**Section 326.140 Financial Tests for Self-Guarantee**

A licensee may provide assurance of the availability of funds for reclaiming based on furnishing its own guarantee that funds will be available for reclaiming costs, provided that the licensee can demonstrate that it meets the applicable financial tests identified in this Section. For commercial corporations that issue bonds, a guarantee of funds may be used if the licensee meets the tests as specified in subsection (a) of this Section. For commercial corporations that do not issue bonds, a guarantee of funds may be used if the licensee meets the tests as specified in subsection (b) of this Section. For hospitals, a guarantee of funds may be used if the licensee meets the tests as specified in subsection (c) of this Section. A guarantee by the licensee may not be used in any situation where the licensee has a parent company holding majority control of the voting stock of the company.

a) For commercial companies that issue bonds, to pass the financial test, the company shall demonstrate it meets all of the following criteria:

1) Tangible net worth at least 10 times the total current reclaiming cost estimate for all decommissioning activities for which the company is responsible under a parent company guarantee, a self-guarantee or a commitment to another regulatory agency (e.g., USEPA).

2) Assets located in the United States amounting to at least 90 percent of total assets or at least 10 times the total current reclaiming cost estimate for all decommissioning activities for which the company is responsible under a parent company guarantee, a self-guarantee or a commitment to another regulatory agency (e.g., USEPA).

3) A current rating for its most recent uninsured, uncollateralized and unencumbered bond issuance of AAA, AA or A as issued by Standard and Poor's, or Aaa, Aa or A as issued by Moody's.

b) For commercial companies that do not issue bonds, to pass the financial test, the company shall demonstrate it meets all of the following criteria:

1) Tangible net worth greater than $10 million, or at least 10 times the totalcurrent reclaiming cost estimate, whichever is greater, for all decommissioning activities for which the company is responsible under a parent company guarantee, a self-guarantee or a commitment to another regulatory agency (e.g., USEPA).

2) Assets located in the United States amounting to at least 90 percent of total assets or at least 10 times the total current reclaiming cost estimate for all decommissioning activities for which the company is responsible under a parent company guarantee, a self-guarantee or a commitment to another regulatory agency (e.g., USEPA).

3) The (sum of net income plus depreciation, depletion and amortization) divided by total liabilities shall be greater than 0.15 and total liabilities divided by net worth shall be less than 1.5.

c) For hospitals to pass the financial test, a hospital shall meet either the criteria in subsection (c)(1) or (2) of this Section:

1) For hospitals that issue bonds, a current rating for its most recent uninsured, uncollateralized and unencumbered bond issuance of AAA, AA or A as issued by Standard and Poor's, or Aaa, Aa or A as issued by Moody's.

2) For hospitals that do not issue bonds, all of the following tests shall be met:

A) (Total revenues less total expenditures) divided by total revenues shall be equal to or greater than 0.04.

B) Long term debt divided by net fixed assets shall be less than or equal to 0.67.

C) (Current assets and depreciation fund) divided by current liabilities shall be equal to or greater than 2.55.

D) Operating revenues shall be at least 100 times the total current reclaiming cost estimate for all reclaiming activities for which the hospital is responsible under a parent company guarantee, a self-guarantee or a commitment to another regulatory agency (e.g., USEPA).