

HOUSE BILL NO. 4904

July 18, 2023, Introduced by Reps. Morse, Churches, Koleszar, Brixie, Brabec, Tsernoglou, Byrnes, Coffia, Hope, Paiz and Weiss and referred to the Committee on Regulatory Reform.

A bill to amend 1976 IL 1, entitled

"A petition to initiate legislation to provide for the use of returnable containers for soft drinks, soda water, carbonated natural or mineral water, other nonalcoholic carbonated drink, and for beer, ale, or other malt drink of whatever alcoholic content, and for certain other beverage containers; to provide for the use of unredeemed bottle deposits; to prescribe the powers and duties of certain state agencies and officials; and to prescribe penalties and provide remedies,"

by amending the title and sections 1, 2, 2a, 3c, 3e, and 3f (MCL 445.571, 445.572, 445.572a, 445.573c, 445.573e, and 445.573f), the title as amended by 1996 PA 384, section 1 as amended by 1989 PA

93, section 2 as amended by 1998 PA 473, section 2a as added by 2008 PA 389, section 3c as amended by 2022 PA 198, and sections 3e and 3f as added by 1996 PA 384, and by adding section 3g.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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TITLE

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~~A petition to initiate legislation~~ **An act** to provide for the use ~~collection of deposits on and return~~ of ~~returnable~~ **certain beverage** containers; ~~for soft drinks, soda water, carbonated natural or mineral water, other nonalcoholic carbonated drink, and for beer, ale, or other malt drink of whatever alcoholic content, and for certain other beverage containers;~~ to provide for the use **return and distribution** of ~~unredeemed bottle deposits;~~ **deposit revenue;** to prescribe the powers and duties of certain state **officers and** agencies; ~~and officials;~~ **to create funds;** and to prescribe penalties and provide remedies.

Sec. 1. As used in this act:

(a) "Beverage" means ~~a soft drink,~~ **any of the following:**

(i) A soda or carbonated or noncarbonated water. ~~, carbonated natural or mineral water, or other nonalcoholic carbonated drink,~~

(ii) A beer, ale, wine, spirit, or other malt drink of whatever alcoholic content. ~~;~~ ~~or a~~

(iii) A mixed wine drink or a mixed spirit drink.

(iv) A nonalcoholic carbonated or noncarbonated drink in liquid form and intended for human consumption, except for plant-based milks or dairy-derived products.

(b) "Beverage container" means ~~an~~ **any of the following:**

(i) An airtight metal, glass, paper, or plastic container, or a container composed of a combination of these materials, ~~which~~ that, at the time of sale, contains 1 gallon or less of a **carbonated or**

1 alcoholic beverage or more than 0.1 liters but less than 3 liters
2 of a noncarbonated and nonalcoholic beverage.

3 (ii) An airtight metal, glass, or plastic container that, at
4 the time of sale, contains 1 gallon or less of a nonalcoholic
5 beverage other than a container composed in whole or in part of
6 aluminum and plastic or aluminum and paper in combination if the
7 aluminum content represents 10% or less of the unfilled container
8 weight and the unfilled container weight is 5% or less of the
9 filled container weight.

10 (c) "Empty returnable container" means a beverage container
11 ~~which~~**that** contains nothing except the residue of its original
12 contents.

13 (d) "Returnable container" means a beverage container ~~upon~~**on**
14 which a deposit of at least 10 cents has been paid, or is required
15 to be paid ~~upon~~**on** the removal of the **beverage** container from the
16 sale or consumption area, and for which a refund of at least 10
17 cents in cash is payable by every dealer or distributor in this
18 state of that beverage in beverage containers, as further provided
19 in section 2.

20 (e) "Nonreturnable container" means a beverage container ~~upon~~
21 **on** which no deposit or a deposit of less than 10 cents has been
22 paid, or is required to be paid, ~~upon~~**on** the removal of the
23 **beverage** container from the sale or consumption area, or for which
24 no cash refund or a refund of less than 10 cents is payable by a
25 dealer or distributor in this state of that beverage in beverage
26 containers, as further provided in section 2.

27 (f) "Person" means an individual, partnership, corporation,
28 **limited liability company**, association, or other legal entity.

29 (g) "Dealer" means a person ~~who~~**that** sells or offers for sale

1 to consumers within this state a beverage in a beverage container,
2 including an operator of a vending machine containing a beverage in
3 a beverage container.

