

CPL Grant Program Insurance Requirements

Grantees are required to carry insurance that meets or exceeds the requirements of the landowner whose land they will be working on. Insurance requirements for working on State lands are listed below. For all other lands, grantees should discuss insurance with the landowner/ land manager during their project meeting and follow their requirements. Proof of insurance will be required prior to a grant being encumbered. The cost of insurance is eligible to be used as match, and also as a pre-award cost. Grant funds may not be used to pay for insurance. *Applicants should investigate the cost of insurance before submitting an application.*

Insurance costs must be directly related to the project. For example, an organization carries insurance for a fishing tournament and needs to add a rider to cover grant-funded upland enhancement work. Only the rider for the upland enhancement work may be used as match for the grant—the cost of insurance for the fishing tournament does not apply to the upland work.

1. General Insurance Requirements

- a. The grantee must submit a copy of the Certificate of Insurance to the Grant Program Staff before the grant agreement is executed. The industry standard Accord form is the typical Certificate of Insurance provided.
- b. All policies and certificates shall provide that the policies shall remain in force and effect throughout the term of the service being provided.
- c. Policy shall provide the state of Minnesota with thirty (30) days advance written notice of cancellation.
- d. The policy(ies) shall be primary insurance available to the state of Minnesota with respect to any claim arising out of providing service to the State.
- e. The state of Minnesota must be endorsed as an additional insured on the general liability coverage.
- f. It is strongly recommended that all contractors meet the same insurance requirements as the grantee. Contractors must file evidence of insurance with the grantee.
- g. If Grantee is self-insured, a Certificate of Self-Insurance must be attached.
- h. The Insurance Companies must have an “AM Best” rating of A- (minus), Financial Size Category (FSC) VII or better, and be authorized to do business in the state of Minnesota.
- i. The Grantee’s insurance company waives its right to assert the immunity of the State as a defense to any claims made under said insurance.

The grantee shall maintain insurance to cover claims, which may arise from operations under this contract, whether such operations are by grantee or contractor or by anyone directly or indirectly employed under the grant.

An Umbrella or Excess Liability insurance policy may be used to supplement the grantee’s policy limit to satisfy the full policy limits required by the contract.

2. Workers' Compensation Insurance

- a. Statutory Compensation Coverage
- b. Coverage B – Employer's Liability with limits of not less than:
 - i. \$100,000 Bodily Injury by Disease per Employee
 - ii. \$500,000 Bodily Injury by Disease Aggregate
 - iii. \$100,000 Bodily Injury by Accident

The grantee and subcontractors, if any, must provide Workers' Compensation insurance for all employees, in accordance with the statutory requirements of the state of Minnesota, including Coverage B, Employer's Liability.

If [MN Statutes 176.041](#) exempts Grantee from Workers' Compensation insurance or if the Grantee has no employees in the State of Minnesota, Grantee must provide a written statement, signed by the authorized signer of the contract, stating the qualifying exemption that excludes Grantee from MN Workers' Compensation requirements.

The statement must also include—If during the course of the contract the Grantee becomes eligible for Workers' Compensation, the Grantee will comply with the Workers' Compensation Insurance requirements and provide the State of Minnesota with a certificate of insurance.

3. Automobile Liability Insurance

Minimum Limits of Liability:

- a. Passenger vehicle such as car, van or pickup truck: Minnesota State No-fault
- b. If vehicle is towing anything or is a commercial vehicle, the combined single limit shall be the same as required under the General Liability Insurance, below.
- c. Coverages required:
 - i. Any Auto
 - ii. All Owned Auto
 - iii. Scheduled Auto
 - iv. Hired Auto
 - v. Non-owned Auto
- d. The grantee and any contractors, if any, shall maintain insurance to cover liability arising out of the operations, use, or maintenance of all owned, non-owned and hired automobiles. Evidence of contractor insurance shall be filed with the grantee.

4. Pollution Insurance

- a. **Required Automobile Insurance when hauling hazardous substances, materials or pollutants:**

The following endorsement to the Vendor's/Contractor's Auto policy is required to cover liabilities, i.e., clean up monitoring, testing, stemming from pollutant discharge, release, spills, while being transported if an accident occurs:

