

OSHA Regulations

Problem:

With the Occupational Safety and Health Act of 1970, Congress created the Occupational Safety and Health Administration (OSHA) to ensure safe and healthful working conditions for workers. Due to a complex set of regulations, many small-business owners simply do not know of or do not understand the OSHA regulations that apply to their business, which can result in huge costs—businesses can face a penalty of up to \$70,000 per violation.

- Businesses with more than 10 employees need to keep records of any work-related injuries and illnesses. Record keeping also applies for certain equipment, such as air pressure tanks or elevators, which must have their operating permits and records kept up to date.
- Employers must provide the right PPE (personal protective equipment) for their employees and can't require workers to provide their own. Businesses are also responsible for other safe work conditions, such as proper ventilation.
- The requirements for small businesses differ depending on the state of operation, since OSHA allows states to create their own health and safety plans. There are currently 24 states that operate their own OSHA approved programs.
- Due to the tremendous regulatory requirements facing small businesses, many have had to hire "Compliance Officers" to help keep their companies compliant with federal, state, and local regulations. Some small-business owners report spending at least \$200,000 each year to stay compliant with regulations.
- An Executive Order issued on Jan. 21, 2021 by President Biden directs OSHA to develop guidance for employers to promote workplace safety as it relates to COVID-19, namely mask-wearing, and identify changes that would better protect workers. The order directs OSHA to focus efforts on violations that put the largest number of workers at risk, though it does not specifically exempt small businesses.

Solution:

Small businesses face tremendous amounts of federal, state, and local regulations and staying up-to-date often costs them thousands of dollars each year. Even then, they can still be subject to large fines if they are in violation of OSHA regulations, even if they did so unknowingly.

- Lawmakers and regulators should make every attempt to streamline regulations and make plain language a priority for OSHA rules.
- Compliance assistance should be the focus of OSHA when it comes to small business—not violation enforcement.
- Small businesses ought to be provided some kind of good-faith exemption for first-time violations that do not result in injury where the violation was inadvertent.