

~~(VII) AS TO THE DIRECTORS OF A SELF-INSURANCE GROUP, A REQUIREMENT THAT A MAJORITY OF THE DIRECTORS SHALL BE MEMBERS OF THE SELF-INSURANCE GROUP.~~

(VII) A REQUIREMENT THAT THE GOVERNANCE OF THE GROUP BE UNDER THE CONTROL OF ITS MEMBERS.

(d) Each self-insurance group shall:

(1) ~~have~~ HAVE combined net assets of at least \$1,000,000, AND

~~(2) BE FORMED AS A NONSTOCK CORPORATION UNDER TITLE 5, SUBTITLE 2 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE HAVE A REQUIREMENT THAT THE GOVERNANCE OF THE GROUP BE UNDER THE CONTROL OF ITS MEMEBERS.~~

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Insurance

25-303.

(c) The regulations shall include:

(1) classifications of businesses and industries, based on the type of activity conducted by the business or industry, within which employers may join together in self-insurance groups;

(2) for each classification:

(i) a minimum level of contribution of at least \$250,000 in premiums collected from or pledged by members of a self-insurance group to a fund from which workers' compensation claims will be paid;

(ii) a minimum level of excess insurance coverage that must be obtained by each self-insurance group;

(iii) a requirement that the minimum levels of excess insurance adopted under this subtitle may be satisfied by placing, in a depository that the Commissioner designates, securities in a form and amount that the Commissioner requires; and

(iv) a surety bond of at least \$100,000 that must be obtained by each self-insurance group;

(3) conditions under which contributions by members of a self-insurance group may be rebated or temporarily suspended; [and]

(4) for each administrator or service company, a bond that the Commissioner may require in addition to any other required bond; AND