

## U.S. Department of Labor

Occupational Safety and Health Administration  
444 Regency Parkway Drive  
Suite 303  
Omaha, NE 68114  
Phone: 402-553-0171 Fax: 402-551-1288



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## Citation and Notification of Penalty

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**To:**

Watco Investments, LLC, dba Watco Companies Inc.  
and its successors, including GBW Railcar Service,  
LLC

13810 L St.  
Omaha, NE 68137

**Inspection Site:**

13810 L St.  
Omaha, NE 68137

**Inspection Number:** 965350**Inspection Date(s):** 03/27/2014 - 03/28/2014**Issuance Date:** 09/17/2014

*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 either call to schedule an informal conference (see paragraph below) or 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.

**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 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. You can also make your payment electronically on [www.pay.gov](http://www.pay.gov). On the left side of the pay.gov homepage, you will see an option to Search Public Forms. Type “OSHA” and click Go. From the results, click on **OSHA Penalty Payment Form**. The direct link is:

<https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334>.

You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$50,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

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

**Notification of Corrective Action** – For each violation which you do not contest, you must provide *abatement certification* to the Area Director of the OSHA office issuing the citation and identified above. This abatement certification is to be provided by letter within 10 calendar days after each abatement date. Abatement certification includes the date and method of abatement. If the citation indicates that the violation was corrected during the inspection, no abatement certification is required for that item. The abatement certification letter must be posted at the location where the violation appeared and the corrective action took place or employees must otherwise be effectively informed about abatement activities. A sample abatement certification letter is enclosed with this Citation. In addition, where the citation indicates that *abatement documentation* is necessary, evidence of the purchase or repair of equipment, photographs or video, receipts, training records, etc., verifying that abatement has occurred is required to be provided to the Area Director.

**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 these alleged violations will be posted when our system indicates that you have received this citation. 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.



## NOTICE TO EMPLOYEES OF INFORMAL CONFERENCE

An informal conference has been scheduled with OSHA to discuss the citation(s) issued on 09/17/2014. The conference will be held by telephone or at the OSHA office located at 444 Regency Parkway Drive, Suite 303, Omaha, NE 68114 on \_\_\_\_\_ at

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

**CERTIFICATION OF CORRECTIVE ACTION WORKSHEET**

**Inspection Number: 965350**

Company Name: Watco Investments, LLC, dba Watco Companies Inc. and its successors, including GBW  
Railcar Service, LLC  
Inspection Site: 13810 L St., Omaha, NE 68137  
Issuance Date: 09/17/2014

List the specific method of correction for each item on this citation in this package that does not read "Corrected During Inspection" and return to: **U.S. Department of Labor – Occupational Safety and Health Administration, 444 Regency Parkway Drive, Suite 303, Omaha, NE 68114**

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

Citation Number \_\_\_\_\_ and Item Number \_\_\_\_\_ was corrected on \_\_\_\_\_  
By (Method of Abatement): \_\_\_\_\_

I certify that the information contained in this document is accurate and that the affected employees and their representatives have been informed of the abatement.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Email

**NOTE: 29 USC 666(g)** whoever knowingly makes any false statements, representation or certification in any application, record, plan or other documents filed or required to be maintained pursuant to the Act shall, upon conviction, be punished by a fine of not more than \$10,000 or by imprisonment of not more than 6 months or both.

**POSTING:** A copy of completed Corrective Action Worksheet should be posted for employee review



### Citation and Notification of Penalty

**Company Name:** Watco Investments, LLC, dba Watco Companies Inc. and its successors, including GBW Railcar Service, LLC

**Inspection Site:** 13810 L St., Omaha, NE 68137

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Citation 1 Item 1 Type of Violation: **Serious**  
29 CFR 1910.95(b)(1):

When employees were subjected to sound exceeding those listed in Table G-16, feasible administrative or engineering controls were not utilized:

The employer is failing to adequately protect employees from noise hazards. This was most recently documented in the hopper car repair area where employees are exposed to an 8 hour time-weighted average noise level of 102.3 A-weighted decibels (dBA), or equivalent allowable dose of 551.6%, while performing welding repairs on the hopper cars, and the employer did not provide for administrative and/or engineering controls prior to the use of and reliance on personal protective equipment.

