A CLIENT FROM WHOM A FEE IS
3 RECEIVED FOR THE SERVICES RENDERED OR ASSISTANCE GIVEN A RECEIPT
4 BEARING THE NAME AND ADDRESS OF THE PERSONNEL AGENCY, THE NAME OF
5 THE CLIENT, THE NAME OF THE PERSON RECEIVING THE FEE, THE AMOUNT
6 OF THE FEE, THE DATE OF PAYMENT OF THE FEE, AND THE REASON FOR
7 PAYMENT OF THE FEE. THE RECEIPT SHALL BE IN DUPLICATE. THE
8 DUPLICATE SHALL BE KEPT NOT LESS THAN 1 YEAR AT THE OFFICE OF THE
9 PERSONNEL AGENCY AND SHALL BE OPEN TO THE INSPECTION OF THE
10 DEPARTMENT DURING BUSINESS HOURS.

11 (6) ~~A question of classification shall be determined by the~~
12 ~~department.~~ A PERSONNEL AGENCY SHALL GIVE TO EACH CLIENT A COPY
13 OF EACH CONTRACT EXECUTED BETWEEN THE PERSONNEL AGENCY AND THE
14 CLIENT.

15 (7) ~~An artist's manager shall be licensed under a class 4~~
16 ~~employment agency license and shall enter into a written agree-~~
17 ~~ment with each artist entertainer or client for service to be~~
18 ~~rendered for which a charge is to be made, which agreement shall~~
19 ~~provide the following:~~ A PERSONNEL AGENCY SHALL NOT USE A FORM
20 WHICH CONTAINS PROVISIONS THAT CONFLICT WITH THIS ARTICLE OR VIO-
21 LATE OTHER STATE AND FEDERAL LAWS.

22 ~~(a) The term of employment of the artist's manager by the~~
23 ~~artist or client, and the compensation or rate of compensation to~~
24 ~~be paid by the artist or client to the artist's manager or~~
25 ~~agency.~~

26 ~~(b) That the artist's manager shall use a reasonable effort~~
27 ~~to procure employment for the artist or client in the field in~~

1 ~~which the artist's manager or agency is representing the artist~~
2 ~~or client.~~

3 ~~(c) That the failure of the artist to obtain bona fide~~
4 ~~employment from a responsible employer in a field or fields in~~
5 ~~which the artist or client is represented by the artist's manager~~
6 ~~for more than 6 months shall be cause for termination of the~~
7 ~~agreement. Alternatively, the agreement shall guarantee to the~~
8 ~~artist or client a minimum amount of earnings per year to be~~
9 ~~derived from employment or paid by the artist's manager. The~~
10 ~~artist or client, during the specified period, shall be ready,~~
11 ~~willing, able, and available to accept employment and to render~~
12 ~~the service required in connection with the employment. Written~~
13 ~~notice of the intention of either party to terminate the agree-~~
14 ~~ment shall be given to the other party.~~

15 ~~(d) That a complete detailed accounting shall be given to~~
16 ~~the artist or client each 6 months. The accounting shall be cer-~~
17 ~~tified by a certified public accountant and shall be forwarded to~~
18 ~~the artist or client, together with money that is owed as of the~~
19 ~~date of the accounting.~~

20 ~~(e) That unless the agreement is in writing and signed by~~
21 ~~the artist's manager and the artist or client, it is voidable at~~
22 ~~the election of the artist or client. A copy of the agreement~~
23 ~~shall be given to the artist or client and a copy shall be for-~~
24 ~~warded to the department and shall be approved unless written~~
25 ~~objection to the agreement is made by the department within 30~~
26 ~~days after receipt of the copy of the agreement. An artist's~~
27 ~~manager's agreement shall not be approved while there is on file~~

1 ~~with the department a copy of an agreement pertaining to the same~~
2 ~~artist or client.~~

3 (8) ~~The holder of a class 5 employment agency license shall~~
4 ~~be designated a personnel placement agency and may serve, assist,~~
5 ~~or counsel an employee seeking employment or employer seeking to~~
6 ~~procure and employee.~~ A TYPE A PERSONNEL AGENCY SHALL NOT ENTER
7 INTO A CONTRACT WITH A CLIENT IF ANOTHER PERSONNEL AGENCY OR
8 BUSINESS ENTITY IS A PARTY TO THE CONTRACT. SUCH A CONTRACT IS
9 VOIDABLE AT THE OPTION OF THE CLIENT.

