



E-Cycle Wisconsin Requirements for Proof of Financial Responsibility for Electronics Recyclers

PUB-WA-1377 2023

Purpose

This document and related forms provide direction for recyclers of eligible electronic devices operating as part of the E-Cycle Wisconsin program under s. 287.17(8), Wis. Stats. and s. NR 530.09(4), Wis. Adm. Code, in fulfilling the required proof of financial responsibility component of their registration.

Background

A person wishing to operate as an electronics recycler¹ under Wisconsin's electronics recycling law must register with the Department of Natural Resources and meet several requirements, including maintaining proof of financial responsibility, described under s. 287.17 (8)(c)3, Wis. Stats. and s. NR 530.09(4), Wis. Adm. Code. Proof of financial responsibility ensures sufficient funds are available to cover reasonably estimated costs for a third party to clean up and close all recycling facilities where eligible electronic devices, or materials derived from eligible electronic devices, are stored or recycled. This should include managing any remaining electronics or materials derived from electronics.

DNR staff will review documentation for closure cost estimates and ensure adequate funds have been set aside at the time of initial registration and periodically throughout a recycler's participation in E-Cycle Wisconsin.

Estimating closure and cleanup costs

State law specifies that registered recyclers "shall maintain, and provide to the department upon request, an itemized statement of the estimated costs in a form specified by the department and documentation of the source of the estimates." Form 4400-320 is the DNR-specified form for a recycler to report an itemized statement of the estimated costs. If a recycler has its closure cost estimate in another form, it should consult with E-Cycle Wisconsin staff at the DNR to determine whether substitution for Form 4400-320 is acceptable.

- [Registered Recycler Cost Estimate \(4400-320\)](#)

Acceptable financial assurance instruments

A recycler must maintain proof of financial responsibility. The law allows a recycler to use one of the mechanisms listed below as proof of financial responsibility:

- a surety bond;
- a deposit of cash, certificates of deposit, or securities issued by the federal government;
- an escrow account;
- an irrevocable letter of credit; or
- an irrevocable trust.

¹ "Recycler" means a person who accepts eligible electronic devices from Wisconsin households, covered schools or collectors for the purpose of recycling. "Recycling" means preparing eligible electronic devices for use in manufacturing processes or for recovery of useable materials and delivering the materials for use [ss. 287.17 (1)(L) & (m), Wis. Stats.].

Recyclers located in Wisconsin must name the DNR as the beneficiary. The DNR has developed template forms for recyclers to use when using a letter of credit or a surety bond.

To obtain these forms or to use a different instrument, contact the E-Cycle Wisconsin staff at DNRWIE-cycling@wisconsin.gov to discuss the minimum requirements for such financial instruments.

Recyclers located outside Wisconsin can name an independent third party other than the DNR as beneficiary. Contact E-Cycle Wisconsin staff at DNRWIE-cycling@wisconsin.gov to discuss the minimum requirements and to review the draft copy before finalizing the mechanism for financial responsibility. The proof mechanism should include a provision that the DNR will be notified at least 90 days before the cancellation date of the proof of financial responsibility. To streamline the process, the DNR's surety bond and letter of credit forms may be used as templates.

Process for naming the Wisconsin DNR as beneficiary

When naming the DNR as beneficiary, the recycler must provide a draft copy of the financial instrument the recycler proposes to use (e.g. letter of credit, surety bond, etc.) for DNR approval.

The final document should be mailed to the address below, with a cover letter clearly noting the recycler name and address and that this is in reference to E-Cycle Wisconsin recycler registration.

Section Manager, Business Support and IT
Bureau of Waste and Materials Management – WA/5
P.O. Box 7921
Madison, WI 53707

The beneficiary name and address should be written as:

State of Wisconsin Department of Natural Resources
P.O. Box 7921
Madison, WI 53707



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**Bureau of Waste and Materials Management
Wisconsin Department of Natural Resources
P.O. Box 7921, Madison, WI 53707-7921
DNRWIE-cycling@wisconsin.gov**

Disclaimer: This document is intended solely as guidance and does not contain any mandatory requirements except where requirements found in statute or administrative rule are referenced. Any regulatory decisions made by the Department of Natural Resources in any matter addressed by this guidance will be made by applying the governing statutes and administrative rules to the relevant facts.

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