

Kansas Administrative Regulations

Department of Health and Environment

Article 44.—Petroleum Products Storage Tanks

28-44-27. Financial responsibility.

The provisions of 40 C.F.R. 280.90, 280.91, 280.93 through 280.99, and 280.102 through 280.115, dated July 1, 2015, as amended by 80 fed. reg. 41640, 41641-41648, and 41649-41662 (2015) and effective on October 13, 2015, are hereby adopted by reference, with the following changes to the sections specified:

(a) In 280.94(b), "Attorney(s) General of the state(s) in which the tanks are located" shall be replaced with "State Attorney General or attorneys within the department reviewing guarantees or surety bonds as Special Assistant Attorney(s) General."

(b)(1) In 280.95, the first sentence in paragraph (f) shall be replaced with the following sentence: "When directed by the secretary in writing, the owner or operator, and/or guarantor shall submit reports of financial condition."

(2) In 280.95(g), "written" shall be added before "notification by the Director of the implementing agency."

(c)(1) In 280.96(b), "in writing" shall be added after "If the Director of the implementing agency notifies the guarantor."

(2) In 280.96(d), "written" shall be added before "instructions from the Director of the implementing agency."

(d)(1) In 280.97(b)(1), "in writing" shall be added after each occurrence of "Whenever requested by [a Director of an implementing agency]."

(2) In 280.97, paragraph (c) shall be replaced with the following paragraph:

"(c) Each insurance endorsement or certificate language shall be worded with the language specified in paragraph (b) of this subsection or shall be amended to evidence the coverage of corrective action by the underground petroleum storage tank release trust fund by submitting a statement of eligibility in accordance with K.S.A. 65-34,115, and amendments thereto. Amendments shall reflect the standards specified in K.S.A. 65-34,114, and amendments thereto."

(e)(1) In 280.98(b), in the fourth paragraph of the "Performance Bond," "written" shall be added after "the Director of the state implementing agency's."

(2) In 280.98(b), in the third and fourth paragraphs under subsection (e) of the "Performance Bond," "written" shall be added before "notification" and "instructions."

(3) In 280.98(d), "written" shall be added before "instructions."

(f)(1) In 280.99(b) in the "Irrevocable Standby Letter of Credit," "may not" shall be replaced with "shall not."

(2) In 280.99(c), "written" shall be added before "instructions."

(g) In 280.102, paragraph (f) shall be replaced with the following paragraph:

"(f) Within 60 days after receiving a request from the owner or operator for release of funds as specified in paragraph (d) or (e) of this section, the trustee shall release funds to the owner or operator as instructed by the secretary in writing."

(h)(1) In 280.103(b)(1) in the paragraph immediately following the title "Section 3. Establishment of Fund," "written" shall be added before "instruction."

(2) In 280.103(b)(1), "Section 4. Payment for ['Corrective Action' and/or 'Third-Party Liability Claims']," the first indented sentence shall be replaced with the following sentence: "The Trustee shall make payments from the fund as directed by [the Director of the implementing agency]."

(3) In 280.103(b)(1) in the second sentence following the title "Section 4. Payment for ['Corrective Action' and/or 'Third-Party Liability Claims']," "may not" shall be replaced with "shall not."

(4) In 280.103, paragraph (c) shall be replaced with the following paragraph:

"(c) When instructed by the secretary in writing, the trustee shall refund the balance of the standby trust fund to the provider of financial assurance if the secretary determines that no additional corrective action costs or third-party liability claims will occur as a result of a release covered by the financial assurance mechanism for which the standby trust fund was established."

(i)(1) In 280.104(a) in the third sentence, "may not" shall be replaced with "shall not."

(2) In 280.104(f), the first sentence shall be replaced with the following sentence: "When directed by the secretary in writing, the local government owner or operator, or local government guarantor shall submit reports of financial condition."

(3) In 280.104(h), "written" shall be added after "within 30 days of."

(j)(1) In 280.105(e), the first sentence shall be replaced with the following sentence:
"When directed by the secretary in writing, the local government owner or operator shall submit reports of financial condition."

(2) In 280.105(f), "written" shall be added after "within 30 days of."

(k)(1) In 280.106(c)(1) and (c)(2), "in writing" shall be added after "as directed by the Director of the implementing agency."

(2) In 280.106(d), each occurrence of "upon instructions" shall be replaced with "upon written instructions."

(l)(1) In 280.107 in the first paragraph, the text "may not" shall be replaced with "shall not."

(2) In 280.107(b) in the last sentence, "may not" shall be replaced with "shall not."

(m)(1) In 280.109(a)(1), "may not" shall be replaced with "shall not."

(2) In 280.109(a)(2), each occurrence of "may not" shall be replaced with "shall not."

(n) In 280.110, paragraph (c) shall be replaced with the following paragraph:

"(c) When directed by the secretary, the owner or operator shall submit evidence of financial assurance as described in 40 C.F.R. 280.111(b) or other compliance information relevant to this subpart."

(o)(1) In 280.112, paragraph (a) shall be replaced with the following paragraph:

"(a) Except as specified in paragraph (d) of this section, the guarantor, surety, or institution issuing a letter of credit shall place the amount of funds stipulated by the secretary in writing, up to the limit of funds provided by the financial assurance mechanism, into the standby trust if:"

(2) In 280.112(b), the first sentence shall be replaced with the following: "A standby trust may be drawn on by the secretary when:"

(3) In 280.112(c), the second sentence shall be replaced with the following sentence: "Third party liability claims shall be paid in the order in which the secretary receives certifications under paragraph (b)(2)(i) of this section and valid court orders under paragraph (b)(2)(ii) of this section."

(4) In 280.112(d), "in writing" shall be added after "as directed by the Director."

(p) In 280.113, "is no longer required" shall be replaced with "shall no longer be required."

(q) In 280.115(a) in the first sentence, "written" shall be added before "instruction."
(Authorized by and implementing K.S.A. 65-34,105; effective Nov. 26, 1990; amended July 6, 2020.)

***** Authenticated Kansas Administrative Regulation *****