



Final Regulation Agency Background Document

Approving authority name	State Water Control Board
Virginia Administrative Code (VAC) citation	9 VAC 25-590
Regulation title	Petroleum Underground Storage Tank Financial Responsibility Requirements
Action title	Proposed Regulatory Amendment
Document preparation date	July 29, 2014

This information is required for executive review (www.townhall.state.va.us/dbppages/apaintro.htm#execreview) and the Virginia Registrar of Regulations (legis.state.va.us/codecomm/register/regindex.htm), pursuant to the Virginia Administrative Process Act (www.townhall.state.va.us/dbppages/dpb_apa.htm), Executive Orders 21 (2002) and 58 (1999) (www.governor.state.va.us/Press_Policy/Executive_Orders/EOHome.html), and the *Virginia Register Form, Style, and Procedure Manual* (http://legis.state.va.us/codecomm/register/download/styl8_95.rtf).

Brief summary

*Please provide a brief summary of the proposed new regulation, proposed amendments to the existing regulation, or the regulation proposed to be repealed. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation. Also alert the reader to changes made to the regulation since publication of the proposed. Do **not** state each provision or amendment or restate the purpose and intent of the regulation.*

The regulation requires owners/operators of regulated petroleum underground storage tanks to demonstrate that they have the financial resources available to pay for the costs of cleanups and third party lawsuits in the event of a release from their tanks. Owners/operators may use a letter of credit, surety bond, trust agreement, self-insurance, insurance or a guarantee to demonstrate financial responsibility. The proposed changes bring the regulation into conformance with statutory requirements, clarify the method to demonstrate using group self-insurance pools, ensure the Board receives notice of any cancellations, simplify the cashing process, and require an owner/operator to account for other types of self-insured liabilities when using a self-insurance mechanism. The agency has made changes to the regulation since publication of the proposed. The changes fall into three categories. First, the agency made minor changes to the insurance provisions in response to public comment. Second, the agency deleted the standby

trust fund requirement for all financial responsibility mechanisms in response to comments by the Department of Planning and Budget. Third, the agency made changes in response to comments by agency staff to bring the regulation into conformance with relevant statutory provisions and to clarify when and how the Virginia Petroleum Storage Tank Fund will be used to reimburse owners and operators for costs arising from a petroleum release.

Statement of final agency action

Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency taking the action, and (3) the title of the regulation.

Legal basis

Please identify the state and/or federal source of legal authority to promulgate this proposed regulation, including (1) the most relevant law and/or regulation, including Code of Virginia citation and General Assembly bill and chapter numbers, if applicable, and (2) promulgating entity, i.e., the agency, board, or person. Describe the legal authority and the extent to which the authority is mandatory or discretionary.

If the final text differs from the text at the proposed stage, please indicate whether the Office of the Attorney General has certified that the agency has the statutory authority to promulgate the final regulation and that it comports with applicable state and/or federal law.

The legal basis for the Virginia Petroleum Underground Storage Tank (UST) Financial Responsibility Requirements Regulation, 9 VAC 25-590-10 *et seq.*, is the State Water Control Law (Title 62.1, Chapter 3.1, Articles 9 and 10 of the Code of Virginia). Specifically, § 62.1-44.34:9(8) authorizes the State Water Control Board to promulgate such regulations as may be necessary to carry out its powers and duties with regard to USTs in accordance with federal laws and regulations. Further, § 62.1-44.34:12(A) of the State Water Control Law provides the direct authority to the State Water Control Board to promulgate regulations that conform to the federal UST financial responsibility requirements of 42 U.S.C § 6991b (d) and any regulations adopted thereunder.

The Virginia Petroleum UST Financial Responsibility Requirements Regulation substantially duplicates the federal UST financial responsibility requirements. As provided by federal law, the Virginia regulation (9 VAC 25-590-210) allows tank owners/operators to use the Virginia Petroleum Storage Tank Fund (VPSTF) as a means for meeting the financial responsibility demonstration amount that is in excess of the financial responsibility amount required under VPSTF's sliding scale financial responsibility requirement. Owners/operators may use VPSTF in combination with one of six allowable demonstration mechanisms in order to satisfy the financial responsibility demonstration requirements.

Purpose

Please explain the need for the new or amended regulation. Describe the rationale or justification of the proposed regulatory action. Detail the specific reasons it is essential to protect the health, safety or welfare of citizens. Discuss the goals of the proposal and the problems the proposal is intended to solve.