Abatement steps are as follows:

Step 1 - As an interim protective measures and when administrative or engineering controls fail to reduce sound levels within the level of table G-16, effective hearing protection shall continue to be provided and used by all exposed employees, In addition, an effecting hearing conservation program shall continue to be maintained.

Step2 - A WRITTEN DETAILED PLAN OF ABATEMENT SHALL BE SUBMITTED TO THE AREA DIRECTOR OUTLINING A SCHEDUL FOR THE IMPLEMENTATION OF ENGINEERING AND/OR ADMINSTRATIVE MEASURES TO CONTROL EMPLOYEE EXPOSURE TO NOISE AS REFRENCED IN THIS CITATION. THIS PLAN SHALL INCLUDE, AT A MINIIMUM, TARGET DATES FOR THE FOLLOWING ACTIONS WHICH MUST BE CONSISTENT WITH THE DATES REQUIRED BY THIS CITATION:

- (1) EVALUATION OF ENGINEERING CONTROL OPTIONS;
- (2) SELECTION OF OPTIMUM CONTROL METHOD AND COMPLETION
- (3) PROCUREMENT, INSTALLATION AND OPERATION OF SELECTED CONTROL MEASURES;

See pages 1 through 4 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

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**(4) TESTING AND ACCEPTANCE OR MODIFICATION/REDESIGN OF CONTROL.**

ALL PROPOSED CONTROL MEASURES SHALL BE EVALUATED FOR EACH PARTICULAR USE BY COMPETENT INDUSTRIAL HYGIENIST OR OTHER TECHNICALLY QUALIFIED PERSON. NINETY (90) DAY PROGRESS REPORTS ARE REQUIRED DURING THE ABATEMENT PERIOD.

NOTE: THE 90 DAY REQUIREMENT FOR SUBMISSION OF PROGRESS REPORT MAY BE SHORTENED OR LENGTHENED BY THE AREA DIRECTOR DEPENDING ON THE SPECIFIC CIRCUMSTANCES.

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated:

02/03/2015

Proposed Penalty:

\$7000.00

**U.S. Department of Labor**  
Occupational Safety and Health Administration

**Inspection Number:** 965350  
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**Issuance Date:** 09/17/2014



**Citation and Notification of Penalty**

**Company Name:** Watco Investments, LLC, dba Watco Companies Inc. and its successors, including GBW Railcar Service, LLC

**Inspection Site:** 13810 L St., Omaha, NE 68137

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

29 CFR 1910.146(c)(5)(ii)(C):

Before an employee entered a space, the internal atmosphere was not tested with a calibrated direct-reading instrument for oxygen, flammable gases and vapors and potential toxic air contaminants:

In the hopper car maintenance repair area the employer is failing to test the atmosphere of the compartment(s) within the Hopper rail car prior to employees entering the space.

Abatement certification and abatement documentation is required for this violation. The documentation should include written verification of abatement, applicable measurements or monitoring results, and photograph or videos which you believe will be helpful. The abatement certification sheet is enclosed with citation

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated:

11/04/2014

Proposed Penalty:

\$7000.00

See pages 1 through 4 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

**Inspection Number:** 965350  
**Inspection Date(s):** 03/27/2014 - 03/28/2014  
**Issuance Date:** 09/17/2014



**Citation and Notification of Penalty**

**Company Name:** Watco Investments, LLC, dba Watco Companies Inc. and its successors, including GBW Railcar Service, LLC

**Inspection Site:** 13810 L St., Omaha, NE 68137

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

29 CFR 1910.305(g)(2)(iii):

Flexible cords were not connected to devices and fittings so that tension would not be transmitted to joints or terminal screws:

In the railcar repair bay (repair 1) the employer is failing to ensure that employees are not using extension cords that are damaged. Specifically an extension cord that was plugged into an Ideal Arc DC600 welder being used to power a drop light was damaged in that the outer insulation of the cord was pulled away from the plug allowing for tension to be placed on the joints or terminal screws within the plug.

Abatement certification is required for this violation. The abatement certification sheet is enclosed with the citations.

