

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
315 W. Allegan Street  
Room 207  
Lansing, MI 48933-1514  
Phone: (517)487-4996 FAX: (517)487-4997



## Citation and Notification of Penalty

**To:**  
Basic Marine, Inc.  
and its successors  
440 N. 10th Street  
Escanaba, MI 49829

**Inspection Number:** 301604260  
**Inspection Date(s):** 07/12/2011-07/13/2011  
**Issuance Date:** 01/06/2012

**Inspection Site:**  
440 N. 10th Street  
Escanaba, MI 49829

*The violation(s) described in this Citation and Notification of Penalty is (are) alleged to have occurred on or about the day(s) the inspection was made unless otherwise indicated within the description given below.*

This Citation and Notification of Penalty (this Citation) describes violations of the Occupational Safety and Health Act of 1970. The penalty(ies) listed herein is (are) based on these violations. You must abate the violations referred to in this Citation by the dates listed and pay the penalties proposed, unless within 15 working days (excluding weekends and Federal holidays) from your receipt of this Citation and Notification of Penalty you mail a notice of contest to the U.S. Department of Labor Area Office at the address shown above. Please refer to the enclosed booklet (OSHA 3000) which outlines your rights and responsibilities and which should be read in conjunction with this form. Issuance of this Citation does not constitute a finding that a violation of the Act has occurred unless there is a failure to contest as provided for in the Act or, if contested, unless this Citation is affirmed by the Review Commission or a court.

**Posting** - The law requires that a copy of this Citation and Notification of Penalty be posted immediately in a prominent place at or near the location of the violation(s) cited herein, or, if it is not practicable because of the nature of the employer's operations, where it will be readily observable by all affected employees. This Citation must remain posted until the violation(s) cited herein has (have) been abated, or for 3 working days (excluding weekends and Federal holidays), whichever is longer. **The penalty dollar amounts need not be posted and may be marked out or covered up prior to posting.**

**Informal Conference** - An informal conference is not required. However, if you wish to have such a conference you may request one with the Area Director during the 15 working day contest period. During such an informal conference you may present any evidence or views which you believe would support an adjustment to the citation(s) and/or penalty(ies).

If you are considering a request for an informal conference to discuss any issues related to this Citation and Notification of Penalty, you must take care to schedule it early enough to allow time to contest after the informal

conference, should you decide to do so. Please keep in mind that a written letter of intent to contest must be submitted to the Area Director within 15 working days of your receipt of this Citation. The running of this contest period is not interrupted by an informal conference.

If you decide to request an informal conference, please complete, remove and post the page 5 Notice to Employees next to this Citation and Notification of Penalty as soon as the time, date, and place of the informal conference have been determined. Be sure to bring to the conference any and all supporting documentation of existing conditions as well as any abatement steps taken thus far. If conditions warrant, we can enter into an informal settlement agreement which amicably resolves this matter without litigation or contest.

**Right to Contest** - You have the right to contest this Citation and Notification of Penalty. You may contest all citation items or only individual items. You may also contest proposed penalties and/or abatement dates without contesting the underlying violations. Unless you inform the Area Director in writing that you intend to contest the citation(s) and/or proposed penalty(ies) within 15 working days after receipt, the citation(s) and the proposed penalty(ies) will become a final order of the Occupational Safety and Health Review Commission and may not be reviewed by any court or agency.

**Penalty Payment** - Penalties are due within 15 working days of receipt of this notification unless contested. (See the enclosed booklet and the additional information provided related to the Debt Collection Act of 1982.) Make your check or money order payable to "DOL-OSHA". Please indicate the Inspection Number on the remittance.

OSHA does not agree to any restrictions or conditions or endorsements put on any check or money order for less than the full amount due, and will cash the check or money order as if these restrictions, conditions, or endorsements do not exist.