According to the Virginia Petroleum UST Financial Responsibility Requirements (9 VAC 25-590-10 *et seq.*), owners/operators of regulated petroleum USTs must demonstrate they have the financial resources available to pay for the costs of cleanups and third party lawsuits in the event of a release from a regulated tank. As part of the proposed regulatory action, the Department has explored alternative methods for achieving compliance with the UST financial responsibility requirements while continuing to meet the goals of the financial responsibility regulations. Specifically, the Department has investigated ways to reduce the cost of compliance with the regulation by proposing modified compliance requirements that are no less stringent than the existing requirements, but may be more cost effective to secure. The Department hopes to make third party mechanisms more affordable to encourage owners/operators to use them to demonstrate. This will increase the level of protection provided to the public by this regulation. The Department is also clarifying for owners/operators the appropriate way to use group self-insurance pools and individual self-insurance tests to demonstrate financial responsibility. The Department is proposing changes that bring the regulation into conformance with the State Water Control Law. Finally, the Department also is proposing administrative changes to the regulation, which do not affect the regulatory requirements.

Substance

Please identify and explain the new substantive provisions, the substantive changes to existing sections, or both where appropriate. A more detailed discussion is required under the "All changes made in this regulatory action" section.

The Department has explored alternative methods for achieving compliance with the UST financial responsibility regulations while continuing to meet the goals of the financial responsibility regulation. Specifically, the Department has investigated ways to reduce the cost of compliance with the regulation by proposing modified compliance requirements. The Department is proposing clarification changes to the regulation that bring it into conformance with statutory requirements. Also, the Department proposing changes that clarify the method to demonstrate using group self-insurance pools, including a new certificate of insurance form. The Department is proposing changes to the financial assurance mechanism language that ensure the Board receives notice of any cancellations and simplify the cashing process. The Department is proposing changes that require an owner/operator to account for other types of self-insured liabilities when using a self-insurance mechanism. Finally, the Department is proposing administrative changes to the regulation, which do not affect the regulatory requirements. The agency also made changes to the regulation since publication of the proposed. The changes fall into three categories. First, the agency made minor changes to the insurance provisions in

response to public comment. Second, the agency deleted the standby trust fund requirement for all financial responsibility mechanisms in response to comments by the Department of Planning and Budget. Third, the agency made changes in response to comments by agency staff to bring the regulation into conformance with relevant statutory provisions and to clarify when and how the Virginia Petroleum Storage Tank Fund may be used to reimburse owners/operators for certain costs arising from a petroleum release.

Issues

Please identify the issues associated with the proposed regulatory action, including:
 1) *the primary advantages and disadvantages to the public, such as individual private citizens or businesses, of implementing the new or amended provisions;*
 2) *the primary advantages and disadvantages to the agency or the Commonwealth; and*
 3) *other pertinent matters of interest to the regulated community, government officials, and the public. If there are no disadvantages to the public or the Commonwealth, please indicate.*

The primary advantage to the public from the proposed amendments is an increased level of protection associated with third party financial mechanisms. By deleting the standby trust fund requirement for letters of credit, surety bonds, and guarantees the Department will reduce the cost of obtaining these mechanisms and thus encourage owners and operators to demonstrate using these mechanisms rather than self-insurance. Financial mechanisms backed by a third party such as a bank or surety company are more likely to ensure that the money will be available for clean up or compensating third parties than relying on the owner or operator's net worth. Other proposed changes to the regulation increase the reliability of all the financial assurance mechanisms and, thus, increase the level of protection provided to the public. There are no potential disadvantages to the public or the Commonwealth from adopting the proposed amendments.

Changes made since the proposed stage

Please describe all changes made to the text of the proposed regulation since the publication of the proposed stage. For the Registrar's office, please put an asterisk next to any substantive changes.

Section number	Requirement at proposed stage	What has changed	Rationale for change
25-590-10*	Definitions section	1. Added a definition for the term "Facility". 2. Changed a word in the definition of "Member" 3. Changed a subsection number in definition of "Provider of financial assurance"	1. The term "Facility" is used in the Regulation, thus should be defined. 2. Change brings definition of Member into conformance with applicable Bureau of Insurance regulations. (Change requested by Bureau of Insurance.) 3. Change reflects repeal of standby trust requirement.