Date By Which Violation Must be Abated:

10/14/2014

Proposed Penalty:

\$4400.00

See pages 1 through 4 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

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**Citation and Notification of Penalty**

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**Inspection Site:** 13810 L St., Omaha, NE 68137

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

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

29 CFR 1910.146(d)(1):

Under the permit-required confined space program required by 29 CFR 1910.146(c)(4), the employer did not implement the measures necessary to prevent unauthorized entry:

The employer is failing to ensure that measures necessary to prevent unauthorized entry are implemented. Employees are entering the hopper railcars from the top with bottom gates open to perform welding repairs and being exposed to entrapment hazards.

The Watco Mechanical Services was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1910.146(d)(1), which was contained in OSHA inspection number 587438, citation number 1, item number 5, and was affirmed as a final order on December 16, 2013, with respect to a workplace located at 17000 Premium Dr. Hockley, TX 77447.

Abatement certification and abatement documentation is required for this violation. The documentation should include written verification of abatement, applicable measurements or monitoring results, and photograph or videos which you believe will be helpful. The abatement certification sheet is enclosed with citation

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated:

11/04/2014

Proposed Penalty:

\$38500.00

See pages 1 through 4 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

**Inspection Number:** 965350  
**Inspection Date(s):** 03/27/2014 - 03/28/2014  
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**Inspection Site:** 13810 L St., Omaha, NE 68137

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

29 CFR 1910.146(d)(2):

Under the permit-required confined space program required by 29 CFR 1910.146(c)(4), the employer did not identify and evaluate the hazards of permit spaces before employees entered:

In the railcar maintenance bay the employer is failing to ensure the hazards of entrapment on the inside of the metal railcars are identified and evaluated before employees enter. Employees are entering the hopper cars from the top and making repairs without evaluating the space.

The Watco Mechanical Services was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1910.146(d)(2), which was contained in OSHA inspection number 587438, citation number 1, item number 6, and was affirmed as a final order on December 16, 2013, with respect to a workplace located at 17000 Premium Dr. Hockley, TX 77447.

Abatement certification and abatement documentation is required for this violation. The documentation should include written verification of abatement, applicable measurements or monitoring results, and photograph or videos which you believe will be helpful. The abatement certification sheet is enclosed with citation

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated:

11/04/2014

See pages 1 through 4 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

**Inspection Number:** 965350  
**Inspection Date(s):** 03/27/2014 - 03/28/2014  
**Issuance Date:** 09/17/2014



**Citation and Notification of Penalty**

**Company Name:** Watco Investments, LLC, dba Watco Companies Inc. and its successors, including GBW Railcar Service, LLC

**Inspection Site:** 13810 L St., Omaha, NE 68137

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

29 CFR 1910.146(d)(3):

Under the permit-required confined space program required by 29 CFR 1910.146(c)(4), the employer did not develop and implement the means, procedures, and practices necessary for safe permit space entry operations:

In the railcar repair bay the employer is failing to ensure that the confined space program ensures that the means, procedures and practices necessary for safe permit entry operations are implemented, such as but not limited to completing a permit and testing the atmosphere prior to entry. Employees are entering the hopper railcars to perform welding repairs and being exposed to entrapment hazards, without implementing appropriate entry procedures.

The Watco Mechanical Services was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1910.146(d)(3), which was contained in OSHA inspection number 587438, citation number 1, item number 7, and was affirmed as a final order on December 16, 2013, with respect to a workplace located at 17000 Premium Dr. Hockley, TX 77447.

Abatement certification and abatement documentation is required for this violation. The documentation should include written verification of abatement, applicable measurements or monitoring results, and photograph or videos which you believe will be helpful. The abatement certification sheet is enclosed with citation

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated:

11/04/2014

See pages 1 through 4 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

**Inspection Number:** 965350  
**Inspection Date(s):** 03/27/2014 - 03/28/2014  
**Issuance Date:** 09/17/2014



**Citation and Notification of Penalty**

**Company Name:** Watco Investments, LLC, dba Watco Companies Inc. and its successors, including GBW Railcar Service, LLC

**Inspection Site:** 13810 L St., Omaha, NE 68137

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

29 CFR 1910.146(d)(4)(iii):

Under the permit-required confined space program required by 29 CFR 1910.146(c)(4), the employer did not ensure that employees used the communications equipment properly:

In the Railcar repair bay the employer is failing to ensure that employees working inside of hopper cars are provided with effective communication devices.