**Notification of Corrective Action** - For each violation which you do not contest, you are required by 29 CFR 1903.19 to submit an Abatement Certification to the Area Director of the OSHA office issuing the citation and identified above. The certification must be sent by you within 10 calendar days of the abatement date indicated on the citation. For **Willful** and **Repeat** violations, documents (examples: photos, copies of receipts, training records, etc.) demonstrating that abatement is complete must accompany the certification. Where the citation is classified as **Serious** and the citations states that abatement documentation is required, documents such as those described above are required to be submitted along with the abatement certificate. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item.

**All abatement verification documents must contain the following information:** 1) Your name and address; 2) the inspection number (found on the front page); 3) the citation and citation item number(s) to which the submission relates; 4) a statement that the information is accurate; 5) the signature of the employer or employer's authorized representative; 6) the date the hazard was corrected; 7) a brief statement of how the hazard was corrected; and 8) a statement that affected employees and their representatives have been informed of the abatement.

The law also requires a copy of all abatement verification documents, required by 29 CFR 1903.19 to be sent to OSHA, also be posted at the location where the violation appeared and the corrective action took place.

**Employer Discrimination Unlawful** - The law prohibits discrimination by an employer against an employee for filing a complaint or for exercising any rights under this Act. An employee who believes that he/she has been discriminated against may file a complaint no later than 30 days after the discrimination occurred with the U.S. Department of Labor Area Office at the address shown above.

**Employer Rights and Responsibilities** - The enclosed booklet (OSHA 3000) outlines additional employer rights and responsibilities and should be read in conjunction with this notification.

**Notice to Employees** - The law gives an employee or his/her representative the opportunity to object to any abatement date set for a violation if he/she believes the date to be unreasonable. The contest must be mailed to the U.S. Department of Labor Area Office at the address shown above and postmarked within 15 working days (excluding weekends and Federal holidays) of the receipt by the employer of this Citation and Notification of Penalty.

**Inspection Activity Data** - You should be aware that OSHA publishes information on its inspection and citation activity on the Internet under the provisions of the Electronic Freedom of Information Act. The information related to your inspection will be available 30 calendar days after the Citation Issuance Date. You are encouraged to review the information concerning your establishment at [WWW.OSHA.GOV](http://WWW.OSHA.GOV). If you have any dispute with the accuracy of the information displayed, please contact this office.

**CERTIFICATION OF CORRECTIVE ACTION**

Robert J. Bonack, Area Director  
U.S. Department of Labor - OSHA  
315 W. Allegan Street, Room 207  
Lansing, MI 48933

From: \_\_\_\_\_  
Company Name

\_\_\_\_\_  
Company Address

\_\_\_\_\_  
City, State, Zip Code

29 CFR 1903.19 required employers, within 10 days of the abatement date, to certify to OSHA each cited items has been corrected; except those items that were verified abated by the Compliance Officer. The employer must submit to the Area Director Documentation demonstrating that each willful and repeat violation and each serious violation identified "Documentation Required" on the Citation has been abated. Your certification must explain the specific action taken with regard to each cited item. This form was prepared to serve as reminder and to aid you in submitting the required information. Brief terms such as "corrected" or "in compliance" are not acceptable. Documents needed to assure that corrective action has been taken include; photographs, videos, work orders, purchase orders, specifications (dimensions, materials, etc.) personal protective equipment, standard operating procedures, copies of any written programs, engineering controls, noise or atmospheric monitoring data or similar descriptions of what has been done. Since all citations are subject to follow-up action.

Citation #	Item #	Instance	Abatement Date and Action Taken
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

I attest that the information contained in this document is accurate.

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Typed or printed name)

\_\_\_\_\_  
(Date)



## NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 01/06/2012. The conference will be held at the OSHA office located at 315 W. Allegan Street, Room 207, Lansing, MI, 48933-1514 on \_\_\_\_\_ at \_\_\_\_\_.

