

WAC 173-360A-1063 Mechanism—Surety bond. (1) **Applicability of mechanism.** An owner or operator may satisfy the requirements of WAC 173-360A-1015 by obtaining a surety bond that conforms to the requirements of this section.

(2) **Eligibility of surety.** The surety company issuing the bond must be among those listed as acceptable sureties on federal bonds in the latest Circular 570 of the U.S. Department of the Treasury.

(3) **Content of surety bond.** The surety bond must be worded as set forth in WAC 173-360A-1084, except that instructions in brackets must be replaced with the relevant information and the brackets deleted.

(4) **Liability of surety.** Under the terms of the bond, the surety will become liable on the bond obligation when the owner or operator fails to perform as guaranteed by the bond. In all cases, the surety's liability is limited to the per-occurrence and annual aggregate penal sums.

(5) **Standby trust.** The owner or operator who uses a surety bond to satisfy the requirements of WAC 173-360A-1015 must establish a standby trust fund when the surety bond is acquired. Under the terms of the bond, all amounts paid by the surety under the bond will be deposited directly into the standby trust fund in accordance with instructions from the department under WAC 173-360A-1050. This standby trust fund must meet the requirements specified in WAC 173-360A-1066.

[Statutory Authority: Chapter 90.76 RCW. WSR 18-15-083 (Order 16-02), § 173-360A-1063, filed 7/18/18, effective 10/1/18.]