

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: SB 92**79th Oregon Legislative Assembly – 2017 Regular Session  
Legislative Fiscal Office**Only Impacts on Original or Engrossed  
Versions are Considered Official**Prepared by: Meg Bushman-Reinhold  
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Date: 3/21/2017**Measure Description:**

Allows Director of Department of Consumer and Business Services to set civil penalties for violations of state occupational health and safety statutes, not to exceed maximum penalties or fall below certain minimum penalties under federal Occupational Safety and Health Act of 1970.

**Government Unit(s) Affected:**

Department of Consumer and Business Services (DCBS)

**Summary of Expenditure Impact:**

	<b>2017-19 Biennium</b>	<b>2019-21 Biennium</b>
Other Funds	0	0
Federal Funds		
<b>Total Funds</b>	<b>\$0</b>	<b>\$0</b>
Positions	0	0
FTE	0.00	0.00
<b>Summary of Revenue Impact</b>		
	<b>2017-19 Biennium</b>	<b>2019-21 Biennium</b>
Other Funds	186,012	186,012
<b>Total Funds</b>	<b>\$186,012</b>	<b>\$186,012</b>

**Analysis:**

The Oregon Safe Employment Act authorizes the Director of the Department of Consumer and Business Services (DCBS) to set reasonable and mandatory occupational safety and health standards that are designed to protect the life, safety and health of employees. The law provides penalties for failure to meet Oregon standards. The federal Occupational Safety and Health Administration (Federal OSHA) expects states to adopt maximum and minimum penalties equal to those provided by federal law. Federal OSHA has proposed to increase the maximum serious violation penalty from \$7,000 to \$12,471 and the maximum repeat or willful violation from \$70,000 to \$124,709.

In the past, the maximum penalties for Oregon have been increased by statute. The last increase was in 1991. In this bill, DCBS is requesting that the Director be allowed to set the maximum penalties for Oregon by rule, with the requirement that the Director consider, but not exceed, the maximum federal penalty. The minimum penalty for willful or repeated violations is established in this bill as the minimum penalty for such violations under federal law.

Typically, maximum penalties would be issued for large employers only for violations with a high probability of death. Based on the average over the last five years, for the biennium, DCBS estimates that there will be 14 serious citations that will be issued at the maximum penalty for an increase of \$76,594. DCBS projects that there will be 2 citations issued at the maximum penalty for repeat or willful violations for an increase of \$109,418 for the biennium.

Based on the above assumptions, DCBS estimates an increase in Other Funds revenue of \$186,012 each biennium.