

34A-2-201.3 Direct payments prohibited except by self-insured employer.

- (1) An employer who is not a self-insured employer, as defined in Section 34A-2-201.5, may not pay a benefit provided for under this chapter and Chapter 3, Utah Occupational Disease Act, directly:
 - (a) to an employee; or
 - (b) for the employee.
- (2)
 - (a) Subject to Title 63G, Chapter 4, Administrative Procedures Act, if the division finds that an employer is violating or has violated Subsection (1), the division shall send written notice to the employer of the requirements of this section and Section 34A-2-201.
 - (b) The division shall send the notice described in Subsection (2)(a) to the last address on the records of the commission for the employer.
- (3)
 - (a) If, after the division mails the notice required by Subsection (2) to an employer, the employer again violates Subsection (1), the division may impose a penalty against the employer of up to \$1,000 for each violation.
 - (b) If, after the division imposes a penalty under Subsection (3)(a) against the employer, the employer again violates Subsection (1), the division may impose a penalty of up to \$5,000 for each violation.
- (4)
 - (a) The division shall deposit a penalty imposed under Subsection (3) into the Uninsured Employers' Fund created by Section 34A-2-704 to be used for the purposes of the Uninsured Employers' Fund specified in Section 34A-2-704.
 - (b) The administrator of the Uninsured Employers' Fund shall collect money required to be deposited into the Uninsured Employers' Fund under this Subsection (4) in accordance with Section 34A-2-704.
- (5) A penalty under this section is in addition to any other penalty imposed under this chapter or Chapter 3, Utah Occupational Disease Act, against an employer who fails to comply with Section 34A-2-201.
- (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission shall adopt rules to implement this section.

Amended by Chapter 288, 2009 General Session