Employees and/or representatives of employees have a right to attend an informal conference.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
07/13/2011

**Inspection Number:** 301604260  
**Inspection Dates:** 07/12/2011 -  
**Issuance Date:** 01/06/2012



## **Citation and Notification of Penalty**

**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829

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### **Citation 1 Item 1 Type of Violation: **Serious****

29 CFR 1915.7(d)(2): The employer did not ensure that the records were posted in the immediate vicinity of the affected operations while work in confined spaces was in progress:

On or about July 12, 2011, at Basic Marine Inc. 440 N. 10th Street, Escanaba, MI, employees were working in confined and enclosed spaces where the potential for hazardous atmospheres existed on the barge MEMPHIS, and the employer did not ensure confined and enclosed space testing results were posted in the immediate vicinity.

\*\*\* Abatement documentation is required for this item in accordance with the requirements of 29 CFR 1903.19(d). \*\*\*

Date By Which Violation Must be Abated:	01/16/2012
Proposed Penalty:	\$ 3850.00

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See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
07/13/2011

**Inspection Number:** 301604260  
**Inspection Dates:** 07/12/2011 -  
**Issuance Date:** 01/06/2012



## **Citation and Notification of Penalty**

**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829

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### **Citation 1 Item 2 Type of Violation: **Serious****

29 CFR 1915.12(e)(1)(iii): Shipyard rescue teams did not practice their skills at least once every 12 months:

On or about July 12, 2011 at Basic Marine, Inc. 440 N. 10th Street, Escanaba, MI, in building 2, employees were working in confined and enclosed spaces where the potential for hazardous atmospheres existed on the barge MEMPHIS, and the employer had not ensured that the established shipyard rescue team practiced rescue skills at least every 12 months.

\*\*\* Abatement documentation is required for this item in accordance with the requirements of 29 CFR 1903.19(d). \*\*\*

Date By Which Violation Must be Abated:	02/06/2012
Proposed Penalty:	\$ 3850.00

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See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
07/13/2011

**Inspection Number:** 301604260  
**Inspection Dates:** 07/12/2011 -  
**Issuance Date:** 01/06/2012



## **Citation and Notification of Penalty**

**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829

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The alleged violations below have been grouped because they involve similar or related hazards that may increase the potential for illness.

### **Citation 1 Item 3a Type of Violation: **Serious****

29 CFR 1915.15(e): After a competent person conducted a visual inspection and tests and determined a space to be safe for an employee to enter, he or she did not continue to test and visually inspect spaces as often as necessary to ensure that the required atmospheric conditions within the tested space were maintained:

On or about July 12, 2011, at Basic Marine, Inc. 440 N. 10th Street, Escanaba, MI, in Building 2, employees were painting in the port and starboard spud well cofferdams within the barge MEMPHIS, and the employer failed to ensure that the competent person performed tests to ensure that safe atmospheric conditions were maintained. Additional tests for toxic chemicals (components of Amercoat 240 Off White Resin and Amercoat 240 Cure), oxygen, and LEL were not conducted.

\*\*\* Abatement documentation is required for this item in accordance with the requirements of 29 CFR 1903.19(d). \*\*\*

Date By Which Violation Must be Abated:	02/06/2012
Proposed Penalty:	\$ 3850.00

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See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
07/13/2011

**Inspection Number:** 301604260  
**Inspection Dates:** 07/12/2011 -  
**Issuance Date:** 01/06/2012



## **Citation and Notification of Penalty**

**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829

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### **Citation 1 Item 3b Type of Violation: **Serious****

29 CFR 1910.134(d)(1)(iii): The employer did not identify and evaluate the respiratory hazard(s) in the workplace; including a reasonable estimate of employee exposures to respiratory hazards and identification of the contaminant's chemical state and physical form. 29 CFR 1910.134 is applicable to shipyard employment by 29 CFR 1915.154 that incorporates the General Industry requirement.

On or about July 12, 2011, at Basic Marine, Inc. 440 N. 10th Street, Escanaba, MI, in Building 2, employees were wearing respirators while spray painting and striping in enclosed and confined spaces in the barge MEMPHIS, and the employer had not reasonably estimated employee exposure to respiratory hazards including Amercoat 240 Off White Resin and Amercoat 240 Cure.

