## **Legislative Analysis**



## REPORTING DEATHS OR INJURIES ON A FAMILY FARM

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

**House Bill 4031 (proposed substitute H-2)** 

Analysis available at http://www.legislature.mi.gov

Sponsor: Rep. Bronna Kahle Committee: Agriculture

**Revised 5-25-21** 

## **SUMMARY:**

House Bill 4031 would amend the Michigan Occupational Safety and Health Act to change the requirements and penalties for an employer report of a death or injury on a family farm.

Under the Michigan Occupational Safety and Health Administration (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.<sup>1</sup>

The bill would provide that, if a death or injury occurs on a *family farm* to the owner of the family farm 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 95%.

**Family farm** would mean a farm where the majority of the business is owned by the operator or the operator's family members or a farm that is organized as a sole proprietorship, partnership, or family corporation. It would not include a farm that is organized as a nonfamily corporation or cooperation or a farm with a hired manager that is not a family member of the operator.

*Family member* would mean a member of the family as defined by section 4946(d) of the Internal Revenue Code.<sup>2</sup>

The bill also would update language to reflect departmental name changes for the Department of Labor and Economic Opportunity (formerly the Department of Labor) and the Department of Health and Human Services (formerly the Department of Public Health).

MCL 408.1035

House Fiscal Agency Page 1 of 2

<sup>&</sup>lt;sup>1</sup> <u>https://www.michigan.gov/documents/CIS\_WSH\_part11ad\_37844\_7.pdf</u>; See also <u>https://adms.apps.lara.state.mi.us/File/ViewDmsDocument/12956</u>.

<sup>&</sup>lt;sup>2</sup> 26 USC 4946: "the family of any individual shall include only his [or her] spouse, ancestors, children, grandchildren, grandchildren, and great grandchildren." <a href="https://www.govinfo.gov/content/pkg/USCODE-2010-title26/pdf/USCODE-2010-title26-subtitleD-chap42-subchapA-sec4946.pdf">https://www.govinfo.gov/content/pkg/USCODE-2010-title26/pdf/USCODE-2010-title26-subtitleD-chap42-subchapA-sec4946.pdf</a>.

## **FISCAL IMPACT:**

House Bill 4031 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 and not possible to know the number of civil penalties or fines that would subsequently be reduced by 95%. 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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<sup>■</sup> 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.