
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **August 12, 2011**

Casella Waste Systems, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

000-23211
(Commission File Number)

03-0338873
(IRS Employer Identification No.)

25 Greens Hill Lane
Rutland, Vermont
(Address of Principal Executive Offices)

05701
(Zip Code)

Registrant's telephone number, including area code: **(802) 775-0325**

Not applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01. Regulation FD Disclosure.

Casella Waste Systems, Inc. (the “Company”) has reached an agreement to settle previously-disclosed allegations of technical violations of its May 17, 2002 Assurance of Discontinuance (“AOD”) with the Vermont Attorney General’s Office (“AG”), which related to the conduct of the Company’s business in Vermont as relates to certain contract terms applicable to its small commercial container customers. On April 25, 2011, the AG asserted that the Company violated the terms of the AOD, and that the Company pay a civil penalty of approximately \$4.8 million. The settlement agreement requires the Company to pay a civil penalty in the amount of \$1.0 million, in staged payments starting in August 2011 and concluding on December 30, 2011, and extends some of the conditions of the AOD for ten (10) years from entry of the Order. The settlement agreement also requires the Company to institute certain policies, procedures and employee training regimens applicable to the Company’s affected Vermont employees to ensure that all contracts used by the Company for the provision of services to its small commercial container customers are in compliance with the AOD. The obligation to pay the civil penalty will become binding upon approval of the Revised Final Judgment of Consent and Order by the Vermont Superior Court Washington Unit, Civil Division.

Item 9.01 — Financial Statements and Exhibits.

(d) Exhibits.

See Exhibit Index attached hereto.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Casella Waste Systems, Inc.

Date: August 12, 2011

By: /s/ John W. Casella

John W. Casella
Chairman and Chief Executive Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release of Casella Waste Systems, Inc. dated August 12, 2011.

FOR IMMEDIATE RELEASE
CONTACT: JOSEPH FUSCO
(802) 772-2247

CASELLA WASTE SYSTEMS RESOLVES INVESTIGATION BY THE VERMONT ATTORNEY GENERAL'S OFFICE

RUTLAND, VERMONT (August 12, 2011) — Casella Waste Systems said today that it has resolved an investigation by the Vermont Attorney General relating to an earlier agreement with the attorney general governing language used in some of the company's Vermont customer service agreements.

The company said it mistakenly issued some service contracts that did not comply with that agreement and, upon learning of that error, corrected those contracts and agreed to pay a penalty to the Attorney General's Office, fully resolving the inquiry.

"These inconsistencies were isolated, and are the result of an honest mistake," John W. Casella, chief executive officer of Casella Waste Systems, said. "No customer suffered any harm at any time. We corrected the error, and notified those affected customers."

The company said that in 2002 it entered into, and strictly complied with, an agreement with the Vermont attorney general that governed certain language and terms and conditions of small commercial container service agreements.

Years later, a number of service agreements were issued that did not strictly comply with that agreement. When the discrepancy was brought to its attention, the company said it corrected the errors, and notified affected customers. At no time had the company sought to enforce any terms and conditions in those service agreements.

In addition to ensuring that its service agreements are in strict compliance with the agreement, the company said it agreed to pay a penalty of \$1 million to the Vermont Attorney General's office.

"Although we are not happy paying a penalty of this size, particularly since no customers were harmed in any way and our error was unintentional, we recognize that we made a mistake," Casella said. "We have learned from that, and are moving on."

"Our goal is to keep our customers happy, and earn their business every day first and foremost through attentive and outstanding service," Casella said. "We're proud of our relationship with each of our customers, built on a foundation of service rather than contractual obligation. In fact, our customers enjoy service agreements with us that are the least restrictive and most flexible of any company in our Vermont marketplace."

About Casella Waste Systems, Inc.

Casella Waste Systems, Inc., headquartered in Rutland, Vermont, provides solid waste management services consisting of collection, transfer, disposal, and recycling services in the northeastern United States.