\*\*\* Abatement documentation is required for this item in accordance with the requirements of 29 CFR 1903.19(d). \*\*\*

**Date By Which Violation Must be Abated:** 02/06/2012

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See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
07/13/2011

**Inspection Number:** 301604260  
**Inspection Dates:** 07/12/2011 -  
**Issuance Date:** 01/06/2012



**Citation and Notification of Penalty**

**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829

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**Citation 1 Item 4 Type of Violation: **Serious****

29 CFR 1915.35(a)(1)(i): Employees were not protected by air line respirators in accordance with requirements of 29 CFR 1915 Subpart I when continuously exposed to spraying of paints mixed with toxic vehicles or solvents in confined spaces:

On or about July 12, 2011, at Basic Marine Inc. 440 N. 10th Street, Escanaba, MI, in Building 2, an employee was spraying paint mixed with toxic vehicles or solvents, including but not limited to Amercoat 240 off white and Amercoat 240 cure while utilizing air purifying respirators in confined spaces (port spud well cofferdams) within the barge MEMPHIS. The employer did not ensure that employees were protected by air line respirators.

\*\*\* Abatement documentation is required for this item in accordance with the requirements of 29 CFR 1903.19(d). \*\*\*

Date By Which Violation Must be Abated:	01/23/2012
Proposed Penalty:	\$ 3850.00

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See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
07/13/2011

**Inspection Number:** 301604260  
**Inspection Dates:** 07/12/2011 -  
**Issuance Date:** 01/06/2012



## **Citation and Notification of Penalty**

**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829

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### **Citation 2 Item 1 Type of Violation: Repeat**

29 CFR 1910.134(f)(2): Employee(s) using tight-fitting facepiece respirators were not fit tested at least annually after receiving an initial fit test. 29 CFR 1910.134 is applicable to shipyard employment by 29 CFR 1915.154 that incorporates the General Industry requirement.

On or about July 12, 2011, at Basic Marine, Inc. 440 N. 10th Street, Escanaba, MI, in Building 2, an employee was wearing a half face air purifying respirator while painting in confined and enclosed spaces on the barge, MEMPHIS, and the employer did not ensure that a fit test had been completed at least annually.

Basic Marine, Inc. was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1910.134(f)(2), which was contained in OSHA inspection # 301603452, Citation Number 02, Item 001 and was affirmed as a Final Order on February 23, 2009 with respect to a workplace located at 440 North 10th Street in Escanaba, Michigan.

\*\*\* Abatement documentation is required for this item in accordance with the requirements of 29 CFR 1903.19(d). \*\*\*

**Date By Which Violation Must be Abated:** 02/06/2012  
**Proposed Penalty:** \$ 6160.00

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See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
07/13/2011

**Inspection Number:** 301604260  
**Inspection Dates:** 07/12/2011 -  
**Issuance Date:** 01/06/2012



## **Citation and Notification of Penalty**

**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829

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### **Citation 2 Item 2 Type of Violation: Repeat**

29 CFR 1910.1200(e)(1): The employer did not develop, implement, and/or maintain at the workplace, a written hazard communication program which describes how the criteria specified in 29 CFR 1910.1200(f), (g), and (h) will be met. 29 CFR 1910.1200 is applicable to shipyard employment by 29 CFR 1915.1200 that incorporates the General Industry requirement.

On or about July 12, 2011, at Basic Marine, Inc. 440 N. 10th Street, Escanaba, MI, in Building 2, employees were exposed to hazardous chemicals including, but not limited to, xylene, Amercoat 240 Off White Resin, and Amercoat 240 Cure, and a written hazard communication program had not been developed or implemented.

Basic Marine, Inc. was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1910.1200(e)(1), which was contained in OSHA inspection # 301603452, Citation Number 03, Item 001a and was affirmed as a Final Order on February 23, 2009, with respect to a workplace located at 440 North 10th Street in Escanaba, Michigan.

