

**SUBSTITUTE FOR  
HOUSE BILL NO. 5597**

A bill to amend 1974 PA 154, entitled  
"Michigan occupational safety and health act,"  
by amending sections 4, 35, and 36 (MCL 408.1004, 408.1035, and  
408.1036), section 4 as amended by 2012 PA 416 and sections 35 and  
36 as amended by 1991 PA 105.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 4. (1) "Agricultural operations" means the work activity  
2       designated in major groups 01 and 02 of the ~~standard industrial~~  
3       ~~classification manual,~~ **STANDARD INDUSTRIAL CLASSIFICATION MANUAL,**  
4       United States ~~bureau~~ **BUREAU** of the ~~budget,~~ **BUDGET**, 1972 edition.  
5       Agricultural operations include any practices performed by a farmer  
6       or on a farm as an incident to or in conjunction with farming  
7       operations including preparation for market delivery **OR** to storage  
8       or market or to carriers for transportation to market.

1           (2) "ASBESTOS" MEANS A GROUP OF NATURALLY OCCURRING MINERALS  
2 THAT SEPARATE INTO FIBERS, INCLUDING CHRYSOTILE, AMOSITE,  
3 CROCIDOLITE, ANTHOPHYLLITE, TREMOLITE, AND ACTINOLITE.

4           (3) "ASBESTOS-RELATED VIOLATION" MEANS A VIOLATION OF THIS  
5 ACT, AN ORDER ISSUED PURSUANT TO THIS ACT, OR A RULE OF STANDARD  
6 PROMULGATED UNDER THIS ACT THAT INVOLVES THE DEMOLITION,  
7 RENOVATION, ENCAPSULATION, REMOVAL, OR HANDLING OF FRIABLE ASBESTOS  
8 MATERIAL OR OTHERWISE INVOLVES THE EXPOSURE OF AN INDIVIDUAL TO  
9 FRIABLE ASBESTOS MATERIAL.

10          (4) ~~(2)~~—"Authorized employee representative" or  
11 "representative of employee" means a person designated by a labor  
12 organization certified by the ~~national labor relations board~~  
13 **NATIONAL LABOR RELATIONS BOARD** or employment relations commission  
14 as defined in section 2(c) of 1939 PA 176, MCL 423.2, as the  
15 bargaining representative for the affected employees. In the  
16 absence of certification, it shall be a person designated by the  
17 organization having a collective bargaining relationship with the  
18 employer and designated as having a collective bargaining  
19 relationship with the employer by the affected employees. If a  
20 labor organization has not been certified, or if no organization  
21 has a collective bargaining relationship with the employer,  
22 "authorized employee representative" or "representative of  
23 employee" means a person designated by the affected employees to  
24 represent them for the purpose of proceedings under this act.

25          (5) ~~(3)~~—"Board" means the board of health and safety  
26 compliance and appeals created in section 46.

27          (6) ~~(4)~~—"Construction operations" means the work activity

designated in major groups 15, 16, and 17 of the ~~standard~~  
~~industrial classification manual~~, **STANDARD INDUSTRIAL**  
**CLASSIFICATION MANUAL**, United States ~~bureau~~ **BUREAU** of the ~~budget~~,  
**BUDGET**, 1972 edition.

(7) ~~(5)~~—"Director" means the director of the department of  
licensing and regulatory affairs.

(8) ~~(6)~~—"Department attorney" means the attorney general or  
the authorized representative of the attorney general.

(9) **"FRIABLE ASBESTOS MATERIAL" MEANS ANY MATERIAL THAT**  
**CONTAINS MORE THAN 1% ASBESTOS BY WEIGHT AND THAT CAN BE CRUMBLED,**  
**PULVERIZED, OR REDUCED TO POWDER WHEN DRY, BY HAND PRESSURE.**

(10) ~~(7)~~—"Domestic employment" means that employment involving  
an employee specifically employed by a householder to engage in  
work or an activity relating to the operation of a household and  
its surroundings, whether or not the employee resides in the  
household.

(11) ~~(8)~~—"Mines", except as provided in ~~subdivision (d)~~,  
**SUBSECTION (12)**, means all of the following:

(a) An area of land from which minerals are extracted in  
nonliquid form, or if in liquid form, are extracted with workers  
underground.

(b) Private ways and roads appurtenant to an area of land  
described in subdivision (a).

(c) Lands, excavations, underground passageways, shafts,  
slopes, tunnels and workings, structures, facilities, equipment,  
machines, tools, or other property, including impoundments,  
retention dams, and tailings ponds, on the surface or underground,

1 used in, or to be used in, or resulting from, the work of  
 2 extracting minerals from their natural deposits in nonliquid form,  
 3 or if in liquid form, with workers underground, or used in, or to  
 4 be used in, the milling of minerals, or the work of preparing coal  
 5 or other minerals, and includes custom coal preparation facilities.

