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UST Financial Responsibility Insurance Submittal Checklist for Regulators September 2019

In October 2018, the U.S. Environmental Protection Agency (EPA) added data collection performance measures to the underground storage tank (UST) State reporting requirements. This included the percentage of federally regulated UST facilities deemed compliant with financial responsibility (FR) requirements. One method frequently used by UST owners and operators to comply with FR requirements is to purchase UST pollution liability insurance.

The Association of State and Territorial Solid Waste Management Officials (ASTSWMO) State Fund-Financial Responsibility (SF-FR) Task Force created the Insurance Submittal Checklist to assist State regulators in their evaluation of policies submitted by UST owners/operators for FR compliance. This checklist offers easy to follow yes/no questions and a documentation list that regulators will find to be a valuable resource in their reviews.

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UST Financial Responsibility Insurance Submittal Checklist for Regulators

**For State Program Approval (SPA) States, please use your State citation instead of the federal citation listed below. For non-SPA States, you can add your State requirement in addition to the federal citation.*

POLICY INFORMATION	
Name of Insured	
Name of Insurer	
Policy Number	
Facility Number	
Policy Period	

DOCUMENTATION

Check the submitted documents:

- Copy of the entire signed insurance policy
- Certificate of Insurance: 40 CFR 280.97(b)(1)
OR
- Endorsement: 40 CFR 280.97(b)(2) - If UST FR is part of an existing policy, such as a Commercial General Liability policy, an Endorsement is used.
- Schedule of Covered Storage Tanks
- Certification of Financial Responsibility - An owner or operator using an assurance mechanism specified in 40 CFR 280.95 through 280.107 must maintain an updated copy of a certification of financial responsibility as referenced in 40 CFR 280.111(b)(11)(i).

Things to Identify

1. Yes No Is the insurer licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more States.

2. Yes No Is the signed **Certificate of Insurance** or **Endorsement** to an existing policy worded exactly as specified in 40 CFR 280.97?

3. Yes No Does this insurance provide the required minimum amount of coverage as specified in 40 CFR 280.93?
- a. Per Occurrence:
- \$1 million for Owners and Operators that handle an average of more than 10,000 gallons of petroleum per month based on annual throughput for previous calendar year
 - \$500,000 for all other Owners and Operators
- b. Per Aggregate:
- \$1 million for Owners and Operators of 1 to 100 tanks
 - \$2 million for Owners and Operators of 101 or more tanks
4. Yes No Does this policy include multiple facilities?
5. Yes No Does this policy list all the tanks at each facility and are the tanks correctly identified in the Schedule of Covered Tanks?
6. Yes No Does the facility match the address that is registered with the State?

7. Yes No Does this insurance policy include:
Voluntary Exclusion/Limitation Language:
Exclusions/Limitations for payments for voluntary tank removals and/or site investigation.
8. Yes No Does this insurance policy include:
Self-Insured Retention Language: The dollar amount an owner or operator must pay before the insurance policy starts paying. This is not the same as a deductible and may only be recognized as a partial FR mechanism.
9. Yes No Does this insurance policy include:
Loading and Unloading Exclusion/Limitation Language

(Note: If Yes is chosen for any of the questions 7,8, and 9, the policy does not fully meet the federal financial responsibility (FR) requirements as described in 40 CFR 280 Subpart H.)

10. Yes No Does this policy include a 6-month Extended Reporting Period?

11. Yes No

Does this policy include coverage for both sudden and non-sudden accidental releases for taking corrective action and/or compensating third parties for bodily injury and property damage?

12. Yes No

Is the insurance being used in combination with another FR mechanism? *(e.g. Guarantee, Letters of Credit, Surety Bonds, Fully Funded Trust, or Self-Insurance/Letter from Chief Financial Officer)*

(If Yes, please explain under Review Notes below.)

REVIEW NOTES

Yes No

Based on the answers to the previous questions, does this policy meet the requirements as specified under Subpart H of 40 CFR Part 280?

Please give a reason(s) for the rejection of this policy and/or any comments regarding this review:

Reviewer Name

Date Review Completed