

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

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January 19, 2010

SECRETARY OF LABOR,	:	
MINE SAFETY AND HEALTH	:	
ADMINISTRATION (MSHA)	:	
	:	Docket No. LAKE 2010-72-M
v.	:	A.C. No. 21-03213-191480
	:	
PAULSON ROCK PRODUCTS	:	

BEFORE: Jordan, Chairman; Duffy, Young, and Cohen, Commissioners

ORDER

BY THE COMMISSION:

This matter arises under the Federal Mine Safety and Health Act of 1977, 30 U.S.C. § 801 et seq. (2006) (“Mine Act”). On October 23, 2009, the Commission received from Paulson Rock Products (“Paulson”) a request to reopen a penalty assessment that had become a final order of the Commission pursuant to section 105(a) of the Mine Act, 30 U.S.C. § 815(a).

Under section 105(a) of the Mine Act, an operator who wishes to contest a proposed penalty must notify the Secretary of Labor no later than 30 days after receiving the proposed penalty assessment. If the operator fails to notify the Secretary, the proposed penalty assessment is deemed a final order of the Commission. 30 U.S.C. § 815(a).

We have held, however, that in appropriate circumstances, we possess jurisdiction to reopen uncontested assessments that have become final Commission orders under section 105(a). *Jim Walter Res., Inc.*, 15 FMSHRC 782, 786-89 (May 1993) (“*JWR*”). In evaluating requests to reopen final section 105(a) orders, the Commission has found guidance in Rule 60(b) of the Federal Rules of Civil Procedure under which, for example, a party could be entitled to relief from a final order of the Commission on the basis of mistake, inadvertence, or excusable neglect. *See* 29 C.F.R. § 2700.1(b) (“the Commission and its Judges shall be guided so far as practicable by the Federal Rules of Civil Procedure”); *JWR*, 15 FMSHRC at 787. We have also observed that default is a harsh remedy and that, if the defaulting party can make a showing of good cause for a failure to timely respond, the case may be reopened and appropriate proceedings on the merits permitted. *See Coal Prep. Servs., Inc.*, 17 FMSHRC 1529, 1530 (Sept. 1995).

The Department of Labor's Mine Safety and Health Administration ("MSHA") issued Proposed Assessment No. 000191480 to Paulson on July 16, 2009, proposing penalties for nine citations that had been issued to the operator in May 2009. Paulson states that upon receiving the assessment it called, and spoke with, an individual in the local MSHA district office. According to Paulson, it understood from the conversation that it needed to contest the penalties through that office, so it sent the local MSHA office a letter detailing the grounds on which it was contesting six of the penalties and underlying citations. The Secretary of Labor does not oppose reopening, but states that the proposed assessment form instructs that notices of contest are to be mailed to MSHA's Civil Penalty Compliance Office in Arlington, Virginia.

The Secretary correctly points out that the proposed assessment form specifies that contests of proposed penalties are to be sent to the Arlington office. Nevertheless, we note that Paulson sent its letter to the local MSHA district office within the 30-day period for contests, and there is no indication that Paulson has previously sent contests to the wrong address.¹

Having reviewed Paulson's request and the Secretary's response, in the interests of justice, we hereby reopen this matter and remand it to the Chief Administrative Law Judge for further proceedings pursuant to the Mine Act and the Commission's Procedural Rules, 29 C.F.R. Part 2700. Accordingly, consistent with Rule 28, the Secretary shall file a petition for assessment of penalty within 45 days of the date of this order. *See* 29 C.F.R. § 2700.28.

Mary Lu Jordan, Chairman

Michael F. Duffy, Commissioner

Michael G. Young, Commissioner

Robert F. Cohen, Jr., Commissioner

¹ We caution Paulson that it must send any future notices of contest regarding proposed penalties to the address specified on the proposed assessment form.

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