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SENATE BILL NO. 1542

Offered January 20, 2017

A *BILL to amend and reenact § 40.1-49.4 of the Code of Virginia, relating to enforcement of occupational safety and health laws; civil penalties.*

Patron—Saslaw

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That § 40.1-49.4 of the Code of Virginia is amended and reenacted as follows:

§ 40.1-49.4. Enforcement of this title and standards, rules or regulations for safety and health; orders of Commissioner; proceedings in circuit court; injunctions; penalties.

A. 1. If the Commissioner has reasonable cause to believe that an employer has violated any safety or health provision of Title 40.1 or any standard, rule or regulation adopted pursuant thereto, he shall with reasonable promptness issue a citation to the employer. Each citation shall be in writing and shall describe with particularity the nature of the violation or violations, including a reference to the provision of this title or the appropriate standards, rules or regulations adopted pursuant thereto, and shall include an order of abatement fixing a reasonable time for abatement of each violation.

2. The Commissioner may prescribe procedures for calling to the employer's attention de minimis violations which have no direct or immediate relationship to safety and health.

3. No citation may be issued under this section after the expiration of six months following the occurrence of any alleged violation.

4. (a) The Commissioner shall have the authority to propose civil penalties for cited violations in accordance with subsections G, H, I, and J of this section. In determining the amount of any proposed penalty he shall give due consideration to the appropriateness of the penalty with respect to the size of the business of the employer being charged, the gravity of the violation, the good faith of the employer, and the history of previous violations. In addition, the Commissioner shall have authority to assess interest on all past-due penalties and administrative costs incurred in the collection of penalties for such violations consistent with § 2.2-4805.

(b) After, or concurrent with, the issuance of a citation and order of abatement, and within a reasonable time after the termination of an inspection or investigation, the Commissioner shall notify the employer by certified mail or by personal service of the proposed penalty or that no penalty is being proposed. The proposed penalty shall be deemed to be the final order of the Commissioner and not subject to review by any court or agency unless, within 15 working days from the date of receipt of such notice, the employer notifies the Commissioner in writing that he intends to contest the citation, order of abatement or the proposed penalty or the employee or representative of employees has filed a notice in accordance with subsection B of this section and any such notice of proposed penalty, citation or order of abatement shall so state.

B. Any employee or representative of employees of an employer to whom a citation and order of abatement has been issued may, within 15 working days from the time of the receipt of the citation and order of abatement by the employer, notify the Commissioner, in writing, that they wish to contest the abatement time before the circuit court.

C. If the Commissioner has reasonable cause to believe that an employer has failed to abate a violation for which a citation has been issued within the time period permitted for its abatement, which time shall not begin to run until the entry of a final order in the case of any contest as provided in subsection E of this section initiated by the employer in good faith and not solely for delay or avoidance of penalties, a citation for failure to abate will be issued to the employer in the same manner as prescribed by subsection A of this section. In addition, the Commissioner shall notify the employer by certified mail or by personal service of such failure and of the penalty proposed to be assessed by reason of such failure. If, within 15 working days from the date of receipt of the notice of the proposed penalty, the employer fails to notify the Commissioner that he intends to contest the citation or proposed assessment of penalty, the citation and assessment as proposed shall be deemed a final order of the Commissioner and not subject to review by any court or agency.

D. Civil penalties owed under this section shall be paid to the Commissioner for deposit into the general fund of the Treasurer of the Commonwealth. The Commissioner shall prescribe procedures for the payment of proposed assessments of penalties which are not contested by employers. Such procedures shall include provisions for an employer to consent to abatement of the alleged violation and pay a proposed penalty or a negotiated sum in lieu of such penalty without admission of any civil

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59 liability arising from such alleged violation.

60 Final orders of the Commissioner or the circuit courts may be recorded, enforced and satisfied as
61 orders or decrees of a circuit court upon certification of such orders by the Commissioner or the court
62 as appropriate.

63 E. Upon receipt of a notice of contest of a citation, proposed penalty, order of abatement or
64 abatement time pursuant to subdivision A 4 (b), subsection B or C of this section, the Commissioner
65 shall immediately notify the attorney for the Commonwealth for the jurisdiction wherein the violation is
66 alleged to have occurred and shall file a civil action with the circuit court. Upon issuance and service of
67 process, the circuit court shall promptly set the matter for hearing without a jury. The circuit court shall
68 thereafter issue a written order, based on findings of fact and conclusions of law, affirming, modifying
69 or vacating the Commissioner's citation or proposed penalty, or directing other appropriate relief, and
70 such order shall become final 21 days after its issuance. The circuit court shall provide affected
71 employees or their representatives and employers an opportunity to participate as parties to hearings
72 under this subsection.

