

Ohio Revised Code Section 1514.04 Filing surety bond or equivalent.

Effective: April 6, 2007

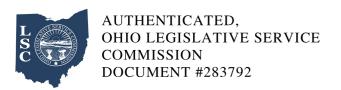
Legislation: House Bill 443 - 126th General Assembly

(A) Upon receipt of notification from the chief of the division of mineral resources management of the chief's intent to issue an order granting a surface or in-stream mining permit to the applicant, the applicant shall file a surety bond, cash, an irrevocable letter of credit, or certificates of deposit in the amount, unless otherwise provided by rule, of ten thousand dollars. If the amount of land to be affected is more than twenty acres, the applicant also shall file a surety bond, cash, an irrevocable letter of credit, or certificates of deposit in the amount of five hundred dollars per acre of land to be affected that exceeds twenty acres. Upon receipt of notification from the chief of the chief's intent to issue an order granting an amendment to a surface or in-stream mining permit, the applicant shall file a surety bond, cash, an irrevocable letter of credit, or certificates of deposit in the amount required in this division.

In the case of a surface mining permit, the bond shall be filed based on the number of acres estimated to be affected during the first year of operation under the permit. In the case of an amendment to a surface mining permit, the bond shall be filed based on the number of acres estimated to be affected during the balance of the period until the next anniversary date of the permit.

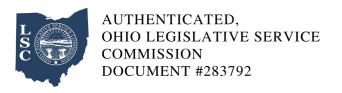
In the case of an in-stream mining permit, the bond shall be filed based on the number of acres of land within the limits of the in-stream mining permit for the entire permit period. In the case of an amendment to an in-stream mining permit, the bond shall be filed based on the number of any additional acres of land to be affected within the limits of the in-stream mining permit.

(B) A surety bond filed pursuant to this section and sections 1514.02 and 1514.03 of the Revised Code shall be upon the form that the chief prescribes and provides and shall be signed by the operator as principal and by a surety company authorized to transact business in the state as surety. The bond shall be payable to the state and shall be conditioned upon the faithful performance by the operator of all things to be done and performed by the operator as provided in this chapter and the rules and orders of the chief adopted or issued pursuant thereto.



The operator may deposit with the chief, in lieu of a surety bond, cash in an amount equal to the surety bond as prescribed in this section, an irrevocable letter of credit or negotiable certificates of deposit issued by any bank organized or transacting business in this state, or an irrevocable letter of credit or certificates of deposit issued by any savings and loan association as defined in section 1151.01 of the Revised Code, having a cash value equal to or greater than the amount of the surety bond as prescribed in this section. Cash or certificates of deposit shall be deposited upon the same terms as the terms upon which surety bonds may be deposited. If one or more certificates of deposit are deposited with the chief in lieu of a surety bond, the chief shall require the bank or savings and loan association that issued any such certificate to pledge securities of a cash value equal to the amount of the certificate, or certificates, that is in excess of the amount insured by the federal deposit insurance corporation. The securities shall be security for the repayment of the certificate of deposit.

- (C) Immediately upon a deposit of cash, a letter of credit, or certificates with the chief, the chief shall deliver it to the treasurer of state who shall hold it in trust for the purposes for which it has been deposited. The treasurer of state shall be responsible for the safekeeping of such deposits. An operator making a deposit of cash, a letter of credit, or certificates of deposit may withdraw and receive from the treasurer of state, on the written order of the chief, all or any part of the cash, letter of credit, or certificates in the possession of the treasurer of state, upon depositing with the treasurer of state cash, an irrevocable letter of credit, or negotiable certificates of deposit issued by any bank organized or transacting business in this state, or an irrevocable letter of credit or certificates of deposit issued by any savings and loan association, equal in value to the value of the cash, letter of credit, or certificates withdrawn. An operator may demand and receive from the treasurer of state all interest or other income from any certificates as it becomes due. If certificates deposited with and in the possession of the treasurer of state mature or are called for payment by the issuer thereof, the treasurer of state, at the request of the operator who deposited them, shall convert the proceeds of the redemption or payment of the certificates into such other negotiable certificates of deposit issued by any bank organized or transacting business in this state, such other certificates of deposit issued by any savings and loan association, or cash, as may be designated by the operator.
- (D) A governmental agency, as defined in division (A) of section 1514.022 of the Revised Code, or a board or commission that derives its authority from a governmental agency shall not require a surface or in-stream mining operator to file a surety bond or any other form of financial assurance for the reclamation of land to be affected by a surface or in-stream mining operation authorized under



this chapter.