William Dickson Co.

SAFETY AND HEALTH

"Serious" violation

In determining whether a serious violation has occurred, the focus need not be on only a condition in the workplace, rather, focus may be on whether there is a substantial probability that harm could result from a practice, method or process in use in the workplace.In re William Dickson Co., BIIA Dec., 99 W0381 (2001) [Editor's Note: The Board's decision was appealed to superior court under King County Cause No. 02-2-00501-2SEA (EMP), 02-2-03240-1SEA (DEPT). See also Lee Cook Trucking & Logging v. Dep't of Labor & Indus., 109 Wn. App. 471 (2001).]

Scroll down for order.

BEFORE THE BOARD OF INDUSTRIAL INSURANCE APPEALS STATE OF WASHINGTON

IN RE:	WILLIAM DICKSON COMPANY)	DOCKET NO. 99 W0381
CITATIC	N & NOTICE NO 302198627)	CORRECTED ¹ DECISION AND ORDER

APPEARANCES:

Employer, William Dickson Company, by Goodstein Law Group, per Ralph U. Klose

Employees of William Dickson Company, by Laborers Local #252, per None

Department of Labor and Industries, by The Office of the Attorney General, per James M. Hawk, Assistant

The employer, William Dickson Company, filed an appeal with the Safety Division of the Department of Labor and Industries on September 14, 1999, from Citation and Notice No. 302198627 dated August 20, 1999. The Department received the appeal on September 14, 1999, and forwarded it to the Board of Industrial Insurance Appeals as a direct appeal on September 30, 1999. The Citation and Notice alleged, as Citation 1 Item 1, that the employer committed a willful violation of WAC 296-62-07712(2)(c), when it failed to ensure that asbestos-containing material (ACM) was handled or removed in a wet, saturated state; as Citation 1 Item 2a, that the employer committed a willful violation of WAC 296-62-07712(5)(c), when it failed to ensure that clearance air monitoring was conducted at the completion of asbestos removal; as Citation 1 Item 2b, that the employer committed a willful violation of WAC 296-62-07709(3)(f), when it failed to ensure that pre-abatement air monitoring was conducted prior to the commencement of asbestos removal; as Citation 2 Item 1, that the employer committed a serious violation of WAC 296-62-07715(1)(g)(i), when it failed to ensure that respiratory protection was worn by employees when removing asbestos debris from the attic; as Citation 2 Item 2, that the employer committed a serious violation of WAC 296-62-07712(6)(b)(i), when it failed to ensure that critical barriers were placed over all openings to the regulated area, alleging that critical barriers were not established and maintained for attic and crawl space asbestos removal; as Citation 2 Item 3, that

¹ Corrects order dated December 11, 2001. Pursuant to CR 60(a), we issue this corrected order to correct Conclusions of Law Nos. 4 through 13. The corrections in these conclusions appear bolded in this corrected order.

the employer committed a serious violation of WAC 296-62-07712(5)(a), when it failed to ensure that all surfaces in and around the removal work area were cleared of any asbestos debris; as Citation 2 Item 4, that the employer committed a serious violation of WAC 296-62-07712(7)(b)(ii)(B), when it failed to ensure that all glove bags used for asbestos removal were smoke tested prior to use; as Citation 2 Item 5, that the employer committed a serious violation of WAC 296-62-07717(1)(a), when it failed to ensure that all employees performing Class I asbestos removal wear full body protective clothing; as Citation 2 Item 6, that the employer committed a serious violation of WAC 296-62-07719(3)(a)(i), when it failed to ensure that a decontamination area, consisting of an equipment room, shower, and clean room, was established adjacent and connected to the attic and crawl space removal areas; as Citation 2 Item 7, that the employer committed a serious violation of WAC 296-62-07723(7), when it failed to ensure that a two chamber waste load out was established adjacent to the boiler room negative pressure enclosure; as Citation 3 Item 1, that the employer committed a general violation of WAC 296-62-07712(7)(b)(ii)(I), when it failed to ensure that Class I glove bag work was conducted by at least two persons; and as Citation 3 Item 2, that the employer committed a general violation of WAC 296-62-07712(7)(a)(i)(D). when it failed to ensure that the boiler room enclosure was kept under negative pressure until all debris was removed and air clearance samples were obtained. AFFIRMED.

