

## OSHA's Fine Increase

Last November, the President signed into law the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 to improve the effectiveness of civil monetary penalties and to maintain their deterrent effect. The Act requires agencies to adjust the level of monetary penalties with an initial "catch-up" adjustment and to make subsequent annual adjustments for inflation. In particular, penalties under the Occupational Safety and Health Act (OSHA), which were previously excluded from the Inflation Adjustment Act, are now subject to the 2016 "catch-up" and annual inflation increases thereafter. OSHA will need to adjust "the maximum civil monetary penalty or the range of minimum and maximum civil monetary penalties, as applicable, for each civil monetary penalty by the cost-of-living adjustment."

What this entails for the construction industry is that contractors will now face higher fines for OSHA violations. The new maximum fine for a repeat or willful violation climbed from what is currently \$70,000 to \$124,709, while the maximum penalty for a serious and other-than-serious violation moved from \$7,000 to \$12,471. These new penalties began taking effect on August 1, 2016. As such, fines for OSHA violations assessed after August 1, 2016 will reflect the higher fines. Additionally, the Act will affect fines for violations occurring earlier than the August 1st deadline. Consequently, contractors that have outstanding OSHA violations, but have not yet received the Citation, are at risk of incurring higher-than-anticipated fines if the Citation is received after August 1, 2016. The new law does not affect Citations that have already been issued, since the Act does not retrospectively change previously assessed or enforced penalties that the agency is actively collecting or has collected.

If your company receives an OSHA citation, [Philip Siegel](#) is available to assist with your defense. You can reach Philip directly at (404) 469-9197, or you can e-mail him at [pjs@hpsf-law.com](mailto:pjs@hpsf-law.com).