

23102508D

HOUSE BILL NO. 1966

Offered January 11, 2023

Prefiled January 10, 2023

A BILL to amend and reenact § 65.2-524 of the Code of Virginia, relating to workers' compensation; failure to timely pay compensation.

Patron—Mullin

Referred to Committee on Commerce and Energy

Be it enacted by the General Assembly of Virginia:**1. That § 65.2-524 of the Code of Virginia is amended and reenacted as follows:****§ 65.2-524. Failure to pay compensation within two weeks after it becomes due.**

A. If any payment is not paid within two weeks after it becomes due, there shall be added to such unpaid compensation an amount equal to 20 percent thereof, unless the Commission finds that any required payment has been made as promptly as practicable and (i) there is good cause outside the control of the employer for the delay or (ii) in the case of a self-insured employer, the employer has issued the required payment to the employee as a part of the next regular payroll after the payment becomes due.

B. After the first occurrence of a failure to pay compensation within two weeks after it becomes due, and upon the occurrence of any subsequent or successive failure to pay compensation, there shall be added to each such unpaid compensation, in addition to the 20 percent penalty imposed pursuant to subsection A, a penalty amount as follows:

1. To the first subsequent failure to pay compensation, a penalty of \$100;

2. To the second subsequent failure to pay compensation, a penalty of \$200;

3. To the third subsequent failure to pay compensation, a penalty of \$300;

4. To the fourth subsequent failure to pay compensation, a penalty of \$400; or

5. To the fifth and any other subsequent failures to pay compensation thereafter, a penalty of \$500.

~~No such penalty~~ C. Notwithstanding the provisions of this section, no penalties shall be added; however, to any payment made within two weeks after the expiration of ~~(a)~~ (i) the period in which Commission review may be requested pursuant to § 65.2-705 or ~~(b)~~ (ii) the period in which a notice of appeal may be filed pursuant to § 65.2-706. No penalty shall be assessed against the Commonwealth when the Commonwealth has issued a regular payroll payment to the employee in lieu of compensation covering the period of disability. As used in this section, a regular payroll payment issued by the Commonwealth includes payments issued net of deductions for elected and mandatory benefits and other standard deductions.

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