567—102.10(455D) Financial assurance. Tier 4 composting facilities must obtain and submit a financial assurance instrument to the department. The financial assurance instrument shall provide monetary funds to properly dispose of any preprocessed and postprocessed materials that remain at a facility due to the owner's or operator's failure to properly close the site according to the schedule approved be the department in 102.9(9)*"a"* or within six months of permit suspension, termination, revocation, or expiration if no alternative schedule is approved.

102.10(1) *No permit without financial assurance.* The department shall not issue or renew a permit to an owner or operator until a financial assurance instrument has been submitted to and approved by the department.

102.10(2) *Proof of compliance.* Proof of the establishment of the financial assurance instrument and compliance with this rule, including a current closure cost estimate, shall be submitted to the department at the time of application for a permit for a new composting facility. The owner or operator must provide continuous coverage for closure and submit proof of compliance, including an updated closure cost estimate, with each permit renewal until released from this requirement by the department.

102.10(3) *Use of one financial assurance instrument for multiple permitted activities.* Composting facilities required to maintain financial assurance pursuant to any other provisions of 567—Chapters 100 through 102 may satisfy the requirements of this rule by the use of one financial assurance instrument listed in 102.10(5).

102.10(4) *Financial assurance amounts required.* The estimate submitted to the department must be certified by an Iowa-licensed professional engineer and must account for at least the following factors determined by the department to be minimal necessary costs for closure:

a. Transportation costs, which include the cost to load the material, and total tip fees to properly dispose of the maximum tonnage of received materials that could be managed and stockpiled by the compost facility. Also included shall be the costs of properly removing any wastewater held at the facility.

b. The costs for maintaining financial assurance pursuant to any other provisions of 567—Chapters 100 through 123, if any, in accordance with 102.10(3).

102.10(5) *Acceptable financial assurance instruments.* The financial assurance instrument shall be established in an amount equal to the cost estimate prepared in accordance with 102.10(4) and shall not be canceled, revoked, disbursed, released, or allowed to terminate without the approval of the department. The language of the financial assurance instrument shall meet the criteria in 567—subrule 101.708(3). Financial assurance shall be provided by one of the following options:

a. Trust fund pursuant to 567—subrule 101.707(1).

b. Surety bond, pursuant to 567—subrule 101.707(2).

c. Letter of credit, pursuant to 567—subrule 101.707(3).

d. Corporate guarantee pursuant to 567—subrule 101.707(7).

e. Local government guarantee pursuant to 567—subrule 101.707(8).

f. Local government dedicated fund pursuant to 567—subrule 101.707(9).

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