

(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.

(C) EXCESS INSURANCE.

THE COMMISSION MAY REQUIRE AN EMPLOYER WHO SELF-INSURES UNDER THIS SECTION TO MAINTAIN AND SUBMIT TO THE COMMISSION A POLICY OF EXCESS INSURANCE THAT IS IN THE AMOUNT AND CONTAINS THE PROVISIONS THAT THE COMMISSION CONSIDERS NECESSARY TO PROVIDE SECURITY FOR THE PAYMENT OF COMPENSATION AND MEDICAL TREATMENT.

(D) LOCAL OFFICE.

(1) EACH EMPLOYER WHO SELF-INSURES UNDER THIS SECTION SHALL HAVE IN THE STATE AN OFFICE RUN BY A COMPETENT INDIVIDUAL WHO HANDLES ALL OF THE WORKERS' COMPENSATION WORK IN THE STATE FOR THE EMPLOYER.

(2) AN EMPLOYER WHO VIOLATES ANY PROVISION OF THIS SUBSECTION IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO A FINE NOT EXCEEDING \$1,000.

(3) THE COMMISSION MAY PROHIBIT SELF-INSURANCE BY AN EMPLOYER WHO IS CONVICTED UNDER THIS SUBSECTION.

(E) REPORTS; EXAMINATION OF BUSINESS; ASSESSMENT.

(1) TO BE INFORMED OF THE CONTINUING FINANCIAL RESPONSIBILITY OF EACH EMPLOYER WHO SELF-INSURES UNDER THIS SECTION, THE COMMISSION:

(I) SHALL REQUIRE EACH EMPLOYER TO SUBMIT A REPORT AT LEAST ONCE EACH YEAR; AND