\*\*\* Abatement documentation is required for this item in accordance with the requirements of 29 CFR 1903.19(d). \*\*\*

Date By Which Violation Must be Abated:	01/23/2012
Proposed Penalty:	\$ 6160.00

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See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
07/13/2011

**Inspection Number:** 301604260  
**Inspection Dates:** 07/12/2011 -  
**Issuance Date:** 01/06/2012



## **Citation and Notification of Penalty**

**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829

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### **Citation 2 Item 3 Type of Violation: Repeat**

29 CFR 1910.1200(h)(1): Employees were not provided effective information and training as specified in 29 CFR 1910.1200(h)(2) and (3) on hazardous chemicals in their work area at the time of their initial assignment and whenever a new hazard was introduced into their work area. 29 CFR 1910.1200 is applicable to shipyard employment by 29 CFR 1915.1200 that incorporates the General Industry requirement.

On or about July 12, 2011, at Basic Marine Inc. 440 N. 10th Street, Escanaba, MI, in Building 2, employees were exposed to hazardous chemicals including, but not limited to, xylene, Amercoat 240 Off White Resin, and Amercoat 240 Cure, and there was inadequate information and training provided on hazardous chemicals in their work area.

Basic Marine, Inc. was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1910.1200(h)(1), which was contained in OSHA inspection # 301603452, Citation Number 03, Item 001b and was affirmed as a Final Order on February 23, 2009, with respect to a workplace located at 440 North 10th Street in Escanaba, Michigan.

\*\*\* Abatement documentation is required for this item in accordance with the requirements of 29 CFR 1903.19(d). \*\*\*

Date By Which Violation Must be Abated:	02/06/2012
Proposed Penalty:	\$ 6160.00

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See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
07/13/2011

**Inspection Number:** 301604260  
**Inspection Dates:** 07/12/2011 -  
**Issuance Date:** 01/06/2012



## **Citation and Notification of Penalty**

**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829

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### **Citation 2 Item 4 Type of Violation: **Repeat****

29 CFR 1915.12(d)(2)(ii): The employer did not ensure that each employee who entered a confined space, enclosed space, or other areas with dangerous atmospheres, was trained to anticipate and be aware of the hazards that may have been faced during entry:

On or about July 12, 2011, at Basic Marine, Inc. 440 N. 10th Street, Escanaba, MI, in Building 2, employees were working in confined and enclosed spaces within the barge MEMPHIS that had the potential for hazardous atmospheres due to painting activities. The employer did not ensure that employees performing tasks within confined and enclosed spaces, including, but not limited to spray painting, striping, welding, and cleaning were trained to anticipate and be aware of actual or potential hazards within the spaces.

Basic Marine, Inc. was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1915.12(d)(2)(ii), which was contained in OSHA inspection # 301603452, Citation Number 04, Item 001 and was affirmed as a Final Order on February 23, 2009, with respect to a workplace located at 440 North 10th Street in Escanaba, MI.

\*\*\* Abatement documentation is required for this item in accordance with the requirements of 29 CFR 1903.19(d). \*\*\*

Date By Which Violation Must be Abated:	02/06/2012
Proposed Penalty:	\$ 10780.00

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See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
07/13/2011

**Inspection Number:** 301604260  
**Inspection Dates:** 07/12/2011 -  
**Issuance Date:** 01/06/2012



### **Citation and Notification of Penalty**

**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829

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#### **Citation 3 Item 1 Type of Violation: Other**

29 CFR 1910.134(e)(7)(ii): Additional medical evaluations that complied with the requirements of this section were not provided when a PLHCP, supervisor, or the respirator program administrator informed the employer that an employee needed to be reevaluated. 29 CFR 1910.134 is applicable to shipyard employment by 29 CFR 1915.154 that incorporates the General Industry requirement.

