



Watch for an Increase in OSHA Penalties in 2016

A federal budget amendment signed into law in late 2015 will result in a substantial increase in penalties levied by the Occupational Safety and Health Administration (OSHA).

As the agency tasked with ensuring the safety of worksites across the United States, OSHA sets and enforces worker safety standards. Oftentimes, an injury or an inspection calls attention to lax employer compliance, and the employer is fined. The amount of those fines is expected to rise substantially in the coming year. Why?

In November, the budget amendment brought OSHA penalties into the modern age. Fines charged by OSHA for workplace violations have not risen in 25 years. Some key points of the legislation include the following:

- While state law could conflict with the new federal fine structure, it is expected state fee schedules will comport with federal penalties to push support for better compliance to occupational safety standards.
- After this one-time *catch-up*, OSHA has the ability to increase penalties to keep pace with the inflation rate. The agency may also decrease fines with approval from the White House.
- By July 1, 2016, OSHA will issue its *interim final rule* to revise its penalty structure. The rule becomes effective on August 1, 2016.

For employers, the catch-up means OSHA fines could increase by approximately 80 percent this year. Potential increases could look like this:

- Less serious fines currently have a maximum fine of \$7,000. Those fines could increase to \$12,740.
- Serious penalties, currently fined at \$7,000, could rise to \$12,270.
- At present, the penalty range for a repeat offense is between \$5,000 and \$70,000. With the catch-up fine increase, the repeat penalty range could

shift to between \$9,100 and \$127,000.

- Rates for failure to abate dangerous conditions could rise from \$7,000 to \$12,740 per day.

For employers, now is the time to take a close look at compliance!

Steer clear of regulatory action by maintaining OSHA compliance

OSHA expects all employers to maintain a safe workplace. While each industry has specific concerns, just some of the general responsibilities required of all employers include the following:

- Your workplace environment should be in compliance with safety standards, and free of serious hazards.
- Provide appropriate operational, safety, and hazard training to employees.
- Effectively design and place warnings signs, stickers, and posters to guard against accidents.
- Operational procedures for handling and avoiding hazardous materials must be provided with training and materials data sheets where appropriate.
- Keep records of work-related illness and injury.
- Comply with medical record and other requirements.

While these are just a few compliance points, OSHA suggests employers create and train employees on their own ***Injury and Illness Prevention*** program.

Compliance programs and training save you money and improve productivity. Most importantly, safety compliance can save lives. OSHA reports 4,679 people died on the job in 2014.

Watch for upcoming guidance from OSHA. In the meantime, stay safety compliant and talk with us when you have questions about incorporating OSHA rules into your HR guidelines.

Contact McCloskey Partners, LLC today to discuss your current employment related practices to help ensure that your risks are minimized. Contact McCloskey Partners at 215-716-3035 (press 0) or services@mccloskeypartners.com.

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