

TITLE 4: ECONOMIC RESOURCES
DIVISION 9: LABOR

§ 9347. Penalty for Failure to Secure Payment of Compensation.

(a) *Civil Penalty.* The administrator shall assess any employer required to secure the payment of compensation under this chapter who fails to secure such compensation a civil fine of not more than \$100 per day for each day such failure continues. The assessment of penalty shall not commence until 30 days after the employer has received a first written notice from the administrator.

(b) *Criminal Penalty.*

(1) In addition to the other penalties provided for in this chapter, any employer required to secure payment of compensation or required to make payment of such compensation under this chapter, who fails to do so, shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than \$1,000, or by imprisonment for not more than one year, or both. Where such employer is a corporation, the president, secretary, and treasurer thereof shall be liable for imprisonment as provided herein, and shall be jointly and severally liable personally for such fine and for any compensation or other benefit which may accrue under this chapter in respect to any injury which may occur to any employee of such corporation during such time as it fails to secure the payment of compensation as required by 4 CMC § 9341.

(2) Any employer who knowingly transfers, sells, encumbers, assigns, or in any other manner disposes of, or who conceals, secretes, or destroys property belonging to such employer, after one of its employees has been injured within the purview of this chapter, with the intent to avoid the payment of compensation under this chapter to such employee or survivors of such employee, who are entitled to compensation, shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than \$1,000, or by imprisonment for not more than one year, or both. Where such employer is a corporation, the president, secretary, and treasurer thereof shall be liable for imprisonment as provided for herein, and shall be jointly and severally liable personally for such fine.

(c) This section shall not excuse or diminish any other liability of the employer under this chapter.

Source: PL 6-33, § 1 (§ 9347); amended by PL 9-33, § 12.