10 (9) A FEE OTHER THAN THAT SPECIFIED IN THE CONTRACT SHALL
11 NOT BE REQUIRED FOR THE SERVICES PERFORMED PURSUANT TO THE TERMS
12 OF THE CONTRACT.

13 Sec. 1012. (1) ~~In addition to the method of service pro-~~
14 ~~vided for in any other law, service may be made by delivering a~~
15 ~~copy of the process to the office of the department if the plain-~~
16 ~~tiff, which may be the department in a proceeding instituted by~~
17 ~~it, does both of the following:~~ A TYPE A PERSONNEL AGENCY SHALL
18 ENTER INTO A WRITTEN CONTRACT WITH EACH CLIENT FOR THE SERVICES
19 TO BE RENDERED FOR WHICH A CHARGE IS TO BE MADE BY THE PERSONNEL
20 AGENCY. THE CONTRACT SHALL BE KEPT ON FILE FOR NOT LESS THAN
21 YEAR. THE CONTRACT SHALL INCLUDE, BUT IS NOT LIMITED TO, THE
22 FOLLOWING:

23 (a) ~~Sends a copy of the process and of the pleading by cer-~~
24 ~~tified mail to the defendant or respondent at the last known~~
25 ~~address.~~ THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE PERSON-
26 NEL AGENCY.

1 (b) ~~Files its affidavit of compliance with this section in~~
2 ~~the case on or before the return day of the process or within the~~
3 ~~time as the court allows.~~ A NOTICE THAT THE PERSONNEL AGENCY IS
4 LICENSED, BONDED, REQUIRED TO OPERATE UNDER THE LAWS OF THE STATE
5 OF MICHIGAN, AND REGULATED BY THE DEPARTMENT.

6 (C) THE PERSONNEL AGENCY'S FEE SCHEDULE.

7 (D) THE DURATION OF THE TIME THE CLIENT IS OBLIGATED UNDER
8 THE TERMS OF THE CONTRACT.

9 (E) THE GUARANTEE PERIOD OF EMPLOYMENT AFTER WHICH NO REFUND
10 WILL BE MADE.

11 (F) THE TERMS OF THE PAYMENT OF THE FEE.

12 (G) THE TERMS UNDER WHICH A CLIENT MAY RECEIVE A REFUND.

13 (H) THE SIGNATURES OF THE CLIENT AND THE PERSONNEL AGENCY
14 EMPLOYEE EXECUTING THE CONTRACT.

15 (2) ~~If a person, including a nonresident of this state, who~~
16 ~~engages in conduct prohibited by this article or a rule or order~~
17 ~~has not filed a consent to service of process and personal juris-~~
18 ~~diction, and service cannot otherwise be obtained in this state,~~
19 ~~the conduct authorizes the department to receive service of pro-~~
20 ~~cess in a noncriminal proceeding against the person which grows~~
21 ~~out of the conduct and which is brought under this article or a~~
22 ~~rule promulgated or an order issued under this article, with the~~
23 ~~same force and validity as if served on the person personally.~~
24 ~~Notice shall be given as provided in subsection (1).~~ THE TYPE A
25 PERSONNEL AGENCY SHALL KEEP FOR NOT LESS THAN 1 YEAR A COMPLETE
26 RECORD OF A JOB ORDER RECEIVED FROM AN EMPLOYER WHICH SHALL
27 INCLUDE, BUT IS NOT LIMITED TO, THE FOLLOWING:

1 (A) THE FULL NAME AND POSITION OF THE INDIVIDUAL PLACING THE
2 ORDER.

3 (B) THE DATE ON WHICH THE ORDER IS PLACED.

4 (C) THE NATURE OF THE EMPLOYMENT.

5 (D) THE NAME AND ADDRESS OF THE EMPLOYER TO WHOM A CLIENT IS
6 DIRECTED.

7 (E) THE PROBABLE DURATION OF THE EMPLOYMENT IF EMPLOYMENT IS
8 OTHER THAN PERMANENT.

9 (F) THE RATE OF THE WAGE OR SALARY TO BE PAID TO AN
10 EMPLOYEE.