DECISION

Pursuant to RCW 51.52.104 and RCW 51.52.106, this matter is before the Board for review and decision on timely Petitions for Review filed by the employer and the Department of Labor and Industries to a Proposed Decision and Order issued on June 12, 2001, in which Citation and Notice No. 302198627 was affirmed as modified.

The Board has reviewed the evidentiary rulings as outlined in the Proposed Decision and Order, including those portions of the transcript that were removed from colloquy, and finds that no prejudicial error was committed. Similarly, the Renewed Request for Terms Based on Motion to Compel, as outlined in the Proposed Decision and Order, is affirmed.

The issue presented by this appeal is whether the Department of Labor and Industries correctly issued Citation and Notice No. 302198627 and assessed a penalty in the amount of \$40,500.

We have granted review for the limited purpose of addressing the penalty portion of Citation and Notice No. 302198627. In doing so, we affirm the penalties of \$40,500 as originally assessed by the Department of Labor and Industries. We will not repeat the summary of evidence as

presented by our industrial appeals judge in the Proposed Decision and Order dated June 12, 2001, except as may be necessary to explain our decision here.

We begin by making several observations. Years ago, our Legislature determined that industrial injuries and disease imposed a substantial burden on both employers and employees with respect to lost production, lost wages, payment of medical expenses, and payment of time loss compensation. The Legislature found that, as far as may reasonably be possible, it is in the public's interest to create, maintain, and continue safe and healthful working conditions for every man and woman working in the state of Washington. RCW 49.17.010. The Washington Administrative Code sections relating to safety standards for carcinogens were not written in the abstract. The fundamental reason for their promulgation was to protect workers from serious injury or death. *Walkenhauer & Associates, Inc.*, BIIA Dec., 91 W088 (1993). It follows that any language or safety standards enacted thereunder should be accorded an interpretation to further these purposes. *In re Jen Weld of Everett*, BIIA Dec., 88 W144 (1990).

Our Legislature recognized that certain materials are inherently dangerous. Asbestos was deemed to be sufficiently dangerous that it was singled out and declared a public health hazard by statute. "Air-borne asbestos dust and particles, such as those from sprayed asbestos slurry, asbestos-coated ventilating ducts, and certain other applications of asbestos are known to produce irreversible lung damage and bronchogenic carcinoma. One American of every four dying in urban areas of the United States has asbestos particles or dust in his lungs. The nature of this problem is such as to constitute a hazard to the public health and safety, and should be brought under appropriate regulation." RCW 49.26.010.

The Washington Legislature addressed the problem of asbestos with vigor, focusing in part on those businesses and contractors who have first-hand responsibility for its handling and removal. It begs understatement to observe that asbestos removal is to be performed safely and in accordance with the regulations and protocols established by statute and Washington Administrative Code sections. Monetary penalties are assessed for violation of the regulations. Significant consequences flow from the failure to heed the requirements found in RCW 49.26. "The certificate of any asbestos contractor who knowingly violates any provision of this chapter or any rule adopted under this chapter shall be revoked for a period of not less than six months." RCW 49.26.016(3).

In the matter before us, the record establishes that the William Dickson Company had removed air cell from the Best School in Kirkland as part of a demolition project. Air cell is an asbestos containing material that was used in past years to insulate pipes. The record further establishes that at the time of the inspection, air clearance monitoring had not been completed by the employer, making it impossible to know the concentration of airborne asbestos fibers to which workers were being exposed. Further, certain William Dickson Company employees were in the building without the benefit of respirators, protective clothing, or a decontamination shower area. By definition, as well as by admission of company employees, the work performed by the William Dickson Company was Class 1 asbestos work. Class 1 asbestos work means activities involving the removal of thermal system insulation or surfacing asbestos containing material (ACM)/presumed asbestos containing material(PACM). WAC 296-62-07703. Class 1 work is the most hazardous and requires the most care. In comparison, Class IV asbestos work means maintenance and custodial activities during which employees contact but do not disturb ACM or PACM, and activities to clean up dust, waste, and debris resulting from Class 1, II, and III activities.