- i. CA 9948 – Pollution Liability – Broadened Coverage Endorsement (or equivalent), and
- ii. MCS 90 Endorsement (based on commodity transported and the type of vehicle transporting it):
 - o For-hire (in Interstate or foreign commerce) with a gross vehicle weight rating of 10,000 or more pounds – Commodity Transported – Property (nonhazardous)
 - o For-hire and private (in Interstate, foreign, or intrastate commerce) with a gross vehicle weight rating of 10,000 or more pounds – Commodity Transported – Hazardous substances, as defined in 49 CFR 171.8, transported in cargo tanks, portable tanks or hopper-type vehicles with capacities in excess of 3,500 water gallons or in bulk.
 - o For-hire and private (in Interstate or foreign commerce, in any quantity; or in Intrastate commerce) with a gross vehicle weight rating of 10,000 or more pounds – Commodity Transported – Oil listed in 49 CFR 172.101; hazardous waste, hazardous materials and substances defined in 49 CFR 171.8 and listed in 49 CFR 172.101.
 - o For-hire and private (in Interstate or foreign commerce, in any quantity) with a gross vehicle weight rating of less than 10,000 pounds – Commodity Transported – Any quantity of Division 1.1, 1.2, or 1.3 material, any quantity of a Division 2.3, Hazard A, or Division 6.1, Packing Group 1, Hazard A material; or highway route controlled quantities of a Class 7 material as defined in 49 CFR 173.403.
- b. **Require Full Pollution Insurance:**
 - i. Aerial applications of pesticides - if a vehicle is required to carry pesticides to the airplane, they will need additional automobile endorsement: CA 9948 Endorsement – Pollution Liability – Broadened coverage
 - ii. Old Riverboat at Itasca due to potential risk if vessel were to sink.
- c. **Require only \$500,000 Pollution Insurance:**
Broadcast ground spraying of pesticides with the use of a:
 - i. skidder
 - ii. tractor
 - iii. dozer
 - iv. ATV
- d. **Waive Pollution Insurance:**
 - i. pesticide cut-stump applications
 - ii. ground spot spraying
 - iii. spraying individual plants
 - iv. backpack spraying
 - v. spraying of animal browse repellents: Animal browse repellents are considered by MN Dept of Agriculture as a pesticide but most

use non-chemical means of repelling with application on individual plants.

5. General Liability Insurance

Minimum Limits of Liability:

- a. \$1,500,000 - Per Occurrence
 - b. \$1,500,000 - Annual Aggregate
 - c. Coverages required:
 - Premises and Operations Bodily Injury and Property Damage
 - Personal & Advertising Injury
 - Blanket Contractual
 - Products and Completed Operations
 - State of Minnesota and its agencies, officers, and employees (State) endorsed as an Additional Insured
 - Other (Note: please list, i.e., pollution liability, water or aircraft, chemical liability)
 - Aircraft liability limits - \$1,500,000 single limit for each occurrence for bodily injury and property damage combined and \$100,000 single limit for each occurrence for aircraft passenger liability.
 - d. Contractor's Pollution Liability (or equivalent) Pollution Liability coverage endorsed on another form of liability coverage, such as general liability or professional errors and omissions policy. Required for any project with herbicide application/chemical treatment
- Pollution Insurance **minimum** amounts are as follows:
- \$2,000,000 per Claim
 - \$2,000,000 Annual Aggregate
- The following coverages shall be included:
- Policy will include non-owned disposal site Pollution Liability.
 - Policy will not include a lead exclusion.

It is a requirement of the State that coverage for the period of the Contract will be maintained for a period of no less than three (3) years for claims-made coverage or (1) year for occurrence coverage, after the expiration of the Contract.

Name the State, its officers and employees, and CPV members, their officers and employees, as additional insureds with respect to services provided, except with respect to an equivalent (to Contractor's pollution) pollution liability coverage **endorsed on a professional errors and omissions policy** as approved by the State.

6. Insurance May Be Modified Under the Following Conditions

a. Government Agencies and Utility Companies

Insurance may be waived on all contractual services performed by government agencies and utility companies provided the following clause is included on all contracts over \$500. "Each party agrees that it will be responsible for its own acts and omissions and the results thereof to the extent authorized by law and will not be responsible for the acts of the other party and

results thereof. The State's liability will be governed by the provisions of the Minnesota Tort Claims Act, Minnesota Statutes, Section 3.736, and other applicable law."

b. Other Modifications

i. Work involving only hand or small power equipment:

- Insurance Required: Workers' compensation and minimum state no-fault auto insurance.
- This includes projects that are labor intensive with no equipment involved except transportation of crews or hand equipment.
- Possible activities: Site cleanup, seed harvest, hand planting of trees, shrubs or other plants, hand timber stand work, bud capping, hand herbicide application.
- Beaver trapping

ii. Remote area work:

- Remote area defined: Areas where public contact is unlikely, no generally traveled public roads are adjacent to the area, and no recreation area or area where members of the public would be is adjacent to the area. The State Land Manager must confirm that the project site and/or timing of the work qualify it as a remote area.
- Insurance Required: Workers' compensation and minimum state no-fault auto insurance
- Possible activities: Farming operation work such as mowing, plowing, shearing, disking, and mechanical tree planting.