11 (3) A TYPE A PERSONNEL AGENCY SHALL KEEP A RECORD FOR NOT
12 LESS THAN 1 YEAR OF THE NAME AND ADDRESS OF EACH CLIENT ACCEPTING
13 EMPLOYMENT AND THE NAME AND ADDRESS OF THE EMPLOYER WITH WHOM
14 EMPLOYMENT IS ACCEPTED, THE NATURE OF EMPLOYMENT, THE AMOUNT OF
15 THE AGENCY FEE, THE DATE AND AMOUNT OF PAYMENT, AND THE DATE AND
16 AMOUNT OF ANY REFUND. THE RECORD SHALL INCLUDE A SPACE FOR
17 REMARKS OF AN INDIVIDUAL NATURE WHICH SUPPLEMENT THE REQUIRED
18 INFORMATION. THE DEPARTMENT MAY INSPECT THE RECORD DURING BUSI-
19 NESS HOURS.

20 (4) A TYPE A PERSONNEL AGENCY SHALL NOT DIRECT A CLIENT TO
21 EMPLOYMENT WITHOUT GIVING TO THE CLIENT, IN WRITTEN FORM, THE
22 FOLLOWING:

23 (A) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE PERSONNEL
24 AGENCY.

25 (B) THE NAME OF THE CLIENT BEING DIRECTED.

26 (C) THE NAME OF THE EMPLOYMENT AGENT, OR ITS AGENT OR
27 EMPLOYEE, DIRECTING THE CLIENT.

1 (D) THE NAME AND ADDRESS OF THE EMPLOYER TO WHOM THE CLIENT
2 IS DIRECTED.

3 (E) THE KIND OF EMPLOYMENT AVAILABLE AT THE PLACE OF PER-
4 SPECTIVE EMPLOYMENT.

5 (F) THE MINIMUM STARTING SALARY OR WAGE OF THE PROPOSED
6 EMPLOYMENT.

7 (5) THE REQUIREMENTS OF SUBSECTION (4) DO NOT PROHIBIT A
8 TYPE A PERSONNEL AGENCY FROM DIRECTING A CLIENT BY TELEPHONE TO
9 APPLY FOR EMPLOYMENT, EXCEPT THAT THE TELEPHONE MESSAGE SHALL BE
10 CONFIRMED ON THE PRESCRIBED FORM IN WRITING BY THE PERSONNEL
11 AGENCY WITHIN 24 HOURS AFTER THE TELEPHONE CONVERSATION AND A
12 CARBON COPY OF EACH CONFIRMATION SHALL BE KEPT ON FILE AT THE
13 PLACE OF BUSINESS OF THE PERSONNEL AGENCY FOR NOT LESS THAN 1
14 YEAR.

15 (6) A TYPE A PERSONNEL AGENCY SHALL MAINTAIN FOR 1 YEAR A
16 FILE OF EACH JOB IT ADVERTISES, IDENTIFIED BY DATE AND PUBLICA-
17 TION NAME.

18 (7) AN EMPLOYMENT AGENT SHALL NOT DIRECT A CLIENT TO EMPLOY-
19 MENT WITHOUT HAVING OBTAINED EITHER ORALLY OR IN WRITING A BONA
20 FIDE ORDER FOR EMPLOYMENT. IF EMPLOYMENT OF THE KIND SPECIFIED
21 BY THE TYPE A PERSONNEL AGENCY DOES NOT EXIST AT THE PLACE TO
22 WHICH THE CLIENT IS DIRECTED, OR IF ANY OTHER EMPLOYMENT IN SUB-
23 STITUTION OF THAT EMPLOYMENT IS NOT ACCEPTED BY THE CLIENT, THE
24 AGENCY, WITHIN 24 HOURS AFTER DEMAND, SHALL REFUND TO THE CLIENT
25 THE SUM PAID BY THE CLIENT FOR TRANSPORTATION IN GOING TO AND
26 RETURNING FROM THE PLACE.

1 (8) A PERSONNEL AGENCY MAY DIRECT A CLIENT TO AN EMPLOYER IF
2 THE EMPLOYER HAS PREVIOUSLY REQUESTED THAT THE EMPLOYER BE
3 ACCORDED AN INTERVIEW WITH A CLIENT OF A CERTAIN TYPE QUALIFICA-
4 TION EVEN THOUGH AN ACTUAL VACANCY DOES NOT EXIST IN THE
5 EMPLOYER'S ORGANIZATION AT THE TIME THE CLIENT IS SO DIRECTED. A
6 TYPE A PERSONNEL AGENCY MAY SELL THE SERVICES OF A CLIENT TO AN
7 EMPLOYER, EVEN THOUGH AN ORDER HAS NOT BEEN PLACED WITH THE PER-
8 SONNEL AGENCY. A TYPE A PERSONNEL AGENCY IS NOT LIABLE FOR THE
9 EXPENSES DESCRIBED IN SUBSECTION (7) IF BOTH THE CLIENT AND THE
10 EMPLOYER HAVE KNOWLEDGE OF THE CIRCUMSTANCES GIVING RISE TO THE
11 EXCEPTIONS CONTAINED IN THIS SUBSECTION.

