

Prevention Connection



Safety resources to protect your world

OSHA increases maximum penalty amounts for first time since 1990

Effective Aug. 1, 2016

Do you remember the price of a gallon of milk or the cost of an average car in 1990? Most people do not recall the exact cost, but they know prices have risen considerably over time due to inflation. For the most part, this holds true for the price of consumer goods, services rendered, fees, etc.

However, the Occupational Safety and Health Administration (OSHA) has not raised its penalty amounts since 1990. Until now.

New legislation requirements

In November 2015, Congress enacted legislation requiring federal agencies to adjust their civil penalties to account for inflation. The Department of Labor adjusted penalties for its agencies, including those for OSHA.

OSHA's maximum penalties will now increase by 78 percent. Going forward, the agency will continue to adjust its penalties for inflation each year based on the Consumer Price Index.

The new penalties took effect Aug. 1, 2016. Any citations issued by OSHA on or after that date will be subject to the new penalties if the related violations occurred after Nov. 2, 2015.

States that operate under their own occupational safety and health plans are required to adopt maximum penalty levels that are at least as effective as OSHA's federal penalties.

New OSHA penalty structure

The new structure includes the following increases for these common violations:

- From \$70,000 to \$124,709 for "willful or repeat violations."
- From \$7,000 to \$12,471 for "serious," "other-than-serious," and "posting requirements" violations.
- From \$7,000 to \$12,471 per day beyond the abatement date for "failure to abate" penalties.

Reduce your risk of OSHA penalties

For more information about OSHA's increased penalties, or to learn more about SECURA's Risk Management services that can help eliminate costly workplace injuries, please reach out to your local risk management consultant.

Find a risk management consultant near you

Visit SECURA's *Prevention Connection*SM website to find a consultant in your area, and discover additional free resources to help prevent workplace injuries.

This bulletin is designed by SECURA Insurance to inform you of important safety measures that can prevent injuries and save you considerable business expense. Additional safety resources available at: secura.net/preventionconnection