

- **Can I switch to the other financial test alternative?**

If you ONLY missed the ratio of current assets divided by current liabilities which is greater than 1.5 in Alternative I, you may utilize Alternative II provided your bond rating meets NDAC Paragraph 33.1-20-14-07(5)(a)(1).

- **Can I get a corporate guarantee?**

A Corporate Guarantee must meet NDAC Subdivision 33.1-20-14-07(5)(f) and subsequent paragraphs.

- Options exist for a direct or higher-tier parent corporation (Parent Corporation), a firm whose parent corporation is also the parent corporation of the owner/operator (Sister Corporation), or a firm with a substantial business relationship with the owner/operator (Substantial Business Relationship Firm) to be a guarantor.
 - A Corporate Guarantee is typically not an option for a City or County owner/operator.
- **We've always included our inert waste landfill in our financial assurance calculations. Can we remove those costs for the financial test?**

Yes – Financial assurance requirements do not apply to inert waste landfills.

If you have historically included inert waste landfill costs in your financial assurance, please include an explanation in your submittal clarifying the change in your cost estimates from the previous year's submittal.

- **What alternate financial assurance mechanisms are available if I can't pass the financial test and don't have the option of a corporate guarantee?**

One or multiple mechanisms may be utilized to fulfill your financial assurance. Some common combinations are identified below. Contact the Department with any questions.

- Insurance Policy
- Irrevocable Letter of Credit and Standby Trust
- Surety Bond and Standby Trust
- Fully Funded Trust

See an example template notice located on the Department's webpage at:

<https://deq.nd.gov/WM/SolidWasteProgram/financialassurance/>

- **How soon do I need to notify the Department that we failed the financial test?**

When the owner/operator no longer meets the requirements to pass the financial test, the owner/operator must send notice by certified mail to the Department within ninety (90) days. (NDAC Subdivision 33.1-20-14-7(5)(d))

See an example template notice located on the Department's webpage at:

<https://deq.nd.gov/WM/SolidWasteProgram/financialassurance/>



- **How long do I have after failing the financial test before I have to submit alternate financial assurance to the Department?**

When the owner/operator no longer meets the requirements to pass the financial test, the owner/operator must establish alternate financial assurance within one hundred twenty (120) days. (NDAC Subdivision 33.1-20-14-7(5)(d))

- **What if the one hundred twenty days would fall after the annual financial assurance deadline of August 31?**

Contact the Department to discuss submitting a formal request for a financial assurance deadline extension.

- **Can I go back to utilizing a financial test at a later date?**

Yes – Once you have demonstrated the ability to pass the financial test you may proceed with a formal request to the Department to release any other financial assurance mechanism(s) that are no longer necessary.