12 (9) A TYPE A PERSONNEL AGENCY SHALL NOT PERSUADE, INDUCE, OR
13 SOLICIT AN EMPLOYEE TO LEAVE THE EMPLOYMENT IT SECURED FOR THE
14 EMPLOYEE.

15 (10) A TYPE A PERSONNEL AGENCY SHALL NOT KNOWINGLY SEND A
16 CLIENT TO A PLACE WHERE A STRIKE OR LOCKOUT EXISTS OR IS IMPEND-
17 ING WITHOUT INFORMING THE CLIENT OF THE STRIKE OR LOCKOUT, AND
18 SHALL ENTER A STATEMENT OF THE FACT UPON THE REFERRAL SLIP GIVEN
19 THE CLIENT.

20 (11) IF A CLIENT ACCEPTS EMPLOYMENT AS A RESULT OF THE
21 ACTION OF THE PERSONNEL AGENCY, REPORTS FOR WORK, AND IS EMPLOYED
22 FOR LESS THAN THE PERSONNEL AGENCY'S GUARANTEE PERIOD AS INDI-
23 CATED IN THE CONTRACT, THE GROSS FEE CHARGED TO THE CLIENT SHALL
24 NOT EXCEED 20% OF THE SALARY OR WAGES EARNED BY THE EMPLOYEE.
25 THE MINIMUM GUARANTEE PERIOD SHALL BE AT LEAST 60 CALENDAR DAYS.
26 A TYPE A PERSONNEL AGENCY WHICH COLLECTS, RECEIVES, OR RETAINS A
27 FEE CONTRARY TO OR IN EXCESS OF THE AMOUNT PRESCRIBED IN THIS

1 ARTICLE SHALL RETURN THE FEE OR EXCESS PORTION OF THE FEE WITHIN
2 7 DAYS AFTER RECEIVING A DEMAND FOR THE RETURN. THE CONTRACT
3 SHALL SPECIFY THE GUARANTEE PERIOD OF EMPLOYMENT AND THE TERMS
4 AND CONDITIONS OF A REFUND TO BE MADE BY THE TYPE A PERSONNEL
5 AGENCY.

6 (12) A TYPE A PERSONNEL AGENCY OR AN EMPLOYMENT AGENT, OR
7 THE AGENT OR EMPLOYEE OF THE PERSONNEL AGENCY, SHALL NOT REQUIRE
8 OR ACCEPT FROM A CLIENT ANY FEE UNTIL THE CLIENT HAS MADE A BONA
9 FIDE ACCEPTANCE OF EMPLOYMENT. THE TOTAL CHARGE SHALL NOT EXCEED
10 THE FEE PROVIDED IN THE WRITTEN CONTRACT.

11 Sec. 1013. (1) ~~An employment agent shall apply for a~~
12 ~~license to the department and shall be required to pass a written~~
13 ~~examination. An employment agent shall be responsible for the~~
14 ~~actual operation of an employment agency.~~ A TYPE B PERSONNEL
15 AGENCY SHALL ENTER INTO A CONTRACT WITH EACH CLIENT FOR SERVICE
16 TO BE RENDERED FOR WHICH A CHARGE IS TO BE MADE TO THE CLIENT BY
17 THE AGENCY. A COPY OF THE CONTRACT AND THE WAIVER AS REQUIRED IN
18 SUBDIVISION (K) SHALL BE KEPT ON FILE FOR NOT LESS THAN 1 YEAR.
19 THE CONTRACT SHALL INCLUDE, BUT IS NOT LIMITED TO, THE
20 FOLLOWING:

21 (A) THE NAME, ADDRESS, AND TELEPHONE NUMBER OF THE PERSONNEL
22 AGENCY.

23 (B) A NOTICE THAT THE PERSONNEL AGENCY IS LICENSED, BONDED,
24 REQUIRED TO OPERATE UNDER THE LAWS OF THE STATE OF MICHIGAN, AND
25 REGULATED BY THE DEPARTMENT.

26 (C) THE PERSONNEL AGENCY'S FEE SCHEDULE AS IT APPLIES TO THE
27 APPLICANT.

1 (D) THE TERMS OF PAYMENT OF THE FEE.

2 (E) A COMPLETE LIST OF THE SERVICES OFFERED AND A DESCRIP-
3 TION OF THOSE SERVICES.

