SB 592-7 (LC 2490) 2/24/23 (JAS/ps)

Requested by Senator TAYLOR

PROPOSED AMENDMENTS TO SENATE BILL 592

1 On <u>page 1</u> of the printed bill, delete lines 5 through 27 and delete pages 2 2 through 4 and insert:

³ **"SECTION 1.** ORS 654.067 is amended to read:

"654.067. (1) In order to carry out the purposes of ORS 654.001 to 654.295,
654.412 to 654.423 and 654.750 to 654.780, the Director of the Department of
Consumer and Business Services, upon presenting appropriate credentials to
the owner, employer or agent in charge, is authorized:

8 "(a) To enter without delay and at reasonable times any place of em9 ployment; [and]

"(b) To inspect and investigate during regular working hours and at other reasonable times, and within reasonable limits and in a reasonable manner, any such place of employment and all pertinent conditions, structures, machines, apparatus, devices, equipment and materials therein, and to question privately the owner, employer, agents or employees[.]; and

15 "(c) To conduct a comprehensive inspection of any place of em-16 ployment as deemed necessary by the department based upon the prior 17 violation history of the place of employment regarding any state oc-18 cupational safety or health law, regulation, standard, rule or order.

"(2) Whenever an accident investigation reveals that a violation has
 caused or contributed to a work-related fatality at a place of employ ment, the director shall conduct a comprehensive inspection of the

place of employment within one year following the date on which the
closing conference associated with the work-related fatality was held.

"(3) Whenever three or more willful or repeated violations occur at a place of employment within a one-year period, the director shall conduct a comprehensive inspection of the place of employment within one year following the date on which the closing conference associated with the most recent willful or repeated violation was held.

8 "[(2)] (4) No person shall give an owner, employer, agent or employee 9 advance notice of any inspection to be conducted under ORS 654.001 to 10 654.295, 654.412 to 654.423 and 654.750 to 654.780 of any place of employment 11 without authority from the director.

"[(3)] (5) Except in the case of an emergency, or of a place of employment 12 open to the public, if the director is denied access to any place of employ-13 ment for the purpose of an inspection or investigation, such inspection or 14 investigation shall not be conducted without an inspection warrant obtained 15pursuant to ORS 654.202 to 654.216, or without such other authority as a 16 court may grant in an appropriate civil proceeding. Nothing contained 17 herein, however, is intended to affect the validity of a constitutionally au-18 thorized inspection conducted without an inspection warrant. 19

²⁰ "[(4)] (6) A representative of the employer and a representative authorized ²¹ by the employees of the employer shall be given an opportunity to accompany ²² the director during the inspection of any place of employment for the purpose ²³ of aiding such inspection. When there is no employee representative, or the ²⁴ employee representative is not an employee of the employer, the director ²⁵ should consult with a reasonable number of employees concerning matters ²⁶ of safety and health in the place of employment.

²⁷ "[(5)] (7) The representative of the employer may, at the employer's op-²⁸ tion, be an attorney retained by the employer.

29 "(8) As used in this section:

30 "(a) 'Accident investigation' means an official examination of a

SB 592-7 2/24/23 Proposed Amendments to SB 592 place of employment conducted by a compliance officer who is responsible for carrying out inspections and investigations on behalf of the department, that includes a systematic appraisal of an accident sequence to determine causal factors, corrective actions and preventative measures.

6 "(b) 'Closing conference' means a process that informs the em-7 ployer and the employee representatives, if any, of the findings re-8 sulting from an inspection of a place of employment and any other 9 pertinent issues related to the inspection.

"(c) 'Comprehensive inspection' means a substantially complete inspection of a place of employment that, in the professional judgment of the inspector who conducts the inspection, may be deemed comprehensive although not all potentially hazardous conditions, operations and practices within the place of employment are inspected.

¹⁵ "<u>SECTION 2.</u> ORS 654.086 is amended to read:

"654.086. (1) The Director of the Department of Consumer and Business 16 Services or the authorized representative of the director has the authority 17 to assess civil penalties as provided by this section for violation of the re-18 quirements of a state occupational safety or health statute or the lawful 19 rules, standards or orders adopted under the statute[. In setting maximum 20penalties, the director or the director's representative shall consider, but may 21not exceed, the maximum penalties under the federal Occupational Safety and 22Health Act of 1970 (29 U.S.C. 651 et seq.).], as follows: 23

"(a)(A) Any employer who receives a citation for a serious violation of
such requirements shall be assessed a civil penalty of [*not less than \$50*] not
more than \$15,625, but not less than \$1,116, for each violation.

"(B) If the serious violation caused or contributed to the death of
an employee, the civil penalty amount shall be increased to not more
than \$50,000, but not less than \$20,000, for each violation.

