

Retroactive Dates Explained

This fact sheet and the information it contains has been produced by the Arizona Department of Environmental Quality (ADEQ) to provide general information regarding Financial Responsibility requirements. While every measure has been taken to ensure the accuracy and completeness of the material, it is the Underground Storage Tank (UST) owner's responsibility to follow environmental laws as stated in Arizona Revised Statutes (A.R.S.) § 49-1006.01.C.

UST owners/operators are required to provide proof of financial responsibility to ADEQ, demonstrating the capacity to cover costs related to the cleanup of leaking USTs. Commercial liability insurance policies, submitted to ADEQ to meet this requirement, include a retroactive date, the date that coverage begins.

What is a retroactive date?

A retroactive date, or retro-date, is:

- The date from which you have held uninterrupted professional indemnity insurance coverage (even if you changed insurers during this time).

Or

- A date in the past from which your insurer has agreed to cover you.

Any claims that arise from events prior to this date will not be covered by your insurance.

Statutes state a retroactive date must match or predate:

- the date of the most recent baseline assessment or comparable site characterization,
- the date of the UST system installation, or
- the earliest retroactive coverage date of the previous insurance policy or alternative financial responsibility mechanism.

Where can I find the retroactive date?

Typically there is a retroactive date in a tank schedule. If it is not listed in the tank schedule, it is acceptable as long as it is listed on another official policy document and compliant with statute.

Storage Tank System(s)						
Tank#	Insured Site	Retroactive Date	Tank Installation Date	Tank Capacity	Deductable	Tank Site
1	Station 1 Address City, State ZIP	12/5/13	1986	12,000	\$25,000	UST

What if the retroactive date doesn't meet requirements?

When facilities do not meet financial responsibility requirements, it's typically because of new ownership, no record of financial responsibility submitted to ADEQ, or a lapse in tank policy coverage.

To comply with requirements:

1. Work with your insurance broker to help you backdate to the tank system install date or retroactive coverage date of your previous insurance policy.
2. Have an ADEQ Underground Storage Tank Baseline Assessment conducted at the site. This can establish a retroactive date. A baseline assessment addresses likely release areas, includes information to determine the current environmental condition of the property, and is conducted under the direction of a professional registrant (i.e., professional engineer, registered geologist, or remediation specialist).

For more information about baseline assessments:

Read A.R.S. § 49-1052 at azleg.gov/ars/49/01052.htm or download ADEQ's support document at static.azdeq.gov/ust/ust_baseline_assessment_guide.pdf

For more information about financial responsibility requirements:

Visit azdeq.gov/UST/FR or read A.R.S. § 49-1006.01C by visiting azleg.gov/ars/49/01006-01.htm

For translations or other communications aids, please email the Title VI Coordinator, Leonard Drago, at Drago.Leonard@azdeq.gov or call 602-771-2288.

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