4 (F) A DESCRIPTION OF THE PLACE WHERE THE SERVICES WILL BE
5 PROVIDED.

6 (G) SPECIFICATIONS OF THE MANNER IN WHICH THE SERVICES WILL
7 BE PROVIDED.

8 (H) THE CONTRACT EXECUTION DATE AND THE DURATION OF THE
9 CONTRACT.

10 (I) A PROVISION EXPLAINING THE REFUND FOR SERVICES NOT
11 RENDERED PURSUANT TO THE TERMS OF THE CONTRACT.

12 (J) THE SIGNATURES OF THE CLIENT AND THE PERSONNEL AGENCY
13 EMPLOYEE EXECUTING THE CONTRACT.

14 (K) EXCEPT AS PROVIDED IN SUBSECTION (4), A DOCUMENT ENTI-
15 TLED "WAIVER" PRINTED IN 14-POINT BOLDFACE TYPE ON A PIECE OF
16 PAPER 8-1/2 INCHES BY 11 INCHES IN SIZE. THE WAIVER SHALL BE
17 SIGNED AND DATED BY THE CLIENT PRIOR TO THE SIGNING OF THE CON-
18 TRACT, AND SHALL READ: "CAUTION: WE ARE NOT AN EMPLOYMENT
19 AGENCY AND ARE NOT PERMITTED UNDER THE TERMS OF THIS CONTRACT TO
20 SCHEDULE INTERVIEWS OR TO IN ANY WAY PUT YOU IN DIRECT CONTACT
21 WITH POTENTIAL EMPLOYERS. THIS WAIVER MUST BE READ, SIGNED, AND
22 DATED BY THE CLIENT PRIOR TO THE SIGNING OF THE CONTRACT." THE
23 WAIVER SHALL BE A PART OF THE CONTRACT AND SHALL BE KEPT ON FILE
24 AT THE OFFICE OF THE PERSONNEL AGENCY FOR NOT LESS THAN 1 YEAR.

25 (2) A TYPE B PERSONNEL AGENCY SHALL NOT ADVERTISE IN ANY
26 MANNER THAT IT IS AN EMPLOYMENT AGENCY NOR SHALL IT IN ANY WAY
27 LEAD A CLIENT TO BELIEVE THAT THE PERSONNEL AGENCY OR THE AGENT

1 OR EMPLOYEE OF THE PERSONNEL AGENCY SHALL OR MAY SCHEDULE
2 INTERVIEWS WITH SPECIFIC EMPLOYERS OR IN ANY WAY PUT THE CLIENT
3 IN DIRECT CONTACT WITH A SPECIFIC EMPLOYER OR EMPLOYERS.
4 ADVERTISE INCLUDES, BUT IS NOT LIMITED TO, AN ADVERTISEMENT IN A
5 TELEPHONE DIRECTORY.

6 (3) A TYPE B PERSONNEL AGENCY SHALL NOT DO ANY OF THE
7 FOLLOWING:

8 (A) PUT A CLIENT IN DIRECT CONTACT WITH A SPECIFIC
9 EMPLOYER.

10 (B) CONTACT A SPECIFIC EMPLOYER ON BEHALF OF A CLIENT.

11 (C) EXCEPT AS PROVIDED IN SUBSECTION (4), ADVERTISE THE
12 AVAILABILITY OF AN INDIVIDUAL FOR EMPLOYMENT.

13 (D) CHARGE OR ACCEPT A FEE FROM A CLIENT AT THE TIME A
14 CLIENT PROCURES EMPLOYMENT.

15 (E) UNLESS EXEMPT PURSUANT TO SUBSECTION (4), PROVIDE CLI-
16 ENTS WITH LISTS OF POTENTIAL EMPLOYERS, UNLESS THE TYPE B PERSON-
17 NEL AGENCY PROVIDES ADDITIONAL CONSULTING SERVICES.

