

determination, the Department shall consider the size of the operation, the amount of land to be mined, the acreage that is unreclaimed at any one time, the proposed method of regrading and revegetation of the site, the proposed use of the land following reclamation, and any other relevant factors.

(c) Liability under the bond shall be for the duration of the mining permit and for a period of five years after its expiration, unless previously released in whole or in part, as provided in § 7-6A-21 of this subtitle.

(d) The bond shall be executed by the permittee and corporate surety licensed to do business in the State. In lieu of a corporate surety, one of the following shall be acceptable:

(1) Deposits of cash or negotiable bonds of the United States government. The cash deposit or market value of the securities shall be equal at least to the required sum of the bond. The Department, on receipt of any deposit of cash or securities, immediately shall forward it to the State Treasurer, who shall receive and hold the bond in the name of the State, in trust, for the purposes for which the deposit is made. The State Treasurer at all times is responsible for the custody and safekeeping of these deposits. The permittee making the deposit may demand and receive from the State Treasurer the whole or any portion of any securities so deposited, on depositing with the State Treasurer other negotiable securities of the classes specified in this section having a market value at least equal to the sum of the bond;

(2) A certificate of deposit if it is equivalent to the required bond, issued by a bank within the State, and accompanied by written agreement of the bank to pay on demand to the State in event of forfeit; or

(3) An irrevocable letter of credit if it is equivalent to the required bond, issued by a bank within the State, and expressly states that the total sum is guaranteed to be available, and payable directly to the State on demand for the surface mining and reclamation.

(e) A bond or other security filed as above shall contain a provision that it cannot be canceled by the surety, bank, or other issuing entity, except after not less than 90 days written notice to the Department and to the permittee. At least 45 days prior to the cancellation date indicated in the notice, the permittee shall file with the Department a commitment from a surety, bank, or other issuing entity, to provide a substitute bond or other security which will be effective on the cancellation date indicated in the notice.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1993.

Approved May 27, 1993.