25-590-20*	Lays out applicability of regulation	Added "and 9 VAC 25-590-210."	Puts owners/operators on notice that other entities besides owners/operators of UST systems are affected by section 210. (Change requested by agency staff.)
25-590-40.C	States that the Virginia Petroleum Storage Tank Fund (VPSTF) can be used as a demonstration mechanism in excess of amounts specified in subsection 25-590-210.B.1.	Changes the section reference of 25-590-210.B.1 to 25-590-210.C.1	Reflects changes made in section 210 to make the regulation conform to the statutory language.
25-590-50.A	Provides the types of mechanisms an owner/operator may use to demonstrate.	Changes "9VAC25-590-120 to "9VAC25-590-110"	Change necessary to reflect repeal of standby trust requirement.
25-590-70.D*	Requires an owner/operator demonstrating with a guarantee to establish a standby trust fund.	Removes the requirement for establishing a standby trust fund and directs the guarantor to pay the money directly to the board.	At the request of the Department of Planning and Budget (DPB), the agency expanded the removal of the standby trust fund requirement to all types of financial responsibility mechanisms so this language is no longer necessary.
25-590-80.A, B, C & E*	Lays out requirements for insurance and group self-insurance pools	Modified the word "insurance" by adding "liability" and in subsection A.1 adds the words "by entering into a member agreement with a"	Clarifies how an owner/operator can demonstrate using a group self-insurance pool. (Changes requested by the Bureau of Insurance.)
25-590-120*	Lays out requirements for obtaining a standby trust agreement	Section repealed.	At the request of the DPB, the agency expanded the removal of the standby trust fund requirement to all types of financial responsibility mechanisms so this section no longer necessary.
25-590-160.B.3 & 4*	Lays out recordkeeping requirement for the owner/operator using a standby trust.	Sections deleted. Subsequent subsections renumbered.	Reflects repeal of the standby trust requirement.
25-590-170.A*	Requires owner/operator to place forfeited financial responsibility funds into a standby trust	Amended this section to require owners/operators to pay over the forfeited funds to the board.	At the request of DPB, the agency expanded the removal of the standby trust fund requirement to all types of financial responsibility mechanisms so this section now requires owners/operators to pay the forfeited funds to the board rather than put them in a standby trust.
25-590-170.B*	Describes when board may use the forfeited financial assurance funds.	Added language to require board to deposit the forfeited financial assurance funds into the Virginia Petroleum Storage Tank Fund.	Because the agency is repealing the standby trust mechanism, the VPSTF will be used to hold any forfeited financial assurance funds.

25-590-170.C*	References standby trust fund balance when determining how the board will prioritize claims against the VPSTF.	Removed reference to standby trust fund balance	At the request of DPB, the agency expanded the removal of the standby trust fund requirement to all types of financial responsibility mechanisms so the agency is removing reference to the standby trust fund wherever it occurs in the regulation.
25-590-200.A *	Lays out requirements for replenishing financial responsibility mechanisms.	Removed reference to standby trust fund.	At the request of DPB, the agency expanded the removal of the standby trust fund requirement to all types of financial responsibility mechanisms so the agency is removing reference to the standby trust fund wherever it occurs in the regulation.
25-590-210.A.2*	Provides for compensation for third party bodily injury or property damage costs from the VPSTF.	Added language clarifying that the VPSTF will be used to reimburse for reasonable and necessary costs of compensating third parties and the board will determine the reasonableness and necessity of costs using certain factors.	These changes were necessary to reflect both existing statutory language (§62.1-44.34:11) and changes made to the statute during the most recent legislative session. (Changes requested by agency staff.)
25-590-210.A.3	Lays out requirements for reimbursement of owner or operator-managed cleanups.	Language was added to the first paragraph to clarify that this subsection also applies to owners/operators of underground storage tanks exempted in subdivisions 1 and 2 of the definition of underground storage tank and small heating oil aboveground storage tanks.	These changes were made to bring the regulation into conformance with existing statutory language and agency practice. (Changes requested by agency staff.)
25-590-210.A.5.c & 210.B.5	Denies reimbursement for costs and damages incurred pursuant to Article 4.1 of the Waste Management Act.	Changed "Article 4.1" cite to "section 10.1-1232".	Article 4.1 was repealed and the language incorporated into the Brownfield Restoration and Land Renewal Act.
25-590-210.B*	This former subsection 25-590-210.A.5 lays out under what circumstances person will receive reimbursement from the VPSTF.	Renumbered subsection as 25-590-210.B. Also language was added to the first paragraph to clarify that this subsection also applies to owners/operators of underground storage tanks exempted in subdivisions 1 and 2 of the definition of underground storage tank and small heating oil aboveground storage tanks.	These changes were made to bring the regulation into conformance with existing statutory language and agency practice. (Changes requested by agency staff.)
25-590-210.A.5	Former subsection 25-590-210.A.6	Renumbered as 25-590-210.A.5 to reflect changes detailed in previous line of	Change requested by agency staff.