18 (4) NOTWITHSTANDING SUBSECTION (1)(K), A TYPE B PERSONNEL
19 AGENCY IS EXEMPT FROM SUBSECTION (3)(E) IF, IN ADDITION TO MEET-
20 ING ALL REQUIREMENTS SET FORTH IN THIS ARTICLE FOR A TYPE B PER-
21 SONNEL AGENCY, IT DOES ALL OF THE FOLLOWING:

22 (A) INCLUDES IN EACH CONTRACT EXECUTED BY THE TYPE B PERSON-
23 NEL AGENCY A WAIVER IN 14-POINT BOLDFACE TYPE ON A SEPARATE PIECE
24 OF PAPER 8-1/2 BY 11 INCHES IN SIZE. THE WAIVER SHALL BE SIGNED
25 AND DATED BY THE CLIENT PRIOR TO THE SIGNING OF THE CONTRACT, AND
26 SHALL READ: "NOTICE: WE ARE A JOB INFORMATION SERVICE. WE DO
27 NOT SCHEDULE INTERVIEWS WITH POTENTIAL EMPLOYERS. INSTEAD, WE

1 PROVIDE INFORMATION ON EMPLOYMENT OPPORTUNITIES. WE CANNOT
2 GUARANTEE YOU A JOB. WE DO GUARANTEE THAT THE JOBS LISTED WITH
3 US ARE CONFIRMED AT LEAST EVERY 10 CALENDAR DAYS. WE HAVE PRO-
4 VIDED YOU WITH A SAMPLE OF ACTUAL CURRENT JOB LISTINGS. AS A
5 CLIENT YOU MAY OBTAIN A COPY OF A SPECIFIC JOB LISTING WHICH HAS
6 BEEN ADVERTISED. IF YOU DISCOVER THAT A JOB WHICH IS LISTED IN A
7 JOB ORDER HAS NOT BEEN CONFIRMED WITHIN 10 CALENDAR DAYS OR THAT
8 A JOB LISTING IS NOT ACCURATE AS ADVERTISED OR NOT COMPLETE AS
9 REQUIRED BY LAW, YOU MAY RECEIVE A FULL REFUND." THIS WAIVER
10 SHALL BE A PART OF THE CONTRACT AND SHALL BE KEPT ON FILE AT THE
11 OFFICE OF THE AGENCY FOR NOT LESS THAN 3 YEARS.

12 (B) PRIOR TO SIGNING A CONTRACT OR PAYING A FEE, ALLOWS A
13 POTENTIAL CLIENT TO LOOK AT A SAMPLE OF ALL CURRENT JOB LISTINGS
14 ADVERTISED WITHIN THE PRIOR 2 WEEKS. IDENTIFYING FEATURES OF THE
15 EMPLOYER MAY BE DELETED IN THE JOB LISTING.

16 (C) LIMITS A CONTRACT WITH A CLIENT TO NOT MORE THAN 12
17 MONTHS WITH NO PROVISION FOR MANDATORY RENEWAL OF THE CONTRACT.

18 (D) KEEPS FOR NOT LESS THAN 3 YEARS A WRITTEN RECORD OF ALL
19 MONEY COLLECTED AND THE NAME AND ADDRESS OF THE CLIENT.

20 (E) HAS A JOB ORDER FOR EACH JOB OR PLACE OF EMPLOYMENT,
21 DISTRIBUTES THE JOB ORDER TO EACH CLIENT, AND KEEPS A COMPLETE
22 RECORD OF EACH JOB ORDER FOR NOT LESS THAN 3 YEARS.

23 (F) CONFIRMS EACH JOB ORDER WITH THE EMPLOYER BEFORE IT IS
24 LISTED AND NOT LESS THAN ONCE EVERY 10 CALENDAR DAYS AFTER THE
25 JOB ORDER IS LISTED, UNTIL THE JOB ORDER IS CANCELED. EACH JOB
26 ORDER SHALL CONTAIN A WRITTEN RECORD OF THE DATE AND THE PERSON

1 CONTACTED AT THE EMPLOYER'S PLACE OF BUSINESS TO CONFIRM A JOB
2 ORDER.

3 (G) CANCELS ANY JOB ORDER AND LISTING WITHIN 24 HOURS AFTER
4 RECEIPT OF AN ORAL OR WRITTEN NOTICE FROM AN EMPLOYER CANCELING
5 THE ORDER OR STATING THE JOB IS FILLED, AND RETAINS THE CANCELLA-
6 TION NOTICE ALONG WITH THE NAME OF THE EMPLOYER'S REPRESENTATIVE
7 CANCELING THE ORDER FOR NOT LESS THAN 3 YEARS.

8 (H) ADVERTISES, AT ITS OPTION, IN ANY PUBLICATION, INCLUDING
9 THE CLASSIFIED ADS PORTION OF NEWSPAPERS, SPECIFIC EMPLOYMENT
10 OPPORTUNITIES FOR WHICH A JOB ORDER EXISTS AND CONFIRMS THAT THE
11 JOB HAS NOT BEEN FILLED NOR THE JOB ORDER CANCELED WITHIN 24
12 HOURS BEFORE REQUESTING THE JOB BE ADVERTISED. THE AGENCY SHALL
13 ADVISE THE PUBLICATION TO CANCEL THE ADVERTISEMENT WITHIN 24
14 HOURS AFTER RECEIPT OF NOTICE THAT THE JOB ORDER HAS BEEN
15 CANCELED OR THE JOB HAS BEEN FILLED.