The Watco Mechanical Services was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1910.146(d)(4)(iii), which was contained in OSHA inspection number 587438, citation number 1, item number 8, and was affirmed as a final order on December 16, 2013, with respect to a workplace located at 17000 Premium Dr. Hockley, TX 77447.

Abatement certification and abatement documentation is required for this violation. The documentation should include written verification of abatement, applicable measurements or monitoring results, and photograph or videos which you believe will be helpful. The abatement certification sheet is enclosed with citation

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated:	10/14/2014
Proposed Penalty:	\$38500.00

See pages 1 through 4 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

Inspection Number: 965350  
Inspection Date(s): 03/27/2014 - 03/28/2014  
Issuance Date: 09/17/2014



**Citation and Notification of Penalty**

**Company Name:** Watco Investments, LLC, dba Watco Companies Inc. and its successors, including GBW Railcar Service, LLC

**Inspection Site:** 13810 L St., Omaha, NE 68137

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

29 CFR 1910.146(h)(1):

The employer did not ensure that all authorized entrants knew the hazards that could be faced during entry, including information on the mode, sign or symptoms, and consequences of the exposure:

In the railcar repair bay the employer is failing to ensure that the employees entering the hopper cars know the hazards that could be present during welding cutting and grinding of the hopper cars.

The Watco Mechanical Services was previously cited for a violation of this occupational safety and health standard or its equivalent standard 29 CFR 1910.146(h)(1), which was contained in OSHA inspection number 587438, citation number 1, item number 11, and was affirmed as a final order on December 16, 2013, with respect to a workplace located at 17000 Premium Dr. Hockley, TX 77447.

Abatement certification and abatement documentation is required for this violation. The documentation should include written verification of abatement, applicable measurements or monitoring results, and photograph or videos which you believe will be helpful. The abatement certification sheet is enclosed with citation

**ABATEMENT DOCUMENTATION REQUIRED FOR THIS ITEM**

Date By Which Violation Must be Abated:

11/04/2014

Proposed Penalty:

\$38500.00

A handwritten signature in cursive script that reads "Bonita Winingham".

**Bonita Winingham**  
Area Director

See pages 1 through 4 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  
444 Regency Parkway Drive  
Suite 303  
Omaha, NE 68114  
Phone: 402-553-0171 Fax: 402-551-1288



## INVOICE / DEBT COLLECTION NOTICE

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**Company Name:** Watco Investments, LLC, dba Watco Companies Inc. and its successors, including GBW Railcar Service, LLC  
**Inspection Site:** 13810 L St., Omaha, NE 68137  
**Issuance Date:** 09/17/2014

<b>Summary of Penalties for Inspection Number</b>	<b>965350</b>
<b>Citation 1, Serious</b>	<b>\$18400.00</b>
<b>Citation 2, Repeat</b>	<b>\$115500.00</b>
<b>TOTAL PROPOSED PENALTIES</b>	<b>\$133900.00</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. You can also make your payment electronically on [www.pay.gov](http://www.pay.gov). On the left side of the pay.gov homepage, you will see an option to Search Public Forms. Type "OSHA" and click Go. From the results, click on **OSHA Penalty Payment Form**. The direct link is <https://www.pay.gov/paygov/forms/formInstance.html?agencyFormId=53090334>. You will be required to enter your inspection number when making the payment. Payments can be made by credit card or Automated Clearing House (ACH) using your banking information. Payments of \$50,000 or more require a Transaction ID, and also must be paid using ACH. If you require a Transaction ID, please contact the OSHA Debt Collection Team at (202) 693-2170.

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

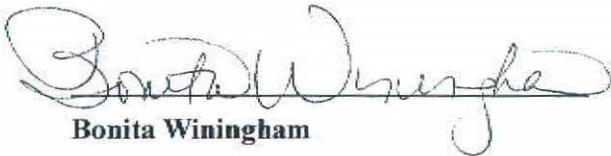
If a personal check is issued, it will be converted into an electronic fund transfer (EFT). This means that our bank will copy your check and use the account information on it to electronically debit your account for the amount of the check. The debit from your account will then usually occur within 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 one percent (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 demand letters sent in an attempt to collect the unpaid debt.



**Bonita Winingham**

Area Director

9/17/2014  
Date