

RCW 88.40.030 Financial responsibility—Documentation—

Qualification as self-insurer—Certificate. (1) The owner or operator of a vessel or facility that is required to demonstrate financial responsibility under this chapter may do so by any one of, or a combination of, the following methods acceptable to the department:

- (a) Evidence of insurance;
- (b) Surety bonds;
- (c) Guaranty;
- (d) Letter of credit;
- (e) Certificates of deposit;
- (f) Protection and indemnity club membership;
- (g) A certificate evidencing compliance with the requirements of another state's financial responsibility requirements or federal financial responsibility requirements if the state or federal government requires a level of financial responsibility the same as or greater than that required under this chapter; or
- (h) Other evidence of financial responsibility deemed acceptable by the department.

(2) In addition to the options provided in subsection (1) of this section, the owner or operator of a vessel or facility may demonstrate financial responsibility under this chapter through qualification as a self-insurer. Rules adopted by the department that provide a self-insurance option for vessels and facilities must require the applicant to thoroughly demonstrate the security of the applicant's financial position, which may include a demonstration of a combination of the applicant's assets, cash flow, equity, liabilities, and bond ratings. The department may require a certificate applicant relying on qualification as a self-insurer to demonstrate a greater monetary amount of financial responsibility than is required of applicants relying on a form of financial responsibility described in subsection (1) of this section. In adopting rules pertaining to self-insurance requirements, the department must establish standards that are no less protective than the qualification standards for self-insurance established in other jurisdictions with similar programs as of January 1, 2022, and from which Washington imports significant volumes of oil or petroleum products or to which Washington exports significant volumes of oil or petroleum products.

(3) Upon determining that the owner or operator of a vessel or facility has adequately demonstrated financial responsibility to the department, the department must issue a certificate of financial responsibility to the owner or operator of the vessel or facility.

(4) Any bond filed with the department to demonstrate financial responsibility under this chapter must be issued by a bonding company authorized to do business in the United States.

(5) A certificate of financial responsibility, or a certificate specified in subsection (1)(g) of this section, must be kept on any covered vessel and filed with the department at least 24 hours before entry of the vessel into the navigable waters of the state. The owner or operator of a covered vessel must notify the department but is not required to file a certificate of financial responsibility 24 hours before entry of the vessel into the navigable waters of the state, if the vessel has filed documentation of financial responsibility with the federal government, and the level of financial responsibility required by the federal government is the same as or exceeds state requirements.

(6) A certificate of financial responsibility issued by the department under this chapter or otherwise used for compliance with this chapter may not have a term greater than two years. [2022 c 202 § 4; 2000 c 69 § 32; 1991 c 200 § 705; 1990 c 116 § 32; 1989 1st ex.s. c 2 § 4.]

Effective dates—1991 c 200: See RCW 90.56.901.

Findings—Severability—1990 c 116: See notes following RCW 90.56.210.