6 (12) ~~(d) This subsection~~ "MINES" does not include industrial  
 7 borrow pits, or sand, gravel, or crushed and dimension stone  
 8 quarrying operations, or surface construction operations.

9 Sec. 35. (1) ~~An~~ **IF AN** employer ~~who~~ receives a citation for a  
 10 serious violation of this act, an order issued pursuant to this  
 11 act, or a rule or standard promulgated under this act, **THE BOARD**  
 12 ~~shall be assessed~~ **ASSESS THE EMPLOYER** a civil penalty of not more  
 13 than \$7,000.00 for each violation.

14 (2) ~~An~~ **IF AN** employer ~~who~~ fails to correct a violation for  
 15 which a citation was issued within the period permitted for its  
 16 correction, **THE BOARD** may ~~be assessed~~ **ASSESS THE EMPLOYER** a civil  
 17 penalty of not more than \$7,000.00 for each day during which the  
 18 failure or violation continues. A period permitted for corrections  
 19 does not begin to run until the date of the final order of the  
 20 board if a review proceeding before ~~a~~ **THE** board is initiated by the  
 21 employer in good faith and not solely for delay or avoidance of a  
 22 penalty.

23 (3) ~~An~~ **IF AN** employer ~~who~~ receives a citation for a violation  
 24 of this act, an order issued pursuant to this act, or a rule or  
 25 standard promulgated under this act, ~~which~~ **AND THE** violation is  
 26 specifically determined not to be of a serious nature, **THE BOARD**  
 27 may ~~be assessed~~ **ASSESS THE EMPLOYER** a civil penalty of not more

1 than \$7,000.00 for each violation.

2 (4) ~~An~~ **IF AN** employer ~~who~~ willfully or repeatedly violates  
 3 this act, an order issued pursuant to this act, or a rule or  
 4 standard promulgated under this act, **THE BOARD** may ~~be assessed~~  
 5 **ASSESS THE EMPLOYER** a civil penalty of not more than \$70,000.00 for  
 6 each violation, but not less than \$5,000.00 for each willful  
 7 violation. **AS USED IN THIS SUBSECTION:**

8 (A) "CASE CLOSING DATE" MEANS THE FIRST DATE THAT ALL OF THE  
 9 FOLLOWING ARE MET:

10 (i) THE CITATION FOR THE VIOLATION IS A FINAL ORDER.

11 (ii) SATISFACTORY ABATEMENT DOCUMENTATION FOR THE VIOLATION IS  
 12 RECEIVED BY THE BOARD.

13 (iii) ALL CIVIL PENALTIES RELATED TO THE VIOLATION ARE TIMELY  
 14 PAID, OR THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
 15 COMPLIES WITH SECTION 36(5).

16 (B) "REPEATEDLY VIOLATES", WITH RESPECT TO AN ASBESTOS RELATED  
 17 VIOLATION, MEANS COMMITS AN ASBESTOS RELATED VIOLATION WITHIN 5  
 18 YEARS AFTER THE CASE CLOSING DATE OF AN ASBESTOS RELATED VIOLATION.

19 (5) ~~An~~ **IF AN** employer ~~who~~ willfully violates this act, an  
 20 order issued pursuant to this act, or a rule or standard  
 21 promulgated under this act ~~which~~ **AND THE VIOLATION** causes the death  
 22 of an employee, **THE EMPLOYER** is guilty of a felony ~~and shall be~~  
 23 ~~fined not more than \$10,000.00, or imprisoned~~ **PUNISHABLE BY**  
 24 **IMPRISONMENT** for not more than 1 year **OR A FINE OF NOT MORE THAN**  
 25 **\$10,000.00**, or both. ~~If the conviction is the second under this~~  
 26 ~~act, the person shall be fined not more than \$20,000.00, or~~  
 27 ~~imprisoned~~ **A SECOND OR SUBSEQUENT VIOLATION UNDER THIS SUBSECTION**

1 **IS PUNISHABLE BY IMPRISONMENT** for not more than 3 years **OR A FINE**  
2 **OF \$20,000.00**, or both.

3 (6) ~~An~~**IF AN** employer ~~who~~ violates a posting requirement  
4 prescribed under this act, **THE BOARD** shall ~~be assessed~~**ASSESS THE**  
5 **EMPLOYER** a civil penalty of not more than \$7,000.00 for each  
6 violation.

