

**Article - Labor and Employment**

9-405.

(b) (1) At any time, the Commission may require an employer who self-insures under this section to secure payment of compensation by depositing with the Commission [security]:

## (I) SECURITY:

[(i)] 1. in a form accepted by a circuit court for investment of trust money; and

[(ii)] 2. in the amount set by the Commission[.]; OR

## (II) LETTERS OF CREDIT:

1. ISSUED BY A FINANCIAL INSTITUTION ACCEPTABLE TO THE COMMISSION;

2. IN A FORM ACCEPTABLE TO AND IN THE AMOUNT SET BY THE COMMISSION; AND

3. THAT MEET THE REQUIREMENTS OF § 9-408(C) OF THIS SUBTITLE.

(2) On application and subject to paragraph (3) of this subsection, the Commission shall return security that an employer has deposited under this subsection if the employer:

(i) ceases to be subject to this title or secures compensation through an authorized insurer or the Injured Workers' Insurance Fund; and

(ii) has not been liable on a claim for compensation during the 5 years immediately preceding the day on which the event described in item (i) of this paragraph occurred.

(3) After reviewing the application and before returning security to an employer the Commission may require the employer to submit to the Commission an indemnity bond in an amount equal to the value of the security.

(f) (1) The Commission shall revoke the approval of an employer to self insure under this section if the employer:

(i) fails to deposit securities OR LETTERS OF CREDIT with or submit a bond to the Commission in accordance with subsection (b) of this section;

(ii) fails to submit satisfactory reports to the Commission in accordance with subsection (e) (1) (i) of this section; or

(iii) otherwise fails to satisfy the Commission that it is financially able to secure compensation.