Our review of the Washington Industrial Safety and Health Act, (WISHA), reveals that the Washington Legislature has consistently weighed-in on the side of caution with respect to worker exposure to airborne asbestos particles. Underlying this caution is the recognition that it is difficult, if not impossible, to accurately determine the level of airborne asbestos particles to which a worker is exposed at any given moment. Give that, our state mandates work practices that may, in some situations, exceed what is required to prevent actual inhalation of airborne asbestos fibers. Because asbestos is a known carcinogen and because the safe level of exposure is unknown, varying from individual to individual, the Legislature has crafted a system in which the Department of Labor and Industries is directed to focus on the methodology of prevention. It has determined that it is more effective to require protective measures based on the kind of operation undertaken, herein asbestos abatement, than it is to rely on suspected safe exposure levels.

We disagree with any suggestion that proof of a serious violation of WISHA regulations requires a showing of the actual extent of exposure to asbestos fibers together with medical testimony establishing a substantial probability that death or serious harm could result from such exposure. RCW 49.17.180(6) states, in pertinent part:

For the purposes of this section, a serious violation shall be deemed to exist in a work place if there is a substantial probability that death or serious physical harm could result from a condition which exists, or from one or more practices, means, methods, operations, or processes which have been adopted or which are in use in such workplace,

unless the employer did not, and could not with the exercise of reasonable diligence, know of the presence of the violation.

(Emphasis added.)

Although the above statute is not a model of clarity, juxtaposing the words "substantial probability" with "could result," it is apparent that the section must be read in its entirety. Doing so, it is apparent that if there is a substantial probability that serious physical harm could result from a condition, practice, method, operation, or process in use in the workplace, a serious violation shall be deemed to exist. To focus exclusively on a condition in the workplace, as was suggested by our industrial appeals judge, is to render meaningless the other portions of the section relating to practices, means, methods, operations, and/or processes. Clearly, the Legislature did not intend that result. If there is a substantial probability that harm could result from a practice, method, or process in use in the workplace, then a serious violation exists. RCW 49.17.180(6) is not limited to a condition in the workplace.

Airborne asbestos fibers present a sufficiently serious risk to worker health that it is imperative that employers follow known, preventive methodology with respect to asbestos abatement. That methodology is outlined in WAC 296-62-07712(2)(c), WAC 296-62-07712(5)(c), WAC 296-62-07709(3)(f), WAC 296-62-07715(1)(g)(i), WAC 296-62-07712(6)(b)(i), WAC 296-62-07712(5)(a), WAC 296-62-07712(7)(b)(ii)(B), WAC 296-62-07717(1)(a), WAC 296-62-07719(3)(a)(i), WAC 296-62-07723(7), WAC 296-62-07712(7)(b)(ii)(1), and WAC 296-62-07712(7)(a)(i)(D), among others. Considering the entirety of the record here, and in light of the above code sections, we are persuaded that the penalties assessed by the Department of Labor and Industries in the Citation and Notice are correct and should be affirmed.

After consideration of the Proposed Decision and Order and the Petitions for Review filed thereto, and a careful review of the entire record before us, we make the following:

FINDINGS OF FACT

1. On February 22, 1999, the Department of Labor and Industries issued Inspection Report No. 302198627 to William Dickson Company, regarding a job site located at 6500 112th Ave. N.E., Kirkland, Washington. On August 20, 1999, the Department issued Citation and Notice No. 302198627, alleging, as Citation 1 Item 1, that the employer committed a willful violation of WAC 296-62-07712(2)(c), with an abatement date of July 27, 1999, and a proposed penalty of \$15,000; as Citation 1 Item 2a, that the employer committed a willful violation of WAC 296-62-07712(5)(c), with an abatement date of July 27, 1999, which was grouped with Citation 1 Item 2b, alleged as a willful violation

