



UNITED STATES DEPARTMENT OF LABOR

OCCUPATIONAL SAFETY & HEALTH ADMINISTRATION

Occupational Safety and Health Administration (OSHA) **Penalty Changes**

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UNITED STATES DEPARTMENT OF LABOR

OCCUPATIONAL SAFETY & HEALTH ADMINISTRATION

OSHA Mission

The Occupational Safety and Health Administration's (OSHA) mission is to promote and to assure workplace safety and health and to reduce workplace fatalities, injuries and illnesses



UNITED STATES DEPARTMENT OF LABOR

OCCUPATIONAL SAFETY & HEALTH ADMINISTRATION

New Leadership

**Secretary of Labor
Hilda Solis**

**“Good Jobs
for Everyone”**





UNITED STATES DEPARTMENT OF LABOR

OCCUPATIONAL SAFETY & HEALTH ADMINISTRATION

New Leadership

**Assistant Secretary
of Labor/OSHA
David Michaels**

**Build Workplace
Culture that promotes
Safety**





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OCCUPATIONAL SAFETY & HEALTH ADMINISTRATION

Penalty Changes

News Release on April 22, 2010

“For many employers, investing in job safety happens only when they have adequate incentives to comply with OSHA’s requirements”, said Assistant Secretary Dr. David Michaels.



Penalty Changes

News Release on April 22, 2010

“Higher penalties and more aggressive, targeted enforcement will provide a greater deterrent and further encourage these employers to furnish safe and healthy workplaces for their employees”



Penalty Changes

Currently,

- Serious violations can be up to \$7,000**
- Willful violations can be up to \$70,000**
- The average serious penalty is \$1,000**

Monetary penalties under the OSH Act have gone up only once in 40 years (1990)



Administrative Penalty Changes

Under the New Penalty Policy,

- Serious violations can be up to \$7,000
- Willful violations can be up to \$70,000
- The average serious penalty is expected to go up to an average of \$3,000 to \$4,000
- Administrative changes will go into effect on October 1, 2010



Administrative Penalty Changes

How will OSHA Change the Average
Serious Penalty from \$1,000 to \$4,000?

– Repeat Violations: Time frame
changes from 3 years to 5 years



Administrative Penalty Changes

How will OSHA Change the Average Serious Penalty from \$1,000 to \$4,000?

- **Gravity Based Penalty**: established by assessing severity and probability, will result in penalty between \$3,000 and \$7,000
- **Size Reduction**: <250 employees will get a reduction between 10% – 40%, >251 will get no reduction



Administrative Penalty Changes

How will OSHA Change the Average Serious Penalty from \$1,000 to \$4,000?

- History Reduction: -10%, time frame changes from 3 years to 5 years
- History Increase: +10%, An employer with a history of high gravity serious, willful, repeat, or failure to abate citations



Administrative Penalty Changes

How will OSHA Change the Average
Serious Penalty from \$1,000 to \$4,000?

- **Good Faith**: Still up to 25% reduction,
Quick Fix still 15%
- **Minimum Penalties**: Minimum penalty
is \$500, Minimum posting violation is
\$250



Administrative Penalty Changes

How will OSHA Change the Average
Serious Penalty from \$1,000 to \$4,000?

– **Serial Penalty Calculation**: no longer
use total reductions



Administrative Penalty Changes

Quick Review

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Questions?