

# SAFETY PAYS\$

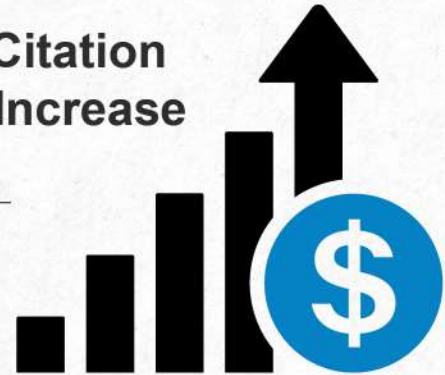
*in Many Ways!*



**CAMComp**  
WORKERS' COMPENSATION PLAN



## 2021 Citation Penalty Increase



If you are an employer who is not actively seeking to stay compliant with the written programs and training aspect of safety- **THIS IS FOR YOU!**

Ever since the Federal Civil Penalties Inflation Adjustment Act improvements was passed by Congress in 2015, OSHA has been required to increase the maximum penalty they can assess businesses for violations. The intent is to keep the penalty amounts in line with the annual rate of inflation, so as to continue to use the penalties as an appropriate deterrent for not following their regulations.

**Effective January 15, 2021, OSHA has officially increased maximum allowable penalties by 1.182%, a decrease from 2020's increase of 1.78%.**

- **Serious, Other-Than-Serious, and Posting Requirements: \$13,653**  
(up from \$13,494 in 2019)
- **Failure to Abate: \$13,653**  
(up from \$13,494) per day after due date
- **Willful or repeat: \$136,532**  
(up from \$134,937)

OSHA assesses penalties based upon a combination of the severity and probability that a jobsite injury might occur. For example a serious violation with a possible low severity injury and a

lesser probability of occurrence would only result in a fine of \$5,851.

In addition to the year increase, OSHA also recently announced a new debt collection initiative to help them actually collect the penalties they assess. Per the new initiative, OSHA will send 3 separate penalty letters 7, 30, and 60 days after a company fails to pay after a final order. OSHA will also call the establishment 14 days after the payment is due as a reminder. Previously, OSHA would not send their first letter until 30 days past the due date.

If the company is not on an affordable payment plan and fails to pay, OSHA will place the business on a priority list for further inspection.

"These steps will enhance the effectiveness of OSHA's enforcement program," said U.S. Secretary of Labor Eugene Scalia, in a news release. "The Department will ensure that firms with safety and health violations are held accountable and pay their debts to the United States Government."

For more information, please visit:  
<https://www.osha.gov/memos/2021-01-08/2021-annual-adjustments-osh-civil-penalties>