



**Senate Fiscal Agency**  
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**BILL ANALYSIS**



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Senate Bill 516 (Substitute S-2 as reported)  
Sponsor: Senator Loren Bennett  
Committee: Natural Resources and Environmental Affairs

### **CONTENT**

The bill would amend Part 171 (on battery disposal) of the Natural Resources and Environmental Protection Act to:

- Prohibit a person from selling or offering for promotional purposes a zinc carbon battery or an alkaline manganese battery that was manufactured on or after January 1, 1996, and that contained intentionally introduced mercury. This prohibition would not apply to an alkaline manganese button cell battery that had a mercury content of 25 milligrams or less.
- Specify that beginning January 1, 1996, a person would be prohibited from selling or offering for promotional purposes a mercuric oxide button cell battery for use in this State.
- Specify that beginning January 1, 1996, a person could sell, offer for sale, or offer for promotional purposes a mercuric oxide battery only if the manufacturer identified a collection site that had all of the required government approvals, to which a person could send used mercuric oxide batteries for recycling or proper disposal after mercury is recovered from the batteries; informed each of its purchasers of mercuric oxide batteries of the collection site; and informed its purchasers of a telephone number that they could call to get information about returning mercuric oxide batteries for recycling or proper disposal.
- Repeal provisions that allow a person who purchases a lead acid battery (beginning July 1, 1995) or a nickel cadmium or mercury batter (beginning January 1, 1998) from a retailer to exchange a used lead acid battery for the purchased one. If the purchaser does not exchange a used battery for a new one, he or she must pay the retailer a \$6 deposit for a lead acid battery or a \$2 deposit for a nickel cadmium or mercury battery refundable upon the subsequent return of a used battery.

MCL 324.17101 et al.

Legislative Analyst: L. Burghardt

### **FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on the State. The bill could lead to a minimal increase in enforcement costs by including an additional type of battery and prohibiting the sale of mercuric oxide batteries. The Department of Natural Resources is not presently enforcing the program, however, due to lack of resources.

The repeal of the battery deposit requirements would have an indeterminate fiscal impact on State revenues since retailers were to keep all money except unredeemed deposits, which were to escheat to the Environmental Response Fund. When the State enacted Public Act 20 of 1990, which established the deposit requirements, approximately \$13.5 million was anticipated in deposits from lead acid automobile batteries, but there were no estimates on the percentage return rate for the batteries.

Date Completed: 5-17-95

Fiscal Analyst: G. Cutler

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.