



2015 ASSEMBLY BILL 57

February 23, 2015 - Introduced by Representatives MURPHY, A. OTT, QUINN, R. BROOKS, BALLWEG, STUCK, SKOWRONSKI, DOYLE, THIESFELDT, BILLINGS and T. LARSON, cosponsored by Senator LASEE. Referred to Committee on Natural Resources and Sporting Heritage.

1 **AN ACT** *to renumber and amend* 289.41 (3) (a) 3.; and *to create* 289.41 (3) (a)
2 3. a. to d. and 289.41 (3) (a) 4m. of the statutes; **relating to:** methods of
3 establishing proof of financial responsibility for the closure and long-term care
4 of a landfill.

Analysis by the Legislative Reference Bureau

Current law requires the owner of a landfill to maintain proof of financial responsibility to ensure the availability of funds to cover the costs of closing the landfill and maintaining the property after the landfill is closed. The Department of Natural Resources (DNR) must approve the proof of financial responsibility.

Under current law, one method of providing proof of financial responsibility is an established escrow account, which under DNR's rules may include securities issued by the federal government.

Under this bill, an escrow account established by the owner of a landfill to provide proof of financial responsibility may include, in addition to securities issued by the federal government, debt securities issued by an instrumentality of the federal government that have the highest rating assigned by a nationally recognized rating agency; bonds issued by the State of Wisconsin; and corporate bonds that have the highest rating assigned by a nationally recognized rating agency. Corporate bonds may not be used to provide more than 50 percent of the required amount of proof of financial responsibility.

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Under current DNR rules, another method of providing proof of financial responsibility is an irrevocable trust, which may include securities issued by the federal government.

Under this bill, an irrevocable trust established by the owner of a landfill to provide proof of financial responsibility may include, in addition to securities issued by the federal government, securities issued by an instrumentality of the federal government that have the highest rating assigned by a nationally recognized rating agency; bonds issued by the State of Wisconsin; and corporate bonds that have the highest rating assigned by a nationally recognized rating agency. Corporate bonds may not be used to provide more than 50 percent of the required amount of proof of financial responsibility.

For further information see the *local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 289.41 (3) (a) 3. of the statutes is renumbered 289.41 (3) (a) 3.
2 (intro.) and amended to read:

3 289.41 **(3)** (a) 3. (intro.) An established escrow account, the assets of which may
4 include the following:

5 **SECTION 2.** 289.41 (3) (a) 3. a. to d. of the statutes are created to read:

6 289.41 **(3)** (a) 3. a. Securities issued by the federal government.

7 b. Debt securities issued by a commission, board, agency, or other
8 instrumentality of the federal government that have a rating that is the highest
9 rating category assigned by Standard & Poor's Corporation, Moody's Investors
10 Service, or other similar nationally recognized rating agency.

11 c. State bonds issued under subch. I of ch. 18.

12 d. Corporate bonds that have a rating that is the highest rating category
13 assigned by Standard & Poor's Corporation, Moody's Investors Service, or other
14 similar nationally recognized rating agency. Corporate bonds may not be used to

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1 provide more than 50 percent of the required amount of proof of financial
2 responsibility.

3 **SECTION 3.** 289.41 (3) (a) 4m. of the statutes is created to read:

4 289.41 (3) (a) 4m. An irrevocable trust, the corpus of which may include the
5 following:

6 a. Securities issued by the federal government.

7 b. Debt securities issued by a commission, board, agency, or other
8 instrumentality of the federal government that have a rating that is the highest
9 rating category assigned by Standard & Poor's Corporation, Moody's Investors
10 Service, or other similar nationally recognized rating agency.

11 c. State bonds issued under subch. I of ch. 18.

12 d. Corporate bonds that have a rating that is the highest rating category
13 assigned by Standard & Poor's Corporation, Moody's Investors Service, or other
14 similar nationally recognized rating agency. Corporate bonds may not be used to
15 provide more than 50 percent of the required amount of proof of financial
16 responsibility.

17 (END)