

OSHA NEW  
PENALTY  
(**Administrative** )  
POLICY

# HISTORY REDUCTION

Time frame expanded for  
three to five years

10% reduction

IF NO

Serious Willful Repeat or  
Failure-to-Abate

Citations

# HISTORY INCREASE

- For any high gravity serious, willful, repeat, or failure-to-abate violation within the previous five years will receive a 10 percent increase in their penalty, up to the statutory maximum.
- Employers who have not been inspected and those who have received citations for serious violations that were not high gravity will receive neither a reduction nor an increase for history.

# High Gravity

- **Gravity-Based Penalty (GBP).**

The gravity-based penalty (GBP) for each violation shall be determined by combining the severity assessment and the final probability assessment.

The gravity of a violation is defined by the GBP:

- • A **high gravity** violation is one with a GBP of \$5,000 or greater.
- • A **moderate gravity** violation is one with a GBP of \$2,000, \$2,500 or \$3,500.
- • A **low gravity** violation is one with a GBP of \$1,500.

# Repeated Violations

The time period for considering the classification of repeated violations will be increased from three to five years.

# **Severe Violator Enforcement Program**

- Where circumstances warrant, at the discretion of the Area Director, high gravity serious violations related to standards and hazards identified in the SVEP will not normally be grouped or combined, and may be cited as separate violations, with individual proposed penalties

# Severe Violator Enforcement Program (SVEP) CPL 02-00-149

This Instruction establishes enforcement policies and procedures for OSHA's Severe Violator Enforcement Program (SVEP), which concentrates resources on inspecting employers who have demonstrated indifference to their OSH Act obligations by willful, repeated, or failure-to-abate violations.

# **Gravity-Based Penalty (GBP)**

The gravity of a violation is the primary consideration in calculating penalties and is established by assessing the severity of the injury/illness which could result from a hazard and the probability that an injury or illness could occur. OSHA is adopting a gravity-based penalty structure for serious citations which will range from \$3,000 to \$7,000.



# Old GBP

## Serious Violations

- **Severity + Probability = GBP**
  - Low \$1,500
  - High \$5,000 (or \$7,000)

# Size Reduction

- OSHA will be amending its penalty reduction structure based on the size of employers, allowing for a penalty reduction between 10 and 40 percent for those with less than 250 employees. No size reduction will be applied for employers with 251 or more employees.

# Good Faith

- The current good faith procedures in the Field Operations Manual will be retained. A penalty reduction is permitted in recognition of an employer's effort to implement an effective workplace safety and health program.
- Employers must have a safety and health program in place to get any good faith reduction.
- Good faith reductions are NOT ALLOWED in the cases of high gravity serious, willful, repeat, or failure-to-abate violations.

# Good Faith

- The 15% Quick-Fix reduction, which is currently allowed as an abatement incentive program to encourage employers to immediately abate hazards identified during inspections, remains unchanged.
- However, the 10% reduction for employers with a strategic partnership agreement will be eliminated.

# OSHA Strategic Partnership (OSP)

- An OSHA Strategic Partnership is a voluntary cooperative relationship between OSHA and employers, employees, and other interested stakeholders designed to encourage, assist, and recognize efforts to eliminate serious hazards and achieve a high degree of worker safety and health.

# Minimum Penalties

- The minimum proposed penalty for a serious violation will be increased to \$500. When the proposed penalty for a serious violation would amount to less than \$500, a \$500 penalty will be proposed for that violation.
- The proposed minimum penalty for a posting violation will increase to \$250 if the company was previously provided a poster by OSHA.

## **Modifications to the Penalty Calculation Policy**

**Final penalties will be calculated serially, unlike the current practice where all penalty reductions are added and the total percentage of reductions is then multiplied by the gravity-based penalty to arrive at the proposed penalty. All penalty adjustment factors will be applied serially.**

# Have A SAFE DAY

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