of WAC 296-62-07709(3)(f), with an abatement date of July 27, 1999, and a proposed penalty for the grouped violations of \$15,000; as Citation 2 Item 1, that the employer committed a serious violation of WAC 296-62-07715(1)(g)(i), with an abatement date of July 27, 1999, and a proposed penalty of \$1,500; as Citation 2 Item 2, that the employer committed a serious violation of WAC 296-62-07712(6)(b)(i), with an abatement date of July 27, 1999, and a proposed penalty of \$1,500; as Citation 2 Item 3, that the employer committed a serious violation of WAC 296-62-07712(5)(a), with an abatement date of July 27, 1999, and a proposed penalty of \$1,500; as Citation 2 Item 4, that the employer committed a serious violation of WAC 296-62-07712(7)(b)(ii)(B), with an abatement date of July 27, 1999, and a proposed penalty of \$1,500; as Citation 2 Item 5, that the employer committed a serious violation of WAC 296-62-07717(1)(a), with an abatement date of July 27, 1999, and a proposed penalty of \$1,500; as Citation 2 Item 6, that the employer committed a serious violation of WAC 296-62-07719(3)(a)(i), with an abatement date of July 27, 1999, and a proposed penalty of \$1,500; as Citation 2 Item 7, emplover committed serious the а violation WAC 296-62-07723(7), with an abatement date of July 27, 1999, and a proposed penalty of \$1,500; as Citation 3 Item 1, that the employer committed a general violation of WAC 296-62-07712(7)(b)(ii)(I), with an abatement date of July 27, 1999, and no proposed penalty; and as Citation 3 Item 2, that the employer committed a general violation of WAC 296-62-07712(7)(a)(i)(D), with an abatement date of July 27, 1999, and no proposed penalty. On August 23, 1999, the employer received the Citation and Notice.

On September 14, 1999, the employer filed a Notice of Appeal of the Citation and Notice with the Safety Division of the Department. On September 30, 1999, the Department forwarded the Notice of Appeal to the Board of Industrial Insurance Appeals as a direct appeal. On September 30, 1999, the Board issued a Notice of Filing of Appeal pursuant to the provisions of the Washington Industrial Safety and Health Act, assigned the employer's appeal Docket No. 99 W0381, and directed that proceedings be held on the issues raised therein.

2. Beginning on February 15, 1999 and continuing through February 22, 1999, William Dickson Company employees were performing asbestos abatement work at a vacant building that had previously been the Best School, located at 6500 112th Ave. N.E., Kirkland, Washington. Asbestos-containing material was removed from areas of the building identified as the attic, lower crawl space, classrooms, and boiler room. Following removal of asbestos-containing material from the building, the building was to be demolished by William Dickson Company.

- 3. When friable (readily crumbled) asbestos is disturbed, fibers can become airborne, and one of the means to prevent asbestos from becoming airborne is to wet asbestos-containing material before disturbing it. The permissible exposure level to asbestos is .1 fibers per cubic centimeter of air, averaged over an 8-hour workday. Unprotected exposure to airborne asbestos over a substantial period of time can result in serious heath consequences, which include lung cancer, mesothelioma, and asbestosis.
- 4. Between February 15, 1999 and February 22, 1999, employees of William Dickson Company removed asbestos-containing material from the Best School site. While some water was applied to the asbestos-containing material prior to its removal, the material was not adequately wet prior to its removal.
- On February 17, 1999, asbestos abatement was completed in the lower crawl space. William Dickson Company did not conduct clearance air monitoring at the completion of asbestos abatement in the lower crawl space. On February 18, 1999, asbestos abatement was completed in the attic. William Dickson Company did not conduct air monitoring at the completion of asbestos abatement in the attic. Due to the fact that the building was to be demolished following completion of asbestos abatement, the job supervisor for William Dickson Company, Chris Sagnella, did not believe that clearance air monitoring was required.
- 6. William Dickson Company failed to conduct air monitoring prior to removing asbestos-containing material from the Best School site. Due to the fact that the building was to be demolished following completion of asbestos abatement, the job supervisor for William Dickson Company did not believe that pre-abatement air monitoring was required.
- 7. Certain William Dickson Company employees, specifically Mike Fay and Dennis Osterbuhr, failed to wear respiratory protection while performing asbestos removal at the Best School site.
- 8. During the removal of asbestos-containing material from the Best School site, William Dickson Company failed to establish critical barriers over all openings to regulated areas, specifically the attic and lower crawl space.
- 9. During the asbestos abatement work at the Best School site, William Dickson Company failed to ensure that all surfaces in and around the removal work area were cleared of any asbestos debris.
- 10. William Dickson Company failed to smoke test all glove bags used for asbestos removal at the Best School site.

