

OSHA FINES COULD INCREASE OVER 80% NEXT YEAR

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Congress recently passed the budget agreement which contained a provision which permits OSHA to raise fines significantly starting in August 2016. The law permits a one-time "catch up" **increase up to 82 percent**, since fines have not been raised since 1990. This "catch-up" amount is tied to the inflation rate from 1990 to 2015. After that, the maximum penalties would increase with the inflation rate <u>every year</u>. This would have the following effect:

Citations	Current Max.	With "Catch-Up" Increase
Other than Serious	Up to \$7,000	Up to \$12,740
Serious	\$7,000	\$12,740
Repeat	\$5,000-\$70,000	\$9,100 - \$127,400
Willful	\$5,000-\$70,000	\$9,100 - \$127,400
Failure to Abate	\$7,000/day	\$12,740/day

While OSHA has the option of implementing an adjustment less than the maximum amount, Assistant Secretary David Michaels has pushed for years to increase maximum penalties so it seems unlikely that they would not take full advantage of this increase. Based on the impending increase to OSHA fines (which would also be required of approved State Plans as well), employers are well advised to audit their compliance with applicable OSHA regulations to ensure that programs, policies and training are all up to date.

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