

Kansas Department of Health and Environment  
Bureau of Waste Management Policy 2015-P1  
**Liability Insurance Requirements for  
Solid Waste Disposal Areas and Processing Facilities**

**Purpose**

This policy allows the liability insurance requirements for certain solid waste facilities to be met using a combination of a financial test and an excess liability insurance policy. This increases the consistency between the requirements of the solid waste and hazardous waste programs in Kansas and can provide cost savings to the facility.

**Background**

In Kansas, both solid waste facilities and hazardous waste facilities are required to maintain liability insurance; however, the mechanisms allowed for providing this insurance differ between the two programs.

The hazardous waste program authorizes the use of the financial test to assure the costs of closure, post-closure, and liability insurance. The financial test is a self-insurance method of financial assurance; use of this method can reduce facility costs while maintaining adequate insurance coverage.

The solid waste program authorizes the use of the financial test to assure the costs of closure and post-closure at certain solid waste facilities (K.S.A. 65-3407(h)(1)). However, liability insurance at solid waste facilities must be "...issued by an insurance company authorized to do business in Kansas or by a licensed insurance agent..." (K.S.A. 65-3407(h)(3)). Authorizing certain solid waste facilities to use the financial test for liability insurance would allow them to realize the same cost savings afforded to hazardous waste facilities.

**Action**

A corporate entity using the financial test to assure the costs of closure and post-closure care at a solid waste facility may also use the financial test to assure the costs of liability insurance at that facility as long as the corporate entity retains an excess liability insurance policy. KDHE has determined that the excess liability insurance policy will meet the requirements of K.S.A. 65-3407(h)(3) and K.A.R. 28-29-2201.

This policy will remain in effect until it is revoked or until it is rendered obsolete by future amendments to solid waste law or regulations.



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Date