

How to Avoid an OSHA Fine

Can your business survive a fine?

The saying "out of sight, out of mind" applies to many contractors who choose not to follow OSHA rules. Some take the "cross your fingers" approach and foolishly believe OSHA will never show up on-site.

OSHA fines (in addition to other expenses) can run into the tens of thousands of dollars.

Should OSHA show up on your site, they will look at *everything they can view.* On an average, contractors end up with 3 or more citations when OSHA visits. Below is an outline of several areas where you will feel a financial impact after being cited and fined:

- OSHA fines
 - ✓ Serious
 - ✓ Willful
 - Repeat offenses If a contractor is cited and fined for the same offense within 5 years
- Equipment To show OSHA that you are serious about complying, you may go purchase new equipment.
- Training To show OSHA that you want to comply (and hopefully negotiate lower fine amounts) you may set up training for your employees and lose production time.
- Safety Program, Safety Manuals and Written Plans OSHA requires that all contractors have a written safety program that is current and addresses your specific business.

- Training program and documentation of training OSHA requires that contractors train their workers before they are exposed to hazards. This requires a record keeping process.
- Owner's time sent dealing with compliance issues Over the course of a year or two, you could spend hundreds of hours trying to patch things up.
- Loss of future business Contractors who are fined will be published on the OSHA website leading to potential lost business.

Is the risk worth taking?

A pro-active investment now allows you to control and plan your budget. A reactive approach is bound to cost you thousands of dollars at the worst possible time, and may even threaten the financial security of your business.

It is common for OSHA to issue a \$2,800 fine for each "serious" violation. "Willful" fines are often between \$30,000 and \$40,000. A "repeat violation" fine can be issued for up to \$70,000.

For more information and additional risk management and prevention tools, visit: fwcruminsurance.com