4123-17-16 Premium security deposit.

(A) Each employer, on the occasion of instituting coverage under Chapter 4123. of the Revised Code, shall submit a premium security deposit.

(B) A premium security deposit shall be in an amount equal to thirty per cent of the employer's semiannual premium obligation based on the employer's estimated expenditure for wages for a six-month period, plus thirty per cent of the employer's premium obligation for an additional two-month adjustment period, but in no event shall the premium security deposit collected from an employer be less than ten dollars or more than one thousand dollars.

(C) The bureau of workers' compensation shall review the security deposit of every employer who has submitted a deposit of less than one thousand dollars on at least an annual basis. If, in the opinion of the bureau, the amount of any such employer's deposit is less than the amount due under the law, the bureau may require the employer to submit such additional amount as it shall deem necessary, up to the maximum of one thousand dollars.

(D) The premium security deposit collected from an employer shall entitle the employer to the benefits of Chapter 4123. of the Revised Code for the remainder of the six-month payroll reporting period during which such deposit is collected, and for an additional adjustment period of two months from the close of such six-month period. Thereafter, if the employer pays the premium due at the close of any six-month period, coverage shall be extended for an additional eight-month period, beginning from the end of the six-month period for which the employer pays the premium due.