HOUSE BILL 244

K3

(PRE-FILED)

4lr0245 CF 4lr0246

By: Chair, Economic Matters Committee (By Request – Departmental – Labor) Requested: September 18, 2023 Introduced and read first time: January 10, 2024 Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 Maryland Occupational Safety and Health Act – Civil Penalties – Alterations

- FOR the purpose of altering certain civil penalties for violations of the Maryland
 Occupational Safety and Health Act; requiring the Commissioner of Labor and
 Industry to annually increase the maximum and minimum civil penalties in a
 certain manner; and generally relating to civil penalties for violations of the
 Maryland Occupational Safety and Health Act.
- 8 BY repealing and reenacting, with amendments,
- 9 Article Labor and Employment
- 10 Section 5–810
- 11 Annotated Code of Maryland
- 12 (2016 Replacement Volume and 2023 Supplement)
- 13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 14 That the Laws of Maryland read as follows:
- 15 Article Labor and Employment
- 16 5-810.
- 17 (a) (1) Except as provided in paragraph (2) of this subsection, a civil penalty 18 under § 5–809 of this subtitle may not exceed:
- 19 (i) **1.** [\$7,000] **BEFORE JULY 15, 2025, \$15,625** for each 20 violation; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.



	2 HOUSE BILL 244
$egin{array}{c} 1 \\ 2 \\ 3 \end{array}$	2. BEGINNING JULY 15, 2025, THE AMOUNT SET BY THE COMMISSIONER UNDER SUBSECTION (B) OF THIS SECTION FOR EACH VIOLATION; AND
4 5	(ii) if an employer does not correct a violation within the period allowed for correction[, \$7,000]:
$6 \\ 7$	1. BEFORE JULY 15, 2025, \$15,625 for each day that the violation continues; AND
8 9 10	2. BEGINNING JULY 15, 2025, THE AMOUNT SET BY THE COMMISSIONER UNDER SUBSECTION (B) OF THIS SECTION FOR EACH DAY THAT THE VIOLATION CONTINUES.
$\begin{array}{c} 11\\ 12\\ 13\end{array}$	(2) A civil penalty for a willful or repeated violation of a provision of this title, an order passed under this title, or a regulation adopted to carry out this title may not exceed [\$70,000]:
14	(I) BEFORE JULY 15, 2025, \$156,259 for each violation; AND
15 16	(II) BEGINNING JULY 15, 2025, THE AMOUNT SET BY THE COMMISSIONER UNDER SUBSECTION (B) OF THIS SECTION FOR EACH VIOLATION.
17 18 19	(3) A civil penalty for a willful violation of a provision of this title, an order passed under this title, or a regulation adopted to carry out this title may not be less than [\$5,000]:
20	(I) BEFORE JULY 15, 2025, \$11,162; AND
$\begin{array}{c} 21 \\ 22 \end{array}$	(II) BEGINNING JULY 15, 2025, THE AMOUNT SET BY THE COMMISSIONER UNDER SUBSECTION (B) OF THIS SECTION.
23 24 25 26 27 28 29	(B) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, BEGINNING JANUARY 1, 2025, AND EACH CALENDAR YEAR THEREAFTER, THE COMMISSIONER SHALL INCREASE THE MINIMUM AND MAXIMUM PENALTIES IN EFFECT UNDER SUBSECTION (A) OF THIS SECTION BY INCREASING EACH CIVIL PENALTY AMOUNT BY THE PERCENTAGE INCREASE, IF ANY, IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS OR A SUCCESSOR INDEX PUBLISHED BY THE FEDERAL BUREAU OF LABOR STATISTICS AS NECESSARY TO COMPLY WITH FEDERAL LAW.
30	(2) THE ADJUSTMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION

31 SHALL BE EFFECTIVE JULY 15 EACH YEAR.

HOUSE BILL 244

1 [(b)] (C) Before the Commissioner assesses a civil penalty under § 5–809 of this 2 subtitle, the Commissioner shall consider the appropriateness of the penalty in relation to:

3 (1) the size of the business of the employer against whom the penalty is to 4 be assessed;

- 5 (2) the gravity of the violation for which the penalty is to be assessed;
- 6 (3) the good faith of the employer;
- 7 (4) the history of violations by the employer;
- 8 (5) the injury and illness experience of the employer;
- 9 (6) the existence and quality of a safety and training program;
- 10 (7) the actual harm to human health including injury or illness;

11 (8) the extent to which the current violation is part of a recurrent pattern 12 of the same or similar type of violation; and

13 (9) the extent to which the existence of the violation was known to the 14 employer but remained not corrected.

15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July16 1, 2024.