

How did OSHA calculate that?

The Occupational Health and Safety Administration (OSHA) assesses fines or penalties when they find a hazard and then they complete some magic formula and come up with a fine amount that leaves some shaking their heads in wonderment. As with almost all OSHA regulations, this calculation is not a mystery at all. In fact, OSHA tells us exactly how they are going to determine what the final penalty amount will be before they assign the number.

The Higher/Lesser assignment below really starts the whole determination.

Severity	Probability	GBP	Gravity
High	Greater	\$7,000	High
Medium	Greater	\$6,000	Moderate
Low	Greater	\$5,000	Moderate
High	Lesser	\$5,000	Moderate
Medium	Lesser	\$4,000	Moderate
Low	Lesser	\$3,000	Low

Be aware that penalties greatly increased August 1, 2016 and the initial High point is now \$12,471 instead of \$7,000. The reduction breakdown final numbers have not been released yet so you will have to do a rough calculation to get a good estimate of the new fine amounts.

Take the number above then reduce appropriately:

Higher/Lesser (see chart above) = initial fine between the high and low

History = 10% reduction allowed

Good Faith = 15% reduction allowed

Quick Fix = 15% reduction allowed

Size = varies up to 30% reduction allowed