16 (I) IF A CLIENT REQUESTS A COPY OF A SPECIFIC JOB LISTING
17 WHICH HAS BEEN ADVERTISED, GIVES TO THE CLIENT A COPY OF THAT
18 SPECIFIC LISTING.

19 (J) PROVIDES EACH CLIENT WITH JOB LISTINGS WHICH CONTAIN ALL
20 OF THE FOLLOWING INFORMATION:

21 (i) THE NAME AND EITHER THE ADDRESS OR TELEPHONE NUMBER OF
22 THE PERSON WHOM THE CLIENT SHOULD CONTACT ABOUT EACH POTENTIAL
23 JOB.

24 (ii) THE NAME AND EITHER THE ADDRESS OR TELEPHONE NUMBER OF
25 EACH POTENTIAL EMPLOYER AND THE GENERAL LOCATION OF EMPLOYMENT.

26 (iii) THE JOB TITLE AT EACH PLACE OF POTENTIAL EMPLOYMENT.

1 (iv) THE MINIMUM STARTING SALARY OR WAGE OF EACH POTENTIAL
2 JOB.

3 (v) THE PROBABLE DURATION OF EACH JOB IF OTHER THAN
4 PERMANENT.

5 (vi) MINIMUM JOB QUALIFICATIONS AND REQUIREMENTS FOR EACH
6 POTENTIAL EMPLOYMENT.

7 (5) IF A JOB WHICH IS LISTED IN A JOB ORDER HAS NOT BEEN
8 CONFIRMED WITHIN 10 CALENDAR DAYS OR IF A JOB LISTING IS NOT
9 ACCURATE AS ADVERTISED OR NOT IN COMPLIANCE WITH SUBSECTION
10 (4)(J), THE PERSONNEL AGENCY SHALL IMMEDIATELY GIVE THE CLIENT A
11 FULL REFUND.

12 Sec. 1014. ~~An employment agency shall not adopt or use a~~
13 ~~name similar to that of the Michigan employment security commis-~~
14 ~~sion, nor adopt or use a name likely to be confused with a free~~
15 ~~placement bureau. A question of name similarity shall be deter-~~
16 ~~mined by the department.~~ A PERSONNEL AGENCY SHALL NOT BRING OR
17 MAINTAIN AN ACTION IN A COURT OF THIS STATE FOR THE COLLECTION OF
18 COMPENSATION FOR THE PERFORMANCE OF AN ACT OR CONTRACT FOR SERV-
19 ICES AS A PERSONNEL AGENCY WITHOUT ALLEGING AND PROVING THAT THE
20 PERSON WAS LICENSED UNDER THIS ARTICLE DURING THE PERFORMANCE OF
21 THE ACT OR CONTRACT.

22 Sec. 1016. ~~(1) An employment agency licensed under a class~~
23 ~~1, 2, or 5 employment agency license shall dispatch a written~~
24 ~~copy of contract indicating fee schedule to each employee,~~
25 ~~employer, or both for service to be rendered for which a charge~~
26 ~~is to be made to the employee or employer by the employment~~
27 ~~agency. The department shall promulgate rules to establish a~~

~~1 minimum requirements form. This form shall be used by a licensee~~
~~2 as a standard. However, the licensee may add additional informa-~~
~~3 tion requirements, but shall not delete part of the minimum~~
~~4 requirements form nor include a provision inconsistent with this~~
~~5 article.~~ A PERSON WHO HOLDS A VALID LICENSE TO OPERATE PURSUANT
6 TO THIS ARTICLE AT THE TIME THIS AMENDATORY ACT TAKES EFFECT
7 SHALL BE CONSIDERED BY THE DEPARTMENT TO BE APPROPRIATELY
8 LICENSED UNDER THIS ACT UNTIL THAT LICENSE EXPIRES.