- 11. During the asbestos abatement work at the Best School site, including, but not limited to, work performed on February 22, 1999, William Dickson Company did not require that all employees performing Class I asbestos removal wear full body protective clothing.
- 12. During the asbestos abatement work at the Best School site, William Dickson Company failed to ensure that a decontamination area, consisting of an equipment room, shower and clean room, was established adjacent and connected to the attic and crawl space removal areas.
- 13. During the asbestos abatement work at the Best School site, William Dickson Company failed to ensure that, at all necessary times, a two-chamber waste load out was established adjacent to the boiler room negative pressure enclosure.
- 14. During the asbestos abatement work at the Best School site, William Dickson Company failed to ensure that Class I glove bag work was conducted by at least two persons.
- 15. On February 22 and 24, 1999, William Dickson Company failed to ensure that the boiler room enclosure was kept under negative pressure until all debris was removed and air clearance samples were obtained.
- 16. Prior to and on February 22, 1999, William Dickson Company did not have clearly established work rules designed to prevent safety violations during the asbestos abatement job at the Best School site.
- 17. Prior to and on February 22, 1999, William Dickson Company did not adequately communicate safety rules and standards to Mr. Fay, Mr. Mensching, Mr. Osterbuhr, or Mr. Sagnella.
- 18. Prior to and on February 22, 1999, William Dickson Company failed to take adequate steps to discover violations of safety rules and, at all relevant times, had not effectively enforced the rules when violations were discovered, during the asbestos abatement job at the Best School site.
- 19. William Dickson Company did substitute its judgment for that of WAC 296-62-07712(2)(c) and WAC 296-62-07712(5)(c), which are Citation 1 Item 1 and Citation 1 Item 2a, and are found to have been violated. These violations are therefore willful, and a multiplier of 10 is therefore appropriate for Citation 1 Item 1 and Citation 1 item 2a.
- 20. With respect to WAC 296-62-07712(2)(c), the employer failed to ensure that asbestos-containing material was handled or removed in a wet, saturated state. The probability of death or serious harm was rated as a

3 on a 1 to 6 scale, with 6 being high. The severity of the hazard was rated very high (rated as a 6 on a 1 to 6 scale, with 6 being high), yielding a gravity rating of 18. The employer had a good history with respect to workplace safety. The violation was found to be willful and serious with no adjustment in the penalty for good faith. The company employed 27 workers. With adjustments for size and history, the adjusted base penalty is \$1,500. Willful violations require the base adjusted base penalty to be multiplied by a factor of 10, making the appropriate penalty for this violation \$15,000.

- 21. With respect to WAC 296-62-07712(5)((c), the employer failed to ensure that clearance air monitoring was conducted at the completion of asbestos removal. The probability of death or serious harm was rated at a 3 on a 1 to 6 scale, with 6 being high. The severity of the hazard was rated very high (rated as a 6 on a 1 to 6 scale with 6 being high), yielding a gravity rating of 18. The employer had a good history with respect to workplace safety. The violation was found to be willful and serious with no adjustments in the penalty for good faith. The company employed 27 workers. With adjustments for size and history, the adjusted base penalty is \$1,500. Willful violations require the base adjusted base penalty to be multiplied by a factor of 10, making the appropriate penalty for this violation \$15,000.
- 22. With respect to WAC 296-52-07709(3)(f), the employer failed to ensure that pre-abatement air monitoring was conducted prior to the commencement of asbestos removal. The probability of harm was 3. The severity of the hazard was rated at 6, yielding a gravity rating of 18. The employer's history with respect to workplace safety was good. Because willful violations were found, good faith was rated at zero. The company employed 27 workers. The appropriate penalty for this violation was \$1,500.
- 23. With respect to WAC 296-62-07715(1)(g)(i), the employer failed to ensure that respiratory protection was worn by employees when removing asbestos debris from the attic. The probability of harm was 3. The severity of the hazard was rated at 6, yielding a gravity rating of 18. The employer's history with respect to workplace safety was good. Because willful violations were found, good faith was rated at zero. The company employed 27 workers. The appropriate penalty for this violation was \$1,500.
- 24. With respect to WAC 296-62-07712(6)(b)(i), the employer failed to ensure that critical barriers were placed over all openings to the regulated area. Critical barriers were not established and maintained for the attic and crawl space removal. The probability of harm was 3. The severity of the hazard was rated at 6, yielding a gravity rating of 18. The employer's history with respect to workplace safety was good. Because willful violations were found, good faith was rated at zero. The company

