

5220.2760 ADDITIONAL AWARD AS PENALTY.

Subpart 1. **Basis.** Penalties under Minnesota Statutes, section 176.225, subdivision 1, in an amount up to 30 percent of the total amount of the compensation award shall be assessed by the division on the grounds listed in that section, including:

A. underpaying, delaying payment of, or refusing to pay within 14 days of the filing of an order by the division or a compensation judge, the Workers' Compensation Court of Appeals or the Minnesota Supreme Court unless the order is appealed within the time limits for an appeal. If the payor does not appeal the order, payments made more than 14 days after the order is served and filed are late, however, the division shall not issue a penalty under this part unless payment is made after the 30th day following a final order. A penalty may be issued, however, for a payment after the 14th day and through the 30th day following a settlement award under Minnesota Statutes, section 176.521. Payments made after the 14th day must include interest pursuant to Minnesota Statutes, section 176.221, subdivision 7, or 176.225, subdivision 5, to the payee;

B. delay of payment, underpayment, or refusal to pay permanent partial disability benefits as provided in part 5220.2550; and

C. other violations under Minnesota Statutes, section 176.225, subdivision 1, clause (1), (2), (3), (4), (5), or (6).

This part does not affect the employee's independent right to seek penalties by filing a claim petition under Minnesota Statutes, section 176.271.

Subp. 2. **Amount.** A penalty assessed under this part will be for at least six percent of the compensation owing and shall be assessed as follows:

A. one to five days late, six percent;

B. six to 15 days late, 12 percent;

C. 16 to 30 days late, 18 percent;

D. 31 to 60 days late, 24 percent; and

E. over 60 days late, 30 percent.

Subp. 3. **Payable to.** Penalties assessed under this part are payable to the employee.

Statutory Authority: *MS s 14.388; 175.17; 175.171; 176.129; 176.138; 176.221; 176.225; 176.231; 176.238; 176.83; 176.84*

History: *11 SR 1530; 18 SR 2546; 23 SR 1484; 35 SR 2015*

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