



FIRE DEPARTMENT

CITY OF BURBANK
311 ORANGE GROVE AVENUE, BURBANK CALIFORNIA 91502-1221
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To: Underground Storage Tank Owners and Operators

Subject: ***PROOF OF FINANCIAL RESPONSIBILITY FILING REQUIREMENT***

This is to notify you that as of December 31, 1993, all petroleum underground storage tank owners and operators (except Local Government entities) must demonstrate financial responsibility. Local Government entities were required to demonstrate financial responsibility by February 18, 1994.

The Environmental Protection Agency (EPA) on June 9, 1993 approved California's Underground Storage Tank Cleanup Fund (USTCF) as a mechanism for meeting the Federal financial responsibility requirement for tanks containing petroleum.

If you are in compliance with UST State (CCR, Title 23, Division 3, Chapter 16) and Federal (40, C.F.R. Parts 280 and 281) regulations and meet the requirements for reimbursement from the Fund (CCR, Title 23, Division 3, Chapter 18), you may use the USTCF to meet financial responsibility coverage. If you do not qualify to use the USTCF, then you must have one of the following to meet State and Federal financial responsibility requirements which are found in 40, C.F.R. Part 280, Sections 280.95 – 280.103.

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|---------------------------------------|-----------------------|
| 1. Self-Insurance | 4. Surety Bond |
| 2. Guarantee | 5. Letter of Credit |
| 3. Insurance and Risk Retention Group | 6. Trust Fund |
| | 7. Standby Trust Fund |

In order to use the Fund as a basis for demonstration of financial responsibility for taking corrective action and for compensating third parties for bodily injury and property damage, in accordance with Federal and State requirements, an owner or operator must at all times:

- (1) Demonstrate financial responsibility for at least \$5,000 annual aggregate coverage exclusive of the fund using one of the seven mechanisms listed above;
- (2) Demonstrate financial responsibility for any required amount above \$1 million exclusive of the Fund using one of the seven mechanisms listed above; and
- (3) Maintain eligibility to participate in the Fund.

Please complete and submit the enclosed certification of financial responsibility form within 30 days of receipt. Failure to submit your proof of financial responsibility may (1) jeopardize claimant eligibility

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for the State UST Cleanup Fund, and (2) create liability for civil penalties of up to \$10,000 per day, per underground storage tank, for each day of violation as stated in Article 7, Section 25299.76(a) of the California Health and Safety Code.

If you have any questions regarding compliance with the UST requirements, please contact the Underground Tank Unit of the Fire Prevention Bureau at (818) 238-3473.

Be sure to keep a copy for your records.

Thank you for your cooperation.



Daniel King, Fire Inspection Manager
Fire Prevention Bureau