

THE OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION TO RAISE PENALTIES BEGINNING AUGUST 1, 2016

For the first time since 1990, the Occupational Safety and Health Administration will raise its penalty amounts by nearly 80 percent. The new civil penalty amounts, courtesy of the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, are applicable only to civil penalties assessed after August 1, 2016, whose associated violations occurred after November 2, 2015. This rise means that the top penalty for “serious” violations will rise from \$7,000 to \$12,471. The maximum penalty for “willful” violations will rise from \$70,000 to \$124,709. A fact sheet on the Department of Labor’s interim rule is available at <https://www.dol.gov/sites/default/files/2016-inflation-factsheet.pdf>. A list of each agency’s individual penalty adjustments is available at <https://www.dol.gov/sites/default/files/2016-inflation-penalty-chart.pdf>.

When asked to comment on the penalty increases, U.S. Secretary of Labor, Thomas Perez, has stated “civil penalties should be a credible deterrent that influences behavior far and wide. Adjusting our

penalties to keep pace with the cost of living can lead to significant benefits for workers and can level the playing field responsible employers who should not have to compete with those who don’t follow the law.”

The last time the U.S. Department of Labor increased penalties at this scale was in 2007, when the Mine Safety and Health Administration raised its assessed penalties by nearly 60 percent. That increase led to a larger number of civil penalty assessments being contested, and created a backlog of cases that took MSHA four years to clear out.

Hall & Evans can help you avoid these higher penalties by assisting your company in navigating workplace accidents, OSHA regulatory inspections, personal liability investigations, and crisis management and injury prevention. We also have experience negotiating reduced penalties in conjunction with OSHA violation assessments. If you have any questions about this update, please contact [Nadia Patrick](#).