		table.	
25-590-210.A.5.a	Lays out circumstances under which a person would not be eligible for reimbursement from VPSTF	Added the term "contractor".	This change was made to clarify current agency practice concerning reimbursement through VPSTF. (Changes requested by agency staff)
25-590-210.B.1, B.2 & B.3	Lays out circumstances under which a person would not be eligible for reimbursement from VPSTF	Added the term "contractor".	This change was made to clarify current agency practice concerning reimbursement through VPSTF. (Changes requested by agency staff)
25-590-210.C	Former subsection 25-590-210.B	Renumbered as 25-590-210.C to reflect changes detailed in previous line of table.	same as above
25-590-210.D	Former subsection 25-590-210.C	Renumbered as 25-590-210.D to reflect changes detailed in previous line of table.	same as above
25-590-210.E	Former subsection 25-590-210.D	Renumbered as 25-590-210.E to reflect changes detailed in previous line of table.	same as above
25-590-210.F	Former subsection 25-590-210.E	Renumbered as 25-590-210.F to reflect changes detailed in previous line of table.	same as above
25-590-210.G	Former subsection 25-590-210.F	Renumbered as 25-590-210.G to reflect changes detailed in previous line of table.	same as above
25-590-210.H	Former subsection 25-590-210.G	Renumbered as 25-590-210.H to reflect changes detailed in previous line of table.	same as above
25-590-210.I	Former subsection 25-590-210.H	Renumbered as 25-590-210.I to reflect changes detailed in previous line of table.	same as above
25-590-210.D.2*	Former subsection 25-590-210.C.2. States that VPSTF will pay for corrective action and third party costs caused by a petroleum release if owner/operator cannot be determined or is determined incapable.	Amended to remove reference to third parties.	Change is necessary to bring this section into conformance with statute (§62.1-44.34:11). (Change requested by agency staff.)
25-590-250.A*	Incorporates federal regulations prescribing local government financial responsibility demonstration methods.	Added the language "Except as provided" to beginning of sentence.	Change necessary to put regulated community on notice that the agency is modifying the federal requirements slightly. (Result of DPB comment.)
25-590-250.B*	n/a	Requires a local government using a guarantee to	This change is necessary to reflect the removal of the requirement to

		demonstrate financial responsibility to use a particular type of guarantee form.	establish a standby trust fund in conjunction with using a guarantee to demonstrate. (Result of DPB comment.)
Appendix II*	Required language for the Guarantee	Removed reference to the standby trust fund.	Result of DPB comment.
Appendix IV	Required language for the Certificate of Insurance	Made minor, typographical changes.	Requested by the Bureau of Insurance.
Appendix VII*	Required language for the Trust Agreement	Removed reference to the standby trust fund.	Result of DPB comment.
Appendix XII	Required language for the Certificate of Group Self-Insurance	Modified title of Certificate and changed the signatory from the Administrator to the Authorized Representative.	Requested by the Bureau of Insurance.

Public comment

Please summarize all public comment received during the 60-day period following the publication of the proposed stage, and provide the agency response. If no public comment was received, please so indicate.

Commenter	Comment	Agency response
State Corporation Commission's Bureau of Insurance	Requested additional minor changes to the group self insurance pool section and appendices to be consistent with requirements of 14 VAC 5-380 (Rules Governing Underground Storage Tank Owners and Operators Group Self-Insurance Pools)	The changes have been made as requested.

All changes made in this regulatory action

Please detail all changes that are being proposed and the consequences of the proposed changes. Detail new provisions and/or all changes to existing sections.

