

(2) Notwithstanding paragraph (1)(i) of this subsection, an administrator may not be deemed to have dealt with the assets of a plan in the administrator's own interest or for the administrator's own account solely because, prior to remitting the assets to an insurer or other payee, the administrator has held the assets, at interest for the benefit of the administrator, for an administratively reasonable period of time.

(3) NOTWITHSTANDING PARAGRAPH (1)(I) OF THIS SUBSECTION, AN ADMINISTRATOR MAY NOT BE DEEMED TO HAVE DEALT WITH THE ASSETS OF A PLAN IN THE ADMINISTRATOR'S OWN INTEREST OR FOR THE ADMINISTRATOR'S OWN ACCOUNT SOLELY BECAUSE THE ADMINISTRATOR RECEIVES NO MORE THAN REASONABLE COMPENSATION ~~FOR COMPENSATION~~ FOR SERVICES NECESSARY FOR THE ESTABLISHMENT OR OPERATION OF THE PLAN.

(c) An administrator may not procure a [surety] bond from any surety insurer or other company or through any agent or broker in whose business operations the administrator has any direct or indirect control or significant financial interest.

692.

(c) (2) Notwithstanding paragraph (1) of this subsection, the Commissioner may impose a civil penalty of up to \$1,000 per day for each day that a person is in violation of [§ 662] § 682 of this subtitle.

694.

(b) In addition to any liability which an administrator may have under subsection (a) of this section, the administrator shall be liable for a breach of responsibility under this subtitle by another administrator with respect to the same plan if:

(2) By the administrator's failure to comply with [§ 666] § 686 of this subtitle, the administrator has enabled the other administrator to violate this subtitle; or

696.

A person who would be an administrator subject to this subtitle but for the exemption under [§ 661(b)(2)(iv)] § 681(B)(2)(IV) of this subtitle shall provide:

(1) Written notice to the Commissioner of operations within this State; and

(2) Evidence satisfactory to the Commissioner that the person is complying with any applicable bonding requirements imposed by ERISA.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1992.

May 26, 1992

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate