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Assembly Passes Rep. Murphy's Bill to Empower Local Governments

(Madison)...Rep. Murphy (R-Greenville) announced the passage of Assembly Bill 57 in the Assembly today with broad bipartisan support.

"My bill gives local governments more control and flexibility to save money and keep fees low for citizens and businesses," Murphy stated.

Under current law, the Department of Natural Resources (DNR) requires landfills to have proof of financial responsibility to cover the long-term care and eventual closure of landfills. This bipartisan bill allows local governments to invest these funds into safe investments that earn a higher interest rate. The higher earnings enable a landfill to fulfill their financial responsibility sooner and rely less on tipping fees, thereby freeing up revenue for landfills and potentially lowering fees to citizens and businesses.

The bill allows local governments the ability to safely invest funds from the landfill's long-term care and closure accounts into the following funds:

- 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
- corporate bonds that have the highest rating assigned by a nationally recognized rating agency. The bill caps the amount of funds that can be invested in corporate bonds at 50% of the account's fund balance.

"Dina Mumford, the Outagamie County Treasurer, brought this to my attention when I first took office in the Assembly. The Outagamie County Landfill Trust in my district could earn an additional \$150,000 by increasing their interest yield by 1% based off of their fund balance of approximately \$15,000,000," said Murphy.

These accounts are long-term investments and range from several thousand dollars to tens of millions. The funds are controlled by elected county treasurers and managed by professional portfolio managers. The DNR currently allows landfills to invest in securities issued by the federal government and this bill adds more safe options for investment.

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