On or about July 12, 2011, at Basic Marine, Inc. 440 N. 10th Street, Escanaba, MI, in Building 2, an employee was wearing a full face air purifying respirator while spray painting in confined spaces on the barge, Memphis, and the employer did not ensure that a medical reevaluation was completed when recommended by the primary licensed health care provider.

Date By Which Violation Must be Abated/Corrected During Inspection  
Proposed Penalty: \$ 0.00

A handwritten signature in black ink that reads "Robert J. Bonack". The signature is written in a cursive style and is positioned above a horizontal line.

Robert J. Bonack  
Area Director

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See pages 1 through 5 of this Citation and Notification of Penalty for information on employer and employee rights and responsibilities.

**U.S. Department of Labor**  
Occupational Safety and Health Administration  
315 W. Allegan Street  
Room 207  
Lansing, MI 48933-1514  
Phone: (517)487-4996 FAX: (517)487-4997



## INVOICE/ DEBT COLLECTION NOTICE

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**Company Name:** Basic Marine, Inc.  
**Inspection Site:** 440 N. 10th Street, Escanaba, MI 49829  
**Issuance Date:** 01/06/2012

**Summary of Penalties for Inspection Number 301604260**

<b>Citation 1, Serious</b>	= \$	<b>15400.00</b>
<b>Citation 2, Repeat</b>	= \$	<b>29260.00</b>
<b>Citation 3, Other</b>	= \$	<b>0.00</b>
<b>TOTAL PROPOSED PENALTIES</b>	= \$	<b>44660.00</b>

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To avoid additional charges, please remit payment promptly to this Area Office for the total amount of the uncontested penalties summarized above. Make your check or money order payable to: "DOL-OSHA". Please indicate OSHA's Inspection Number (indicated above) on the remittance.

OSHA does not agree to any restrictions or conditions put on any check or money order for less than the full amount due and will cash the check or money order as if these restrictions or conditions do not exist.

If a personal check is issued, it will be converted into an electronic fund transfer (EFT). This means that our bank will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will then usually occur within 24 hours and will be shown on your regular account statement. You will not receive your original check back. The bank will destroy your original check, but will keep a copy of it. If the EFT cannot be completed because of insufficient funds or closed account, the bank will attempt to make the transfer up to 2 times.

Pursuant to the Debt Collection Act of 1982 (Public Law 97-365) and regulations of the U.S. Department of Labor (29 CFR Part 20), the Occupational Safety and Health Administration is required to assess interest, delinquent charges, and administrative costs for the collection of delinquent penalty debts for violations of the Occupational Safety and Health Act.

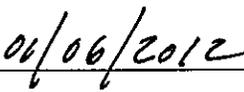
**Interest.** Interest charges will be assessed at an annual rate determined by the Secretary of the Treasury on all penalty debt amounts not paid within one month (30 calendar days) of the date on which the debt amount becomes due and payable (penalty due date). The current interest rate is 1%. Interest will accrue from the date on which the penalty amounts (as proposed or adjusted) become a final order of the Occupational Safety and Health Review Commission (that is, 15 working days from your receipt of the Citation and Notification of Penalty), unless you

file a notice of contest. Interest charges will be waived if the full amount owed is paid within 30 calendar days of the final order.

**Delinquent Charges.** A debt is considered delinquent if it has not been paid within one month (30 calendar days) of the penalty due date or if a satisfactory payment arrangement has not been made. If the debt remains delinquent for more than 90 calendar days, a delinquent charge of six percent (6%) per annum will be assessed accruing from the date that the debt became delinquent.

**Administrative Costs.** Agencies of the Department of Labor are required to assess additional charges for the recovery of delinquent debts. These additional charges are administrative costs incurred by the Agency in its attempt to collect an unpaid debt. Administrative costs will be assessed for second and subsequent demand letters sent in an attempt to collect the unpaid debt. Costs will not be assessed for first demand letters and payment default letters.

  
\_\_\_\_\_  
Robert J. Bonack  
Area Director

  
\_\_\_\_\_  
Date