

State of Vermont Department of Labor 5 Green Mountain Drive P.O. Box 488 Montpelier, VT 05601-0488 www.labor.vermont.gov

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January 15, 2020

In the 2017 Legislative session, both the Vermont House and Senate passed § 210, the act that updated the Vermont Occupational Safety and Health Administration's (VOSHA) penalty structure. In addition to this update, a provision was also passed that allowed for annual adjustments of these penalties annually. The annual adjustment is to take place in December and the final penalties for the upcoming year are to be published by January 1st of that year. The final penalties are a calculation by the Federal Department of Labor and are based on the annual Consumer Price Index and are effective January 1st.

For the 2020 year, VOSHA was informed that based on the Consumer Price Index as calculated prior to January 1, 2020, the multiplier is 1.01764%. VOSHA is publishing the newly calculated penalties and these adjustments will be effective on February 1, 2020.

Small employers are highly encouraged to contact Vermont Project WorkSAFE and schedule a consultative visit. Project WorkSAFE can be contacted via the Vermont Department of Labor website at <u>http://labor.vermont.gov/project-worksafe/</u> or by calling toll free 1-888-723-3937.

Any questions about penalty adjustments should be forwarded to:

Daniel A. Whipple, OHST

VOSHA Program Manager Vermont Department of Labor 5 Green Mountain Drive P.O. Box 488 Montpelier, VT 05601-0488 (o) 802.828.5084 | (c) 802.777.2931 dan.whipple@vermont.gov



VOSHA Penalty Adjustments for 2020

Background

§ 210. PENALTIES

(9) (A) As provided under the federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 and the Act, the penalties provided in subdivisions (1), (2), (3), (4), (5), and (8) of this subsection shall annually, on January 1, be adjusted to reflect the increase in the Consumer Price Index, CPI-U, U.S. City Average, not seasonally adjusted, as calculated by the U.S. Department of Labor or successor agency for the 12 months preceding the previous December 1.

(B) The Commissioner shall calculate and publish the adjustment to the penalties on or before January 1 of each year, and the penalties shall apply to fines imposed on or after that date.

VOSHA Gravity Based Penalties; <u>Effective February 1, 2019</u>

	# of employees							
Sev./Prob.	Penalty	1 25; 70%	26 50; 40%	51 100; 30%	101 250; 10%	251+; 0%		
High/Greater	\$13,260	\$3,978	\$7,956	\$9,282	\$11,934	\$13,260		
Med./Greater	11,366	3,409	6,820	7,956	10,229	11,366		
Low/Greater	\$9,472	\$2,841	\$5,683	\$6,630	\$8,525	\$9,472		
High/lesser	\$9,472	\$2,841	\$5,683	\$6,630	\$8,525	\$9,472		
Med./Lesser	\$7,557	\$2,273	\$4,547	\$5,304	\$6,820	\$7,557		
Low/Lesser	\$5,683	\$1,705	\$3,410	\$3,978	\$5,115	\$5,683		

Note: These are the "old" penalty amounts effective February 1, 2019 For Reference only

VOSHA Gravity Based Penalties for Serious Willful; <u>Effective February 1, 2019</u>

# Of Employees									
Serious Willful	Penalty	1 10;80%	11 25;70%	26 30;50%	31 40; 40%	41 50;30%	51 100;20%	101 250;10%	251+;0%
High Gravity	\$132,598	\$26,520	\$39,779	\$66,299	\$79,559	\$92,819	\$106,078	\$119,338	\$132,598
Moderate Gravity	\$113,652	\$24,947	\$34,096	\$56,826	\$68,190	\$79,556	\$90,922	\$102,286	\$113,652
Low gravity	\$94,753	\$18,950	\$28,425	\$47,376	\$56,851	\$66,327	\$75,802	\$85,278	\$94,753

Note: These are the "old" penalty amounts effective February 1, 2019 For reference only Federal Penalty cost of living multiplier for 2020 of 1.01764, reflects increases in the Consumer Price Index calculated prior to January 1, 2020

NOTICE!

PENALTY ADJUSTMENTS FOR THE CALENDAR YEAR 2020, WILL GO INTO AFFECT ON FEBRUARY 1, 2020

VOSHA Gravity Based Penalties; <u>Effective February 1, 2020</u>

	# of employees							
Sev./Prob.	Penalty	1 25; 70%	26 50; 40%	51 100; 30%	101 250; 10%	251+; 0%		
High/Greater	\$13,494	\$4,048	\$8,096	\$9,446	\$12,145	\$13,494		
Med./Greater	\$11,566	\$3,470	\$6,940	\$8,096	10,409	\$11,566		
Low/Greater	\$9,639	\$2,892	\$5,783	\$6,747	\$8,675	\$9,639		
High/lesser	\$9,639	\$2,892	\$5,783	\$6,747	\$8,675	\$9,639		
Med./Lesser	\$7,711	\$2,313	\$4,627	\$5,398	\$6,940	\$7,711		
Low/Lesser	\$5,783	\$1,735	\$3,470	\$4,048	\$5,205	\$5,783		

Note: These penalty amounts will be effective February 1, 2020

VOSHA Gravity Based Penalties for Serious Willful; <u>Effective February 1, 2020</u>

# Of Employees									
Serious Willful	Penalty	1 10;80%	11 25;70%	26 30;50%	31 40; 40%	41 50;30%	51 100;20%	101 250;10%	251+;0%
High Gravity	\$134,937	\$26,987	\$40,482	\$67,469	\$80,961	\$94,455	\$107,949	\$121,443	\$134,937
Moderate Gravity	\$115,657	\$23,131	\$34,697	\$57,840	\$69,393	\$80,959	\$92,526	\$104,091	\$115,657
Low gravity	\$96,386	\$19,278	\$28,915	\$48,193	\$57,831	\$67,471	\$77,109	\$86,748	\$96,386

Note: These are the penalty amounts effective February 1, 2020 Note: Failure to Abate and Repeat citations up to \$134,937 per citation

How To Avoid VOSHA Penalties

The best way for employers to avoid exposure to increased VOSHA penalties is to proactively address workplace hazards <u>before</u> a VOSHA inspector arrives at the work site:

CONTACT THE CONSULTATION SERVICES DIVISION, Project WorkSAFE

Project WorkSAFE

The Vermont Department of Labor offers free On-Site Consultation Services to help employers better understand and voluntarily comply with VOSHA standards. Priority is given to high hazard workplaces with 200 or lewer employees and all services are offered to employers at no cost.

On-Site Consultation Services helps employers identify and correct potential safety and health hazards through walkthrough surveys (without claims penalties), provide abatement advice, provide on-site training, and provide program assistance to develop and health programs.

Additional information about On-Site Consultation Services can be obtained by contacting the Vermont Department of Labor, Project WorkSAFE at <u>https://labor.vermont.gov/project-</u> worksafe or by calling toll free 1 (888) 723-3937

For More Information on VOSHA Penalties Contact

Daniel Whipple, VOSHA Program Manager P.O. Box 488 Montpelier, VT 05601-0488 802-828-5084 dan.whipple@vermont.gov