

(2) SUBJECT TO THE APPROVAL OF THE SECRETARY, SHALL DEPOSIT WITH THE SECRETARY AN IRREVOCABLE LETTER OF CREDIT, MONEY, OR SECURITY.

(C) AMOUNT OF SECURITY.

(1) IF A NOT FOR PROFIT ORGANIZATION HAS 26 OR MORE EMPLOYEES, THE AMOUNT OF COLLATERAL REQUIRED UNDER THIS SECTION SHALL EQUAL 5.4% OF THE TAXABLE WAGES PAID BY THE NOT FOR PROFIT ORGANIZATION FOR COVERED EMPLOYMENT FOR THE 4 CALENDAR QUARTERS IMMEDIATELY PRECEDING THE MOST RECENT OF THE FOLLOWING:

(I) THE EFFECTIVE DATE OF THE ELECTION;

(II) THE BIENNIAL ANNIVERSARY OF THE EFFECTIVE DATE OF THE ELECTION IF THE COLLATERAL IS OTHER THAN A BOND; OR

(III) THE RENEWAL DATE OF A BOND IF THE COLLATERAL IS A BOND.

(2) IF A NOT FOR PROFIT ORGANIZATION HAS 25 OR FEWER EMPLOYEES, THE AMOUNT OF COLLATERAL REQUIRED UNDER THIS SECTION SHALL EQUAL 2.7% OF THE TAXABLE WAGES PAID BY THE NOT FOR PROFIT ORGANIZATION FOR COVERED EMPLOYMENT FOR THE 4 CALENDAR QUARTERS IMMEDIATELY PRECEDING THE MOST RECENT OF THE FOLLOWING:

(I) THE EFFECTIVE DATE OF THE ELECTION;

(II) THE BIENNIAL ANNIVERSARY OF THE EFFECTIVE DATE OF THE ELECTION IF THE COLLATERAL IS OTHER THAN A BOND; OR

(III) THE RENEWAL DATE OF A BOND IF THE SECURITY IS A BOND.

(3) IF THE NOT FOR PROFIT ORGANIZATION DID NOT PAY WAGES IN ALL 4 CALENDAR QUARTERS USED TO CALCULATE THE AMOUNT OF SECURITY, THE SECRETARY SHALL DETERMINE THE AMOUNT.

(D) BOND — EFFECTIVE PERIOD AND RENEWAL.

(1) A BOND SUBMITTED UNDER THIS SECTION SHALL BE EFFECTIVE FOR AT LEAST 2 CALENDAR YEARS.

(2) WHILE AN ELECTION IS IN EFFECT:

(I) RENEWAL OF THE BOND IS SUBJECT TO APPROVAL BY THE SECRETARY; AND