

74.

It shall be the duty of the commissioners of the State Accident Fund to classify any industries subject to this article mentioned or not mentioned which are insured in the State Accident Fund. And the commissioners shall have power on or before the first day of January of each year to reclassify such industries, or oftener, if, in the opinion of the commissioners, the same should be deemed just and advantageous; or to create additional classifications with respect to their respective degrees of hazard and determine the risk of the different classes, and fix the rate of premium for each class, according to the risks of the same sufficiently large to guarantee a workmen's compensation fund from year to year. It shall be the duty of the commissioners in determining the rates, in order to create a fund sufficiently large to guarantee a workmen's compensation fund from year to year to also reclassify from time to time the industries or occupations, in order that there may be a flexible adjustment of the rates as the hazard fluctuates, and to use all means in their power through the rate adjustment to lessen the opportunity for injuries to the workmen. The classification so determined and the rates of premium established shall be applicable for such year unless a reclassification should, in the opinion of the commissioners, necessitate a change of rate within such year; and based on each one hundred dollars of the gross annual payroll of each employer in any class; provided, also that for the purpose of this subtitle, the pay of the employee partly within and partly without the State shall be deemed to be such proportion of the total pay of such employee as his service within the State bears to his service outside the State. The commissioners shall have the power to apply that form of rating system in the establishment of premiums which, in their judgment, is best calculated to merit or individually rate the risk most equitably, predicated upon the basis of their individual industrial accident experience, and to encourage and stimulate accident prevention; and shall develop fixed and equitable rules controlling such merit or individual rates. The commissioners shall also have power to establish and fix minimum premiums to be paid by any employer insured or insuring in the State Accident Fund, and to require the payment of the estimated premiums in advance. THE GOVERNOR, WITH THE ADVICE OF THE COMMISSIONERS OF THE STATE ACCIDENT FUND, SHALL MAY GRANT A PREMIUM DISCOUNT OF NOT LESS THAN 10 PERCENT TO EMPLOYERS WHO ARE LOCATED IN URBAN ENTERPRISE ZONES AND MEET THE CRITERIA FOR THE DISCOUNT AS STATED IN SECTION 266KK OF ARTICLE 41 OF THE CODE. The commissioners, in their administration of the State Accident Fund, shall have the power, with the approval of the Secretary of Personnel AND THE GOVERNOR, to declare dividends to the subscribers or policyholders in the fund, either in the form of cash refunds or credits, when the financial condition of the fund is such, in the judgment of the commissioners, as to make such dividend declaration warranted and advisable.