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HOUSE BILL NO. 2179

Offered January 11, 2023

Prefiled January 11, 2023

A *BILL to amend and reenact §§ 40.1-49.4 and 54.1-201 of the Code of Virginia, relating to Department of Labor and Industry; Department of Professional and Occupational Regulation; notice of disciplinary action; method of delivery to allow for confirmation of delivery.*

Patron—Morefield

Referred to Committee on Commerce and Energy

Be it enacted by the General Assembly of Virginia:

1. That §§ 40.1-49.4 and 54.1-201 of the Code of Virginia are 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, *by commercial delivery service with signed and dated acknowledgment of delivery*, 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, *by commercial delivery service with signed and dated acknowledgment of delivery*, 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

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59 general fund of the Treasurer of the Commonwealth. The Commissioner shall prescribe procedures for
60 the payment of proposed assessments of penalties which are not contested by employers. Such
61 procedures shall include provisions for an employer to consent to abatement of the alleged violation and
62 pay a proposed penalty or a negotiated sum in lieu of such penalty without admission of any civil
63 liability arising from such alleged violation.

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

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

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

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

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

101 G. 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 specifically
103 determined not to be of a serious nature may be assessed a civil penalty of up to \$12,471, as such
104 amount may be adjusted as provided in subsection P, for each such violation.

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

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

113 J. Any employer who willfully or repeatedly violates any safety or health provision of this title or
114 any standard, rule or regulation promulgated pursuant thereto may be assessed a civil penalty of not
115 more than \$124,709, as such amount may be adjusted as provided in subsection P, for each such
116 violation.

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

first conviction of such person, punishment shall be a fine of not more than \$140,000 or by imprisonment for not more than one year, or by both such fine and imprisonment.

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

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

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

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

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

§ 54.1-201. Powers and duties of regulatory boards.

A. The powers and duties of regulatory boards shall be as follows:

1. To establish the qualifications of applicants for certification or licensure by any such board, provided that all qualifications shall be necessary to ensure either competence or integrity to engage in such profession or occupation.

2. To examine, or cause to be examined, the qualifications of each applicant for certification or licensure within its particular regulatory system, including when necessary the preparation, administration and grading of examinations.

3. To certify or license qualified applicants as practitioners of the particular profession or occupation regulated by such board.

4. To levy and collect fees for certification or licensure and renewal that are sufficient to cover all expenses for the administration and operation of the regulatory board and a proportionate share of the expenses of the Department of Professional and Occupational Regulation and the Board for Professional and Occupational Regulation.

5. To promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.) necessary to assure continued competency, to prevent deceptive or misleading practices by practitioners and to effectively administer the regulatory system administered by the regulatory board. The regulations shall not be in conflict with the purposes and intent of this chapter or of Chapters 1 (§ 54.1-100 et seq.) and 3 (§ 54.1-300 et seq.) of this title.

6. To ensure that inspections are conducted relating to the practice of each practitioner certified or licensed by the regulatory board to ensure that the practitioner is conducting his practice in a competent manner and within the lawful regulations promulgated by the board.

7. To place a regulant on probation or revoke, suspend or fail to renew a certificate or license for just causes as enumerated in regulations of the board. Conditions of probation may include, but not be limited to the successful completion of remedial education or examination.

8. To receive complaints concerning the conduct of any regulant and to take appropriate disciplinary action if warranted.

9. To provide a regulant subject to a disciplinary action with a notice advising the regulant of his right to be heard at an informal fact-finding conference pursuant to § 2.2-4019 of the Administrative Process Act. The notice shall state that if the regulant does not request an informal fact-finding conference within 30 days of receipt of the notice, the board may issue a case decision as defined in § 2.2-4001, with judicial review of the case decision in accordance with § 2.2-4026. If the regulant asserts his right to be heard prior to the board issuing its case decision, the board shall remand the case to an informal fact-finding conference. The notice required by this subdivision shall be sent by ~~certified mail, return receipt requested~~ in a manner that allows for confirmation of delivery or, if agreed to by the parties, through electronic means, provided that the board retains sufficient proof of the electronic delivery, which may be an electronic receipt of delivery, a confirmation that the notice was sent by facsimile, or a certificate of service prepared by the sender confirming the electronic delivery.

10. To promulgate canons of ethics under which the professional activities of regulants shall be conducted.

182 B. A regulant shall furnish, upon the request of a person to whom the regulant is providing or
183 offering to provide service, satisfactory proof that the regulant (i) is duly licensed, certified, or registered
184 under this subtitle and (ii) has obtained any required bond or insurance to engage in his profession or
185 occupation.

186 C. As used in this section, "regulant" means any person, firm, corporation, association, partnership,
187 joint venture, or any other legal entity required by this subtitle to be licensed, certified, or registered.