

TITLE 4: ECONOMIC RESOURCES
DIVISION 9: LABOR

§ 9341. Security for Compensation.

(a) Every employer, except those specifically exempted by subsection (c) of this section, shall secure the payment of compensation under this chapter by insuring and keeping insured the payment of such compensation with an insurer granted by law a certificate of authority to transact general casualty insurance in the Commonwealth. However, the Commonwealth government may make compensation payments under the provisions of this chapter from the Government Employee's Self-insurance Fund referred to in 4 CMC § 9354 and need not otherwise secure compensation.

(b) An employer who pays more than one-half the cost of medical insurance for an employee as a benefit of employment shall be required to secure the payment of medical services and supplies provided for in 4 CMC § 9307 only to the extent that such payment is not secured by the aforementioned medical insurance.

(c) An employer whose principal place of business is in a United States jurisdiction other than the Commonwealth and who, by the terms of its compensation insurance policy, provides benefit coverage to all of its employees working in the Commonwealth that is at least equal to worker compensation benefits required by Commonwealth law, may apply to the commission for an exemption from subsection (a) of this section. The exemption shall be granted if the commission is satisfied that the requirements of this section and 4 CMC § 9353(c)(2) are met.

(d) Any employer who provides a letter of refusal for coverage under this chapter, from at least three carriers authorized to do business in the Commonwealth, may be allowed to secure such coverage from carriers not licensed in the Commonwealth. If the employer is still unable to secure the payment of compensation through carriers outside the Commonwealth, the commission shall, by regulation, establish procedures for self-insurance of such employers.

(e) Notwithstanding any other provision of law, any employer with at least 200 employees may elect to be self-insured. The commission, shall by regulation, establish requirements and procedures for self-insurance to govern self-insured private sector employers. Any employer who elects to be self-insured shall be subject to the requirements of such rules and regulations as the commission shall promulgate or amend from time to time.

(f) If the employer is authorized to be self-insured pursuant to subsection (d) of this section, or elects to be self-insured pursuant to subsection (e) of this section, such employer shall pay into the Special Disability Fund pursuant to 4 CMC § 9353 an amount equal to one percent of the total salaries paid but not to exceed \$1,500. The salaries from which to determine the payment to the Special Disability Fund shall be made quarterly. The commission shall, by regulation, establish procedures for payment into the Special Disability Fund.

(g) Notwithstanding any other provisions of law, any employer or carrier who fails to remit or make required payments into the Special Disability Fund or the self-insurance fund as shall be established, shall be assessed a penalty of 10 percent per month or a fraction thereof, of the amount unpaid, not to exceed 50 percent in the aggregate, plus interest of 12 percent per annum.

Source: PL 6-33, § 1 (§ 9341); amended by PL 9-33, §§ 7, 8.