7 (7) ~~A~~**IF A** person ~~who~~ knowingly makes a false statement,  
8 representation, or certification in an application, record, report,  
9 plan, or other document filed or required to be maintained pursuant  
10 to this act, or ~~who~~ fails to maintain or transmit a record or  
11 report as required under section 61, **THE PERSON** is guilty of a  
12 misdemeanor ~~and shall be fined not more than \$10,000.00, or~~  
13 ~~imprisoned~~**PUNISHABLE BY IMPRISONMENT** for not more than 6 months **OR**  
14 **A FINE OF NOT MORE THAN \$10,000.00**, or both.

15 (8) ~~A~~**IF A** person ~~who~~ gives advance notice of an investigation  
16 or an inspection to be conducted under this act without authority  
17 from the appropriate director or the designee of the director, **THE**  
18 **PERSON** is guilty of a misdemeanor ~~and shall be fined not more than~~  
19 ~~\$1,000.00, or imprisoned~~**PUNISHABLE BY IMPRISONMENT** for not more  
20 than 6 months **OR A FINE OF NOT MORE THAN \$1,000.00**, or both.

21 (9) ~~The~~**FOR A PUBLIC EMPLOYER, THE** department of ~~labor or the~~  
22 ~~department of public health, if the employer is a public employer,~~  
23 **LICENSING AND REGULATORY AFFAIRS**, instead of applying a civil  
24 penalty otherwise applicable to an employer under this section, may  
25 request that the attorney general seek a writ of mandamus in the  
26 appropriate circuit court to compel compliance with a citation,  
27 including the terms of abatement.

(10) A person shall not assault a department representative or other person charged with enforcement of this act in the performance of that person's legal duty to enforce this act. A person who violates this subsection is guilty of a misdemeanor. A prosecuting attorney having jurisdiction of ~~this~~ **THE** matter ~~and~~ **OR** the attorney general ~~knowing of a violation of this section may~~ prosecute the violator.

~~———— (11) The increases in the civil penalties of subsections (1), (2), (3), (4), and (6) made pursuant to the 1991 amendatory act that added this subsection shall take effect April 1, 1992.~~

Sec. 36. (1) The board shall assess civil penalties, considering the size of the business, the seriousness of the violation, the good faith efforts of the employer, and the history of previous citations, and may establish a schedule of civil penalties. **HOWEVER, THE BOARD SHALL NOT REDUCE A CIVIL PENALTY THAT WAS ASSESSED AS THE RESULT OF AN ASBESTOS-RELATED VIOLATION BY AN AMOUNT OR PERCENTAGE THAT IS GREATER THAN WHAT IS PRESCRIBED BY THE FEDERAL OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION.**

~~(2) Beginning April 1, 1992, the~~ **THE** department of labor and ~~the department of public health~~ **LICENSING AND REGULATORY AFFAIRS** shall administer and enforce the assessment of civil penalties in a manner that is consistent with the administration and enforcement of civil penalties by the federal occupational safety and health administration.

(3) A civil penalty owed under this act ~~shall~~ **MUST** be paid to the department of labor ~~or the department of public health,~~ ~~whichever is appropriate,~~ **LICENSING AND REGULATORY AFFAIRS** within

1 15 working days after the date the penalty becomes a final order of  
2 the board, not subject to further agency or judicial review.

3 ~~Beginning April 1, 1992, a~~ **A** civil penalty shall ~~shall~~ **MUST** be credited  
4 to the state general fund.

5 (4) If a civil penalty remains unpaid beyond the period of  
6 time specified in subsection (3), the department of ~~labor or the~~  
7 ~~department of public health, whichever is appropriate,~~ **LICENSING**  
8 **AND REGULATORY AFFAIRS** shall issue a letter to the employer  
9 demanding payment within 20 days after the date of the letter.

10 (5) If the penalty remains unpaid following the period  
11 specified in subsection (4), the ~~appropriate~~ department shall  
12 transmit information on the amount of the penalty and the name and  
13 address of the employer owing the penalty to the department of  
14 treasury.

15 (6) The department of treasury shall institute proceedings to  
16 collect the amount assessed as a civil penalty. The department of  
17 treasury shall offset the amount of the penalty against money owed  
18 by the state to the employer. The department of treasury shall  
19 request that the attorney general recover the amount of the penalty  
20 remaining unpaid, after offsets, by instituting a civil action in  
21 the circuit court for the county in which the violation occurred or  
22 in the circuit court for the county in which the employer owing the  
23 penalty has its principal place of business.

24 Enacting section 1. This amendatory act takes effect 90 days  
25 after the date it is enacted into law.