

In subsections (a) and (b) of this section, the former effective date "after November 1, 1914" is deleted as obsolete.

Also in subsections (a) and (b) of this section, the former minimum penalty of \$500 is deleted to conform to the statement of legislative policy in Art. 27, § 643 of the Code, which sets forth the general rule that, notwithstanding a statutory minimum penalty, a court may impose a lesser penalty of the same character. The District Court has exclusive original jurisdiction over criminal offenses for which the penalty is less than \$2,500. In 1972, the power conferred under Art. 27, § 643 was extended to the District Court with respect to crimes that existed at that time, including former Art. 101, § 16A, which first was enacted by Ch. 800, Acts of 1914.

Defined terms: "Commission" § 9-101

"Compensation" § 9-101

9-1108. FAILURE TO SECURE PAYMENT OF COMPENSATION.

(A) FAILURE TO SECURE PAYMENT OF COMPENSATION.

AN EMPLOYER WHO FAILS TO SECURE PAYMENT OF COMPENSATION IN ACCORDANCE WITH § 9-402 OF THIS TITLE THAT WILL BE IN FORCE ON THE DATE A CANCELLATION OF A CONTRACT OF WORKERS' COMPENSATION INSURANCE BECOMES EFFECTIVE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$5,000 OR IMPRISONMENT NOT EXCEEDING 1 YEAR OR BOTH.

(B) CORPORATE OFFICERS.

IF THE EMPLOYER IS A CORPORATION, THE OFFICER OF THE CORPORATION WHO HAS RESPONSIBILITY FOR THE GENERAL MANAGEMENT OF THE CORPORATION IN THE STATE IS SUBJECT TO THE FINE AND IMPRISONMENT SPECIFIED IN SUBSECTION (A) OF THIS SECTION.

(C) PAYMENT INTO UNINSURED EMPLOYERS' FUND.

A FINE IMPOSED AGAINST AND COLLECTED FROM AN EMPLOYER SHALL BE PAID INTO THE UNINSURED EMPLOYERS' FUND.

REVISOR'S NOTE: This section is derived without substantive change from former Art. 101, § 19(f).

The Labor and Employment Article Review Committee notes, for consideration by the General Assembly, that this section and § 9-1107 of this subtitle may overlap and conflict to a certain extent. This section imposes a penalty on "[a]n employer who fails to secure payment of compensation in accordance with § 9-402 of this title that will be in force on the date a cancellation of a contract of workers' compensation insurance becomes effective." Section 9-1107(b) imposes a penalty on "[a]n employer who ... fails to secure payment in accordance with § 9-402 of this title." Since § 9-1107(b)