Legislative Analysis



REPORTING DEATHS OR INJURIES ON A FAMILY FARM

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

House Bill 4017 (proposed substitute H-2)

Sponsor: Rep. Jerry Neyer 1st Committee: Agriculture 2nd Committee: Rules Complete to 6-25-25 Analysis available at http://www.legislature.mi.gov

SUMMARY:

House Bill 4017 would amend the Michigan Occupational Safety and Health Act to change requirements and penalties for an employer report of a death or injury on a family farm.

Under MIOSHA Safety and Health Standard Part 11, R 408.221201 et seq., an employer must report to MIOSHA any in-patient hospitalization, amputation, or loss of an eye within 24 hours of a work-related incident. R 408.22139(1) requires an employer, within eight hours after the death of any employee from a work-related incident, to report the fatality to MIOSHA by telephone.¹

The bill would provide that, if a death or injury occurs on a *family farm* to its owner or a *family member* of the owner, and if the employer fails to report the death or injury within the current required time periods, a civil penalty or fine assessed against the employer would have to be reduced by the maximum amount allowed under the penalty adjustment factors of the federal Occupational Safety and Health Administration.

Family farm would mean a farming operation (including a sole proprietorship, partnership, or corporation) that meets all of the following conditions:

- It is wholly owned by the operator or by the operator's family members.
- During the immediately preceding 12-month period, all of the following conditions were met:
 - More than 50% of the employees of the farming operation were family members of its owner or operator.
 - The farming operation did not employ at any one time more than nine employees who were not family members of its owner or operator.
 - The farming operation did not operate a temporary labor camp.

The term *family farm* would *not* include either of the following:

- A farming operation that is organized as a nonfamily corporation or cooperation.
- A farming operation with a hired manager who is not a family member of the owner or operator of the farming operation.

Family member would mean a spouse, child, stepchild, foster child, parent, stepparent, or foster parent.

MCL 408.1035

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¹ https://www.michigan.gov/documents/CIS_WSH_part11ad_37844_7.pdf See also https://adms.apps.lara.state.mi.us/File/ViewDmsDocument/12956

BACKGROUND:

House Bill 4017 is similar to House Bill 4011 of the 2023-24 legislative session and House Bill 4031 of the 2021-22 session. Both previous versions were passed by the House of Representatives, with HB 4031 being enrolled but vetoed by the governor on February 4, 2022.

Governor Whitmer noted in her veto message that current MIOSHA policies allow the agency to reduce fines on family farms by up to 90% when employers cooperate with MIOSHA investigations, while the bill would require a reduction for certain family farms in all cases, "even when the employer makes no effort to timely cooperate with an investigation." The governor vetoed HB 4031 based in part on her belief that the law "should not require the agency to waive fines for employers that do not cooperate in good faith." In addition, the governor argued that the bill's definition of the term "family farm" was inconsistent with federal OSHA policies in a way that could lead to confusion and possible state noncompliance with federal requirements.

Note that House Bill 4017 includes a definition of the term "family member," for purposes of defining "family farm," that differs from the definition used in the vetoed bill by including foster parents and stepparents and foster children and stepchildren, and by excluding an individual's ancestors, grandchildren and great-grandchildren, as well as the spouses of grandchildren and great-grandchildren.

FISCAL IMPACT:

House Bill 4017 would have an indeterminate fiscal impact on the state and no fiscal impact on local units of government. It is not possible to determine the number of deaths or injuries that would occur on a family farm to the owner or a family member or to know the number of civil penalties or fines that would subsequently be reduced under the bill. Any decrease in the amount of civil fine revenue collected would impact the state general fund. Under section 36 of the Michigan Occupational Safety and Health Act, civil penalty revenue that is collected is required to be credited to the state general fund.

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[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.