Current section number	Proposed new section number, if applicable	Current requirement	Proposed change and rationale
25-590-10	n/a	Definitions section	<ul style="list-style-type: none"> Added a definition for the term "Facility" because the term is used in the Regulation. Added definitions relating to the group self-insurance pool mechanism. Changed a word in the definition of "Member" to bring definition into conformance with applicable Bureau of Insurance regulations. (Change requested by Bureau of Insurance.)
25-590-20	n/a	Lays out applicability of regulation	Added "and 9 VAC 25-590-210" to put owners/operators on notice that other entities besides owners/operators of UST systems are

			affected by section 210. (Change requested by agency staff.)
	25-590-40.C	Lays out amount and scope of financial responsibility required.	Inserted new subsection C clarifying that the Virginia Petroleum Storage Tank Fund (VPSTF) may be used together with another mechanism to demonstrate financial responsibility.
25-590-40.C	25-590-40.D		Renumbered 25-590-40.C as 25-590-40.D, due to insertion of new subsection C.
25-590-60	n/a	Lays out requirements for demonstrating with the financial test of self-insurance.	Added a requirement that owners/operators include the amount of aboveground storage tank financial responsibility coverage that they self-insure when calculating the amount of tangible net worth they must have to self insure their UST obligation. This is to ensure that owners/operators have sufficient net worth to self-insure all of their storage tank obligations.
25-590-80	n/a	Lays out requirements for insurance and group self-insurance pools	Added language to clarify how owners/operators may use group self-insurance pools to demonstrate. Modified the word "insurance" by adding "liability". These changes were requested by the Bureau of Insurance.
25-590-90	n/a	Lays out requirements for surety bonds	Removed the requirement that an owner/operator establish a standby trust fund when demonstrating with a surety bond. This change was made to make the mechanism more cost effective to use.
25-590-100	n/a	Lays out requirements for letters of credit	Removed the requirement that an owner/operator establish a standby trust fund when demonstrating with a letter of credit. This change was made to make the mechanism more cost effective to use. Also added a requirement that the issuing institution notify the board when canceling the letter of credit.
25-590-120	n/a	Lays out requirements for obtaining a standby trust agreement	Repealed this section because the agency no longer requires owners/operators to establish standby trust funds. Removal of the standby trust requirement makes the surety bond, letter of credit and guarantee more cost effective to obtain.
25-590-140	n/a	Provides for cancellation by the financial assurance provider	Added language to require any financial assurance provider to provide notice to the board as well as the owner/operator. This gives the agency notice that owner/operator's financial responsibility may be lapsing.
25-590-160	n/a	Lays out requirements for recordkeeping	Removed requirement for owners/operators to maintain a copy of their standby trust at their facility because the agency is removing the requirement to establish a standby trust.
25-590-170.A	n/a	Requires owner/operator to place forfeited financial responsibility funds into a standby trust	Amended this section to require owners/operators to pay over the forfeited funds to the board because with the proposed changes the agency no longer requires owners/operators to establish standby trust funds.
25-590-170.B	n/a	Describes when board may	Added language to require board to deposit the

		use the forfeited financial assurance funds.	forfeited financial assurance funds into the Virginia Petroleum Storage Tank Fund (VPSTF). (Result of DPB comment)
25-590-170.C	n/a	References standby trust fund balance	Removed reference to standby trust fund balance when determining how the board will prioritize claims against the VPSTF. Changes were due to fact that the standby trust fund is no longer required. (Result of DPB comment.)
25-590-200.A	n/a		Deletes subsection
25-590-200.B	25-590-200.A	Lays out requirements for replenishing financial responsibility mechanisms	Renumbers subsection 200.B as 200.A. Modifies new subsection A to remove reference to the standby trust fund. Changes were due to fact that the standby trust fund is no longer required. (Result of DPB comment.)
25-590-200.C	25-590-200.B		Renumbered as a result of above change.
25-590-210.A.2	n/a	Provides for compensation for third party bodily injury or property damage costs from the VPSTF.	Clarifies how third party claims will be paid. Adds language clarifying that the VPSTF will be used to reimburse for reasonable and necessary costs of compensating third parties and the board will determine the reasonableness and necessity of costs using certain factors. These changes were necessary to reflect both existing statutory language (§62.1-44.34:11) and changes made to the statute during the most recent legislative session.
25-590-210.A.5	25-590-210.B	Laying out under what circumstances person will not receive reimbursement from the VPSTF.	Renumbers subsection as 25-590-210.B. Also language was added to the first paragraph to clarify that this subsection also applies to owners/operators of underground storage tanks exempted in subdivisions 1 and 2 of the definition of underground storage tank and small heating oil aboveground storage tanks. These changes were made to bring the regulation into conformance with existing statutory language.
25-590-210.A.6	25-590-210.A.5		Renumbering to reflect changes detailed in previous line of table.
25-590-210.B	25-590-210.C		same as above
25-590-210.C	25-590-210.D		same as above
25-590-210.D	25-590-210.E		same as above
25-590-210.E	25-590-210.F		same as above
25-590-210.F	25-590-210.G		same as above
25-590-210.G	25-590-210.H		same as above
25-590-210.H	25-590-210.I		same as above
25-590-210.A.5.a, 5.b & 5.c	25-590-210.B.1, B.2 & B.3	Lays out circumstances under which a person would not be eligible for reimbursement from VPSTF	Added the term "contractor". This change was made to clarify current agency practice concerning reimbursement through VPSTF. (Changes requested by agency staff)
25-590-210.A.5.c & 210.B.5	n/a	Denies reimbursement for costs and damages incurred pursuant to Article 4.1 of the Waste Management Act.	Changed "Article 4.1" cite to "section 10.1-1232" because Article 4.1 was repealed and the language incorporated into the Brownfield Restoration and Land Renewal Act.
25-590-210.C.2	25-590-210.D.2	States that VPSTF will pay for corrective action and	Amended to remove reference to third parties to bring this section into conformance with statute

