

requiring the financial institution or federal credit union to make a written agreement concerning payment of the certificate of deposit on demand of the State in the event of a certain forfeiture; making stylistic changes; and generally relating to issuing certificates of deposit in lieu of a corporate surety for a revegetation certain bond for open-pit or strip mining operations.

BY repealing and reenacting, with amendments,

Article - Natural Resources
Section 7-506(c)
Annotated Code of Maryland
(1983 Replacement Volume and 1985 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Natural Resources

7-506.

(c) All bonds required by this section shall be on a form provided by the Department, shall be payable to the State of Maryland, and shall be executed by the operator and a corporate surety licensed to do business in the State. Instead of a corporate surety, any of the following are acceptable:

(1) A deposit of cash or negotiable bonds of the United States government. The cash deposit or market value of the securities shall be at least equal to the required sum of the bond. On receipt of a deposit of cash or securities, the Department immediately shall place it with the State Treasurer, who shall receive and hold the deposit in trust, in the name of the State for the purposes for which it is made. The State Treasurer is responsible for the custody and safekeeping of the deposit. The operator, making the deposit, may demand and receive from the State Treasurer all or any portion of any deposited securities, if [he] THE OPERATOR replaces them with other negotiable securities of the class specified as having a market value at least equal to the sum of the bond;

(2) A certificate of deposit in an amount equivalent to the required bond, ~~issued by {a bank} ANY FINANCIAL INSTITUTION in the State AS DEFINED IN § 1-101 OF THE FINANCIAL INSTITUTIONS ARTICLE, and accompanied by written agreement of the {bank} FINANCIAL INSTITUTION to pay on demand to the State in the event of forfeiture; or~~ ;

(I) ISSUED BY:

1. A FINANCIAL INSTITUTION IN THE STATE, AS DEFINED IN § 1-101 OF THE FINANCIAL INSTITUTIONS ARTICLE; OR