9 ~~(2) An employment agency holding a class 1, 2, or 5 employ-~~
10 ~~ment agency license shall not direct an employee to employment at~~
11 ~~a place outside of the office of the employment agent without~~
12 ~~giving to the employee in written form the name and address of~~
13 ~~the employment agency, the name of the licensee, the name of the~~
14 ~~employee directed, the name of the employment agent's representa-~~
15 ~~tive directing, the name and address of the employer to whom the~~
16 ~~employee is directed, the kind of employment obtainable at the~~
17 ~~place, and the wage or salary of the proposed employment. This~~
18 ~~subsection shall not prohibit an employment agent of the employ-~~
19 ~~ment agency from directing an employee by telephone to apply for~~
20 ~~employment, but the telephone message shall be confirmed on the~~
21 ~~prescribed form in writing by the employment agent within 24~~
22 ~~hours after the telephone conversation and a carbon copy of each~~
23 ~~confirmation shall be kept on file at the place of business of~~
24 ~~the employment agent for not less than 1 year.~~

25 ~~(3) An employment agency licensed under a class 2 employ-~~
26 ~~ment agency license shall enter into a written contract with each~~
27 ~~employee for service to be rendered for which a charge is to be~~

~~1 made to the employee. The employment agent of the employment
2 agency shall give to each applicant for employment a true copy of
3 each contract executed between the agency and the applicant.~~

~~4 (4) An employment agency acting as a theatrical employment
5 agency, before making a theatrical engagement, except an emer-
6 gency engagement, for an employee with an employer for service
7 shall prepare and file a written statement signed and verified by
8 the employment agent of the employment agency setting forth the
9 length of time the employer has been engaged in the theatrical
10 business. The statement shall be kept for 1 year. The statement
11 shall set forth whether or not the employer, while financially
12 interested in a theatrical business, has failed to pay a salary
13 or left stranded a company, group, or employee during the 5 years
14 preceding the date of application and shall set forth the names
15 of not less than 2 persons as references. If the employer is a
16 corporation, the statement shall set forth the name of each offi-
17 cer or director of the corporation and the length of time the
18 corporation or its officers have been engaged in the theatrical
19 business. If the employer is a partnership, the statement shall
20 set forth the name of each partner and the length of time the
21 partnership or its partners have been engaged in the theatrical
22 business.~~

~~23 (5) An employment agency shall maintain for 1 year a file of
24 each job advertisement, identified by date and publication name.~~

~~25 (6) An employment agent shall not direct an employee to
26 employment without having obtained either orally or in writing a
27 bona fide order for employment. If employment of the kind~~

~~1 specified by the employment agent does not exist at the place to
2 which the employee is directed or if any other employment in sub-
3 stitution of that employment is not accepted by the employee, the
4 employment agent within 24 hours after demand shall refund to the
5 employee the sum paid by the employee for transportation in going
6 to and returning from the place. This article shall not prevent
7 an employment agent from directing an employee to an employer
8 where the employer has previously requested that the employer be
9 accorded an interview with an employee of a certain type and
10 qualification, even though an actual vacancy does not exist in
11 the employer's organization at the time the employee is so
12 directed, nor shall it prevent an employment agent from attempt-
13 ing to sell the service of an employee to an employer, even
14 though an order has not been placed with the employment agent.
15 If the employee is acquainted with the facts when directed to the
16 employer, the employment agent shall not be liable for the
17 expense incurred by the employee.~~

~~18 (7) An employment agent or an employment agent's agent shall
19 not induce or solicit an employee to leave employment secured for
20 the employee through the negotiations of the employment agent or
21 the employment agent's agent.~~

~~22 (8) An employment agent or an employment agent's agent shall
23 not persuade, induce, or solicit an employer to discharge an
24 employee.~~

~~25 (9) An employment agency at the time of employing a person
26 authorized to interview or counsel with an applicant or employer,
27 or authorized to sign a receipt or contract on behalf of the~~

~~1 agency, immediately shall notify the department in writing of the
2 name and residence address of each authorized person. An employ-
3 ment agency immediately shall notify the department in writing of
4 the name and residence address of each person no longer autho-
5 rized to interview or counsel with an applicant or employer or to
6 sign a receipt or contract on behalf of the agency.~~

7 Section 2. Sections 1015, 1017, 1018, 1019, 1020, 1021, and
8 1022 of Act No. 299 of the Public Acts of 1980, being sections
9 339.1015, 339.1017, 339.1018, 339.1019, 339.1020, 339.1021, and
10 339.1022 of the Michigan Compiled Laws, are repealed.

11 Section 3. This amendatory act shall not take effect unless
12 Senate Bill No. _____ or House Bill No. ⁴⁷¹⁹_____ (request
13 no. 01943'89) of the 85th Legislature is enacted into law.