- employed 27 workers. The appropriate penalty for this violation was \$1,500.
- 25. With respect to WAC 296-62-07712(5)(a), the employer failed to ensure that all surfaces in and around the removal work area was cleared of any asbestos debris. The probability of harm was 3. The severity of the hazard was rated at 6, yielding a gravity rating of 18. The employer's history with respect to workplace safety was good. Because willful violations were found, good faith was rated at zero. The company employed 27 workers. The appropriate penalty for this violation was \$1,500.
- 26. With respect to WAC 296-62-07712(7)(b)(ii)(B), the employer failed to ensure that all glove bags used for asbestos removal were smoke tested prior to use. The probability of harm was 3. The severity of the hazard was rated at 6, yielding a gravity rating of 18. The employer's history with respect to workplace safety was good. Because willful violations were found, good faith was rated at zero. The company employed 27 workers. The appropriate penalty for this violation was \$1,500.
- 27. With respect to WAC 296-62-07717(1)(a), the employer failed to ensure that all employees performing Class 1 asbestos removal wear full body protective clothing. The probability of harm was 3. The severity of the hazard was rated at 6, yielding a gravity rating of 18. The employer's history with respect to workplace safety was good. Because willful violations were found, good faith was rated at zero. The company employed 27 workers. The appropriate penalty for this violation was \$1,500.
- 28. With respect to WAC 296-62-07719(3)(a)(i), the employer failed to ensure that a contamination area, consisting of an equipment room, shower, and clean room, was established adjacent and connected to the attic and crawl space removal areas. The probability of harm was 3. The severity of the hazard was rated at 6, yielding a gravity rating of 18. The employer's history with respect to workplace safety was good. Because willful violations were found, good faith was rated at zero. The company employed 27 workers. The appropriate penalty for this violation was \$1,500.
- 29. With respect to WAC 296-62-07723(7), the employer failed to ensure that a two chamber waste load out was established adjacent to the boiler room negative pressure enclosure. The probability of harm was 3. The severity of the hazard was rated at 6, yielding a gravity rating of 18. The employer's history with respect to workplace safety was good. Because willful violations were found, good faith was rated at zero. The company employed 27 workers. The appropriate penalty for this violation was \$1,500.

- 30. With respect to WAC 296-62-07712(7)(b)(ii)(I), the employer failed to ensure that Class 1 glove bag work was conducted by at least two persons. This was found to be a general violation with no penalty assessed.
- 31. With respect to WAC 296-62-07712(7)(a)(i)(D), the employer failed to ensure that the boiler room was kept under negative pressure until all debris was removed and air clearance samples were obtained. This was found to be a general violation with no penalty assessed.

CONCLUSIONS OF LAW

- 1. The Board of Industrial Insurance Appeals has jurisdiction over the parties and the subject matter to this appeal.
- 2. On or about February 22, 1999, William Dickson Company committed a willful violation of WAC 296-62-07712(2)(c).
- 3. On or about February 22, 1999, William Dickson Company committed a willful violation of WAC 296-62-07712(5)(c).
- 4. On or about February 22, 1999, William Dickson Company committed a **serious** violation of WAC 296-62-07709(3)(f).
- 5. On or about February 22, 1999, William Dickson Company committed a **serious** violation of WAC 296-62-07715(1)(g)(i).
- 6. On or about February 22, 1999, William Dickson Company committed a **serious** violation of WAC 296-62-07712(6)(b)(i).
- 7. On or about February 22, 1999, William Dickson Company committed a **serious** violation of WAC 296-62-07712(5)(a).
- 8. On or about February 22, 1999, William Dickson Company committed a **serious** violation of WAC 296-62-07712(7)(b)(ii)(B).
- 9. On or about February 22, 1999, William Dickson Company committed a **serious** violation of WAC 296-62-07717(1)(a).
- 10. On or about February 22, 1999, William Dickson Company committed a **serious** violation of WAC 296-62-07719(3)(a)(i).
- 11. On or about February 22, 1999, William Dickson Company committed a **serious** violation of WAC 296-62-07723(7).
- 12. On or about February 22, 1999, William Dickson Company committed a **general** violation of WAC 296-62-07712(7)(b)(ii)(I).

- 13. On or about February 22, 1999, William Dickson Company committed a **general** violation of WAC 296-62-07712(7)(a)(i)(D).
- 14. Citation and Notice No. 302198627, dated August 20, 1999, and assessing total penalties of \$40,500 is correct and is affirmed.

It is so ORDERED.

Dated this 18th day of December, 2001.

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/s/	
THOMAS E. EGAN	Chairperson
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FRANK E. FENNERTY, JR.	Member