



POLICY #24
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Subject **Subrogation**
Adopted **4/16/2010**

In cases where the release of petroleum was caused by the negligence of a third party*, the Committee may recover costs reimbursed by the Fund from the third party whose conduct caused the release.

This policy will be effective on the date it is adopted by the Committee. After the effective date of this Policy, the Division of Oil and Public Safety (Division) will evaluate releases dated on or after the effective date of this policy and consider whether a third party caused the release. The Division will complete a subrogation worksheet for releases that may have been caused by a third party's negligence. The Division will provide this worksheet to the Committee for review, along with a subrogation recommendation. The Division may make a positive subrogation recommendation at a later date if the Division discovers information that a third party's negligence may have caused the release.

There are several factors the Committee may consider when deciding to pursue subrogation including the evidence presented by the Division and the Fund applicant, the amount paid or anticipated to be paid from the Fund, the time and expense of pursuing subrogation, and the likelihood of recovering money from the third party. If the Committee decides to pursue subrogation, the case will be referred to the Attorney General's Office for further evaluation.

* This includes but is not limited to violation of the Division's statutes or regulations, material design defects of the storage tank system or any of its components, improper installation of the storage tank system, delivery mishaps, or damage caused by a third party contractor, licensee or invitee.

