

10-135. PAYROLL OF POLICYHOLDERS.

(A) UNIFORM REQUIREMENTS.

THE BOARD MAY:

(1) ADOPT REQUIREMENTS FOR UNIFORM PAYROLL; AND

(2) REQUIRE EACH POLICYHOLDER TO CONFORM TO THE REQUIREMENTS.

(B) REPORT ON WAGES.

IN ACCORDANCE WITH THE REQUIREMENTS THAT THE BOARD ADOPTS, EACH POLICYHOLDER SHALL SUBMIT A REPORT ON WAGES TO THE BOARD AT 4-MONTH INTERVALS OR AT OTHER INTERVALS THAT THE BOARD SETS.

(C) INSPECTIONS OF PAYROLL.

THE BOARD OR ITS AUTHORIZED EMPLOYEE MAY INSPECT AT ANY TIME THE PAYROLL OF A POLICYHOLDER.

(D) NONCOMPLIANCE.

(1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE BOARD, SUPERINTENDENT OF THE FUND, OR ASSISTANT SUPERINTENDENT OF THE FUND MAY CANCEL THE INSURANCE OF A POLICYHOLDER WHO:

(I) FAILS TO COMPLY WITH SUBSECTION (B) OF THIS SECTION; OR

(II) REFUSES TO ALLOW AN INSPECTION AUTHORIZED UNDER SUBSECTION (C) OF THIS SECTION.

(2) AT LEAST 30 DAYS BEFORE THE DATE SET FOR CANCELLATION OF INSURANCE UNDER THIS SUBSECTION, THE BOARD SHALL:

(I) SERVE ON THE POLICYHOLDER, BY PERSONAL SERVICE OR BY CERTIFIED OR REGISTERED MAIL SENT TO THE LAST KNOWN RESIDENT ADDRESS OF THE POLICYHOLDER, A NOTICE OF INTENTION TO CANCEL INSURANCE; AND

(II) SUBMIT A COPY OF THE NOTICE TO THE WORKERS' COMPENSATION COMMISSION.

(3) NOTICE UNDER THIS SUBSECTION MAY BE GIVEN:

(I) FOR A POLICYHOLDER THAT IS A CORPORATION, TO AN OFFICIAL OR OTHER AGENT OF THE CORPORATION ON WHOM LEGAL PROCESS MAY BE SERVED; AND