

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY LANSING

JEFF DONOFRIO DIRECTOR

December 30, 2019

Dear Agency Constituent or Party:

Recently, the Wage and Hour Division and the Michigan Department of Labor and Economic Opportunity reviewed the issue regarding the application of the Paid Medical Leave Act (PMLA) to Temporary Staffing Agencies. This internal review was prompted by several conflicting applications of the recent law to the employees of temporary staffing agencies.

As a result, please note the following policy update that has immediate effect:

- 1. Temporary Staffing Agencies (employers) are subject to the PMLA regulations so long as the company satisfies the definition of a "covered employer" under the Act.
- 2. Employees of temporary staffing agencies (agency employees) fall into two groups:
 - a. Agency employees contracted out to perform services for third- party clients, or
 - b. Agency employees working directly for the temporary staffing agency.
- 3. Agency employees <u>contracted out</u> to third party clients fall within a PMLA employee exclusion that makes these workers ineligible for PMLA time. (NOTE: Employers may voluntarily provide the leave time, but it's not required under the PMLA.)
- 4. Agency employees <u>working directly</u> for the Temporary Staffing Agency (and not contracted out to third party clients) fall outside of the employee exclusion. As such, PMLA requirements apply to this group of workers.

Should you require any further information, contact the agency at PMLA-INFO@michigan.gov.

Sincerely,

Jennifer Fields
Jennifer Fields, Division Manager
Wage and Hour Division

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Auxiliary aids, services and other reasonable accommodations are available, upon request, to individuals with disabilities.