



How Limited Is My LLC's Liability?

Insights

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Mine operators have long relied on the protections of a limited liability company ("LLC") status to shield their individual agents from business-related liability. However, based on a decision from the Federal Mine Safety and Health Review Commission (FMSHRC), MSHA can now seek civil and criminal penalties against individual agents of LLC's under Section 110(c) of the Mine Act.

The Commission, in allowing MSHA to pursue a 110(c) action against an agent of an LLC, stated that MSHA's interpretation of the Mine Act "furthers the safety and remedial goals of the Mine Act by giving operators a 'greater incentive' to comply with the Mine Act." The incentive for most health and safety professionals I have met is not the threat of penalties, but instead the goal of keeping miners safe at work.

If you are a director, officer, or agent of an LLC, you are now on notice that MSHA has drastically limited the limited liability of your organization. To read more about this case, check out my article [Limited Liability Company? You May Be Liable For More Than You Thought](#).