		third party costs caused by a petroleum release if owner/operator cannot be determined or is determined incapable.	(§62.1-44.34:11).
25-590-250	25-590-250.A	Incorporates federal regulations prescribing local government financial responsibility demonstration methods.	Added the language "Except as provided" to put regulated community on notice that the agency is modifying the federal requirements slightly. Changes were due to fact that the standby trust fund is no longer required. (Result of DPB comment.)
25-590-250	25-590-250.B	n/a	New section requires a local government using a guarantee to demonstrate to use a particular type of guarantee form. This change is necessary to reflect the removal of the requirement to establish a standby trust fund in conjunction with using a guarantee to demonstrate. (Result of DPB comment.)
Appendix I	n/a	Required language for the Financial test	Added language to account for aboveground storage tank financial responsibility coverage when determining whether an owner/operator's tangible net worth is sufficient to qualify to use this mechanism. Change made in Appendix to reflect change in body of regulation.
Appendix II	n/a	Required language for the Guarantee	Removes reference to the standby trust fund. Adds language to require the guarantor to give notice to the board in the event of cancellation.
Appendix III	n/a	Required language for the Endorsement	Removed reference to group insurance pools, added a requirement to give the board notice in the event of cancellation and made minor, typographical changes. Changes made at the request of the Bureau of Insurance.
Appendix IV	n/a	Required language for the Certificate of Insurance	Removed reference to group insurance pools, added a requirement to give the board notice in the event of cancellation and made minor, typographical changes. Changes made at the request of the Bureau of Insurance.
Appendix V	n/a	Required language for performance bond.	Deleted reference to the standby trust, added language to clarify the surety's responsibilities in the event of a demand for payment or legal action and added requirement to give Board notice in the event of cancellation.
Appendix VI	n/a	Required language for the letter of credit	Deleted reference to the standby trust fund and added requirement to give Board notice in the event of cancellation.
Appendix VII	n/a	Required language for the Trust Agreement	Removes reference to the standby trust fund.
Appendix IX	n/a	Required language for the Certification of Financial Responsibility	Added language to clarify how the VPSTF is to be used as a demonstration mechanism and to clarify how to calculate the coverage period. Change necessary to make the form more user-friendly.
Appendix XI	n/a	Required language for a streamlined version of the Financial test for self-	Added language to account for aboveground storage tank financial responsibility coverage when determining whether an owner/operator's

		insurance	tangible net worth is sufficient to qualify to use this mechanism. Change made in Appendix to reflect change in body of regulation.
Appendix XII	n/a	Required language for the Certificate of Group Self-Insurance	Modifies title of Certificate and changes the signatory from the Administrator to the Authorized Representative. This change was made at the request of the Bureau of Insurance

Impact on family

Please assess the impact of the proposed regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

The Department does not anticipate that the proposed changes to the UST financial responsibility regulations will erode the authority and rights of parents in the education, nurturing and supervision of their children; encourage or discourage economic self-sufficiency, self pride and the assumption of responsibility for oneself, one's spouse and one's children and or elderly parents; strengthen or erode the marital commitment; or increase/decrease disposable family income.