30 "(b) Any employer who receives a citation for a violation of such re-

SB 592-7 2/24/23 Proposed Amendments to SB 592 quirements, and such violation is specifically determined not to be of a serious nature, may be assessed a civil penalty, not to exceed \$15,625, for
each violation.

"(c)(A) Any employer who willfully or repeatedly violates such requirements may be assessed a civil penalty of [not less than the minimum penalty
under the federal Occupational Safety and Health Act of 1970 (29 U.S.C. 651
et seq.)] not more than \$156,259, but not less than \$11,162, for each
willful or repeated violation.

"(B) If an employer's willful or repeated violation caused or contributed to the death of an employee, the civil penalty amount shall
be increased to not more than \$250,000, but not less than \$50,000, for
each willful or repeated violation.

"(C) In determining whether a violation is repeated for purposes of this subsection, the director shall consider the employer's history of violating the requirements of a state occupational safety or health statute or the lawful rules, standards or orders adopted under the statute.

"(d) Any employer who receives a citation, as provided in ORS 654.071 (4),
for failure to correct a violation may be assessed a civil penalty, not to
exceed \$15,625, for each day during which the violation continues.

"(e) Any employer who knowingly makes any false statement, representation or certification regarding the correction of a violation shall be assessed a civil penalty of not less than \$100.

"(f) Any employer who violates any of the posting requirements, as prescribed under the provisions of ORS 654.001 to 654.295, 654.412 to 654.423 and
654.750 to 654.780, may be assessed a civil penalty for each violation.

"(g) Any person who violates the provisions of ORS 654.082 (2) or (3) shall
be assessed a civil penalty of not less than \$100 for each violation.

"(h) Notwithstanding paragraph (b) of this subsection, an employer who
 substantially fails to comply with ORS 654.174 (1) shall be assessed a civil

1 penalty of not less than \$250 for each violation.

"(i) Any insurer or self-insured employer who violates any provision of
ORS 654.097, or any rule or order carrying out ORS 654.097, shall be assessed
a civil penalty. Each violation, or each day a violation continues, shall be
considered a separate offense.

6 "(2) For the purposes of ORS 654.001 to 654.295, 654.412 to 654.423 and 7 654.750 to 654.780 a serious violation exists in a place of employment if there 8 is a substantial probability that death or serious physical harm could result 9 from a condition which exists, or from one or more practices, means, meth-10 ods, operations or processes which have been adopted or are in use, in such 11 place of employment unless the employer did not, and could not with the 12 exercise of reasonable diligence, know of the presence of the violation.

"(3) Civil penalties assessed by the Department of Consumer and Business Services against an employer for repeated violations of any of the following may not receive a penalty adjustment, based on employer size, that reduces the amount of the civil penalty assessed against the employer, unless the penalty adjustment is conditioned upon the employer agreeing to comply with additional abatement measures as determined by the department:

20 "(a) A willful violation under subsection (1)(c) of this section; and

21 "(b) A serious violation resulting in a work-related fatality.

"(4) The director shall, not later than January 15 of each year, adjust the amount of civil penalties that may be imposed under this section to account for the percentage increase or decrease, if any, in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor or its successor.

²⁸ "[(3)] (5) When an order assessing a civil penalty becomes final by oper-²⁹ ation of law or on appeal, unless the amount of penalty is paid within 20 ³⁰ days after the order becomes final, it constitutes a judgment and may be re1 corded with the county clerk in any county of this state. The clerk shall 2 thereupon record the name of the person incurring the penalty and the 3 amount of the penalty in the County Clerk Lien Record. The penalty pro-4 vided in the order so recorded shall become a lien upon the title to any in-5 terest in property owned by the person against whom the order is entered, 6 and execution may be issued upon the order in the same manner as execution 7 upon a judgment of a court of record.

8 "[(4)] (6) Except as provided in subsection [(5)] (7) of this section, civil 9 penalties collected under ORS 654.001 to 654.295, 654.412 to 654.423 and 10 654.750 to 654.780 shall be paid into the Consumer and Business Services 11 Fund.

"[(5)] (7) Civil penalties assessed under this section for a violation of ORS
 658.750 shall be credited to the Agricultural Worker Housing Development
 Account of the Oregon Housing Fund.

"(8) The director shall submit a report at least annually to the in terim committees of the Legislative Assembly related to business and
 labor that summarizes:

"(a) The total number and total amount of penalties assessed by the
 department;

"(b) The total number of appeals of citations, violations and penalty
 assessments filed with the department; and

"(c) The total number of inspections completed by the department,
along with the scope of the inspections and the circumstances that led
to the inspections.

"<u>SECTION 3.</u> The Director of the Department of Consumer and
 Business Services shall submit the first report required under ORS
 654.086 (8) no later than September 15, 2024.

"<u>SECTION 4.</u> This 2023 Act being necessary for the immediate
preservation of the public peace, health and safety, an emergency is
declared to exist, and this 2023 Act takes effect on its passage.".