73 F. 1. In addition to the remedies set forth above, the Commissioner may file a civil action with the
74 clerk of the circuit court having equity jurisdiction over the employer or the place of employment
75 involved asking the court to temporarily or permanently enjoin any conditions or practices in any place
76 of employment which are such that a danger exists which could reasonably be expected to cause death
77 or serious physical harm immediately or before the imminence of such danger can be eliminated through
78 the enforcement procedures otherwise provided by this title. Any order issued under this section may
79 require such steps to be taken as may be necessary to avoid, correct or remove such imminent danger
80 and prohibit the employment or presence of any individual in locations or under conditions where such
81 imminent danger exists, except individuals whose presence is necessary to avoid, correct or remove such
82 imminent danger or to maintain the capacity of a continuous process operation to resume normal
83 operations without a complete cessation of operations, or where a cessation of operations is necessary, to
84 permit such to be accomplished in a safe and orderly manner. No order issued without prior notice to
85 the employer shall be effective for more than five working days. Whenever and as soon as the
86 Commissioner concludes that conditions or practices described in this subsection exist in any place of
87 employment and that judicial relief shall be sought, he shall immediately inform the affected employer
88 and employees of such proposed course of action.

89 2. Any court described in this section shall also have jurisdiction, upon petition of the Commissioner
90 or his authorized representative, to enjoin any violations of this title or the standards, rules or regulations
91 promulgated thereunder.

92 3. If the Commissioner arbitrarily or capriciously fails to seek relief under subdivision 1 of this
93 subsection, any employee who may be injured by reason of such failure, or the representative of such
94 employee, may bring an action against the Commissioner in a circuit court of competent jurisdiction for
95 a writ of mandamus to compel the Commissioner to seek such an order and for such further relief as
96 may be appropriate.

97 G. Any employer who has received a citation for a violation of any safety or health provision of this
98 title or any standard, rule or regulation promulgated pursuant thereto and such violation is specifically
99 determined not to be of a serious nature may be assessed a civil penalty of up to ~~\$7,000~~ *\$12,471, as*
100 *such amount may be adjusted as provided in subsection P*, for each such violation.

101 H. Any employer who has received a citation for a violation of any safety or health provision of this
102 title or any standard, rule or regulation promulgated pursuant thereto and such violation is determined to
103 be a serious violation shall be assessed a civil penalty of up to ~~\$7,000~~ *\$12,471, as such amount may be*
104 *adjusted as provided in subsection P*, for each such violation.

105 I. Any employer who fails to abate a violation for which a citation has been issued within the period
106 permitted for its abatement (which period shall not begin to run until the entry of the final order of the
107 circuit court) may be assessed a civil penalty of not more than ~~\$7,000~~ *\$12,471, as such amount may be*
108 *adjusted as provided in subsection P*, for each day during which such violation continues.

109 J. Any employer who willfully or repeatedly violates any safety or health provision of this title or
110 any standard, rule or regulation promulgated pursuant thereto may be assessed a civil penalty of not
111 more than ~~\$70,000~~ *\$124,709, as such amount may be adjusted as provided in subsection P*, for each
112 such violation.

113 K. Any employer who willfully violates any safety or health provisions of this title or standards,
114 rules or regulations adopted pursuant thereto, and that violation causes death to any employee, shall,
115 upon conviction, be punished by a fine of not more than \$70,000 or by imprisonment for not more than
116 six months, or by both such fine and imprisonment. If the conviction is for a violation committed after a
117 first conviction of such person, punishment shall be a fine of not more than \$140,000 or by
118 imprisonment for not more than one year, or by both such fine and imprisonment.

119 L. In any proceeding before a judge of a circuit court parties may obtain discovery by the methods
120 provided for in the Rules of Supreme Court of Virginia.

121 M. No fees or costs shall be charged the Commonwealth by a court or any officer for or in
122 connection with the filing of the complaint, pleadings, or other papers in any action authorized by this
123 section or § 40.1-49.5.

124 N. Every official act of the circuit court shall be entered of record and all hearings and records shall
125 be open to the public, except any information subject to protection under the provisions of § 40.1-51.4:1.

126 O. The provisions of Chapter 30 (§ 59.1-406 et seq.) of Title 59.1 shall be considered safety and
127 health standards of the Commonwealth and enforced as to employers pursuant to this section by the
128 Commissioner of Labor and Industry.

129 *P. Beginning in 2018, the Commissioner annually shall adjust the maximum civil penalties stated in*
130 *subsections G through J each year by the percentage increase, if any, in the United States Average*
131 *Consumer Price Index for all Urban Consumers (CPI-U), as published by the Bureau of Labor Statistics*
132 *of the United States Department of Labor, from its monthly average for the previous calendar year. The*
133 *amount of each adjustment to the maximum civil penalties shall be rounded to the nearest whole dollar.*
134 *The adjustments to the maximum civil penalties shall be effective on each August 1. If the CPI-U is*
135 *discontinued or revised, such other historical index or computation approved by the Commissioner shall*
136 *be used for purposes of this section that would obtain substantially the same result as would have been*
137 *obtained if the CPI-U had not been discontinued or revised.*