



Senate Fiscal Agency  
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## BILL ANALYSIS



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House Bill 4017 (Substitute H-2 as passed by the House)

Sponsor: Representative Jerry Neyer

House Committee: Agriculture

Senate Committee: Labor

Date Completed: 10-22-25

**CONTENT**

**The bill would amend the Michigan Occupational Safety and Health Act to require a civil penalty or fine assessed against an employer for failing to maintain or transmit certain reports as required by the Act to be reduced by the maximum amount allowed under Federal law if the report concerned a death or injury that occurred on a family farm to the owner of the family farm or a family member of the owner.**

Generally, the Act governs working conditions and the duties of employers and employees concerning conditions of employment. It also prescribes penalties and fines for certain violations.

Among other violations, a person who fails to maintain or transmit a record or report as required under Section 61 of the Act is guilty of a misdemeanor punishable by up to six months' imprisonment or a maximum fine of \$10,000, or both. Under the bill, if a death or injury occurred on a family farm to the owner of the family farm or a family member of the owner, and if the employer failed to report the death or injury within the time period prescribed under the Act or a rule promulgated thereunder, a civil penalty or fine assessed against the employer for failure to maintain or transmit a record or report would have to be reduced by the maximum amount allowed under the Federal Occupational Safety and Health Administration's (OSHA) penalty adjustment factors.<sup>1</sup>

(Section 61 of the Act requires an employer to make and preserve accurate and timely records and reports of work illnesses and injuries and report the information to the appropriate department in a form and in accordance with rules promulgated by the departments under the Act. Specifically, R 408.22112 of the Michigan Administrative Code specifies that work injuries and illnesses must be recorded if the injury or illness involves any of the following: 1) death; 2) days away from work; 3) restricted work or transfer to another job; 4) medical treatment beyond first aid; or 5) loss of consciousness. Among other prescribed time periods, R 408.22139 specifies that an employee's death must be reported within eight hours after the employee's death, and inpatient hospitalization, amputation, or loss of an eye must be reported within 24 hours after the hospitalization, amputation, or loss.)

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<sup>1</sup> Generally, Federal OSHA penalty adjustment factors depend on an employer's number of employees, whether an employer acts in good faith, and whether an employer has a history of previous violations. For employers with fewer than 10 employees, a penalty may be reduced by 80%. A 20% reduction in penalty can be given for a good employer history, and a 25% reduction can be given for good faith efforts. For more information see Chapter 6 (Penalties and Debt Collection) of the OSHA Field Operations Manual: <https://www.osha.gov/fom/chapter-6>.

"Family farm" would mean a farming operation that is wholly owned by the operator or the operator's family members, including a sole proprietorship, partnership, or family corporation, that met all the following conditions during the immediately preceding year:

- More than 50% of the employees of the farming operation were family members of the owner or operator of the farming operation.
- The farming operation did not employ, at any one time, more than nine employees who were not family members of the owner or operator of the farming operation.
- The farming operation did not operate a temporary labor camp.

The term would not include a farming operation that was organized as a nonfamily corporation or cooperation or a farming operation with a hired manager who was 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

### **PREVIOUS LEGISLATION**

*(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)*

The bill is a reintroduction of House Bill 4031 from the 2021-2022 Legislative Session. House Bill 4031 passed the House and the Senate but was vetoed by the Governor.

Legislative Analyst: Alex Krabill

### **FISCAL IMPACT**

The bill would have minimal fiscal impact on the State and no fiscal impact on local units of government. It is unknown how many deaths or injuries of an owner or family member on a family farm will occur and whether there would be any reduction in civil penalties as a result of this bill. Any decrease in civil fine revenue would affect the General Fund; however, due to the limited population that the bill concerns, any reduction would have a minimal fiscal impact on the General Fund.

Fiscal Analyst: Cory Savino, PhD

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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.