**Section 1800.20 Surety Bonds**

a) A surety bond shall be executed by the operator and a corporate surety licensed to do business in Illinois.

b) Surety bonds shall be subject to the following conditions:

 The Department shall not accept the bond of a surety company unless the surety company is licensed to do business in the State of Illinois as surety and bond shall not be cancelable by the surety at any time for any reason including, but not limited to, non-payment of premiums or bankruptcy of the permittee during the period of liability. Surety bond coverage for permitted lands not disturbed shall be cancelled if the surety gives at least ninety (90) days notice to the Department of the intent to cancel prior to cancellation. Such notice shall be by certified mail and shall not be effective until received by the Department. Cancellation shall not be effective for lands subject to bond coverage which have already been disturbed or are disturbed after receipt of notice, but prior to approval by the Department. The Department may allow continuation of surface coal mining and reclamation operations on the land for which the bond is cancelled only if a replacement bond is filed by the permittee prior to the cancellation date, or the permit is amended so that the surface coal mining operations approved under the permit are reduced to the degree necessary to cover all the costs attributable to the completion of reclamation operations on the reduced permit area in accordance with Section 1800.11(b)(2).

(Source: Amended at 20 Ill. Reg. 1939, effective January 19, 1996)