

Enrolled
House Bill 2634

Sponsored by Representative SCHAUFLER (at the request of State Accident Insurance Fund Corporation)

CHAPTER

AN ACT

Relating to security for payment of workers' compensation insurance premiums; amending ORS 656.552.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 656.552 is amended to read:

656.552. (1) If the State Accident Insurance Fund Corporation finds it necessary for the protection of the Industrial Accident Fund, it may require any employer insured with the State Accident Insurance Fund Corporation, except political subdivisions of the state, to deposit and keep on deposit with the State Accident Insurance Fund Corporation a sum equal to the premiums due the State Accident Insurance Fund Corporation upon the estimated payroll of the employer for a period of not to exceed six months.

(2) The State Accident Insurance Fund Corporation may, in its discretion and in lieu of such deposit, accept a bond, **letter of credit or similar instrument** to secure payment of premiums to become due the Industrial Accident Fund. The deposit or posting of the bond, **letter of credit or similar instrument** shall not relieve the employer from making premium payments to the Industrial Accident Fund based on the actual payroll of the employer, as provided by ORS 656.504.

(3) If an employer ceases to be insured by the State Accident Insurance Fund Corporation, the State Accident Insurance Fund Corporation shall, upon receipt of all payments due the Industrial Accident Fund, refund to the employer all deposits remaining to the employer's credit and shall cancel any bond, **letter of credit or similar instrument** given under this section.

Passed by House March 5, 2009

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Chief Clerk of House

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Speaker of House

Passed by Senate May 7, 2009

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President of Senate

Received by Governor:

.....M,....., 2009

Approved:

.....M,....., 2009

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Governor

Filed in Office of Secretary of State:

.....M,....., 2009

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Secretary of State