**Section 900.702 Mechanisms for Providing Evidence of Financial Responsibility**

a) *Financial responsibility may be evidenced by any combination of the following:*

1) *Commercial or private insurance;*

2) *Guarantee;*

3) *Surety bond;*

4) *Letter of credit;*

5) *Certificate of deposit or designated savings account; or*

6) *Participation in a livestock waste lagoon closure fund managed by the Illinois Farm Development Authority.* [510 ILCS 77/17]

b) The lagoon owner must provide continuous coverage from the time the lagoon is placed in service until such time as the owner is released from the financial responsibility requirements pursuant to Section 900.705(a) of this Part. The initial term of any surety instrument (other than a certificate of deposit or designated savings account) utilized to fulfill the requirements of this Part must be at least three years. At least two years prior to the expiration date of such instrument, the owner must provide the Department with proof that the term of coverage has been extended for at least one additional year.

c) Upon a change in the ownership of a livestock management facility or livestock waste handling facility involving a lagoon that is subject to the financial responsibility requirements of this Subpart, the new owner must establish and maintain evidence of financial responsibility at a level not less than the level required pursuant to this Subpart.

d) The lagoon owner must ensure that the terms and conditions of the surety instruments listed in subsection (a) of this Section upon which the owner relies are legally valid, binding, and enforceable under State and federal law.