4 (h) "Operator of a vending machine" means equally its owner,
5 the person ~~who~~**that** refills it, and the owner or lessee of the
6 property ~~upon~~**on** which it is located.

7 (i) "Distributor" means a person, **including a manufacturer,**
8 ~~who~~**that** sells beverages in beverage containers to a dealer within
9 this state. ~~, and includes a manufacturer who engages in such~~
10 ~~sales.~~

11 (j) "Manufacturer" means a person ~~who~~**that** bottles, cans, or
12 otherwise places beverages in beverage containers for sale to
13 distributors, dealers, or consumers.

14 (k) "Within this state" means within the exterior limits of
15 ~~the~~**this** state, ~~of Michigan,~~ and includes the territory within
16 these limits owned by or ceded to the United States of America.

17 (l) "Commission" means the ~~Michigan~~ liquor control commission
18 **created in section 209 of the Michigan liquor control code of 1998,**
19 **1998 PA 58, MCL 436.1209.**

20 (m) "Sale or consumption area" means the premises ~~within~~**on**
21 the property of the dealer or of the dealer's lessor where the sale
22 is made, ~~within which~~**where** beverages in returnable containers may
23 be consumed without payment of a deposit, and ~~, upon removing a~~
24 ~~beverage container from which, the customer is required by~~ **where a**
25 **consumer may not remove a beverage container without** the dealer
26 **requiring the consumer** to pay ~~the~~**a** deposit.

27 (n) "Nonrefillable container" means a returnable container
28 ~~which~~**that** is not intended to be refilled for sale by a
29 manufacturer.

1 (o) "Mixed wine drink" means a drink or similar product
 2 marketed as a wine cooler and containing less than 7% alcohol by
 3 volume, consisting of wine and plain, sparkling, or carbonated
 4 water and containing any 1 or more of the following:

5 (i) Nonalcoholic beverages.

6 (ii) Flavoring.

7 (iii) Coloring materials.

8 (iv) Fruit juices.

9 (v) Fruit adjuncts.

10 (vi) Sugar.

11 (vii) Carbon dioxide.

12 (viii) Preservatives.

13 (p) "Mixed spirit drink" means ~~a~~**any of the following:**

14 (i) **A** drink containing 10% or less alcohol by volume consisting
 15 of distilled spirits mixed with nonalcoholic beverages or flavoring
 16 or coloring materials and ~~which~~**that** may also contain water, fruit
 17 juices, fruit adjuncts, sugar, carbon dioxide, or preservatives. ~~+~~
 18 ~~or any spirits based~~

19 (ii) **A spirit-based** beverage, regardless of the percent of
 20 alcohol by volume, that is manufactured for sale in a metal
 21 **beverage** container.

22 (q) **"Plant-based milk"** means a liquid intended for human
 23 consumption of which the primary protein source is soy, rice,
 24 almond, cashew, hazelnut, coconut, or oats, derivatives thereof, or
 25 any other product intended as a substitute for dairy milk in which
 26 the protein is derived primarily from plants.

27 Sec. 2. (1) A dealer within this state shall not sell, offer
 28 for sale, or give to a consumer a nonreturnable container or a
 29 beverage in a nonreturnable container.

1 (2) ~~A~~**Except as provided in subsection (14) for a dealer with**
2 **a store footprint of less than 4,000 square feet, a dealer who that**
3 regularly sells beverages for consumption off the dealer's premises
4 shall provide on the premises, or within 100 yards of the premises
5 on which the dealer sells or offers for sale a beverage in a
6 returnable container, a convenient means ~~whereby the~~**for** containers
7 of any kind, size, and ~~brand~~**material** sold or offered for sale by
8 the dealer ~~may to~~ be returned by, and the deposit refunded in cash
9 to, a person whether or not the person is the original customer of
10 that dealer, and whether or not the container was sold by that
11 dealer.

12 (3) Regional centers for the redemption of returnable
13 containers may be established, in addition to but not as
14 substitutes for, the means established for refunds of deposits
15 prescribed in ~~subsection~~**subsections (2) and (14)**.

16 (4) Except as provided in subsections (5) and (7), a dealer
17 shall accept from a person an empty returnable container of any
18 kind, size, and ~~brand~~**material** sold or offered for sale by that
19 dealer and pay to that person its full refund value in cash.

20 (5) A dealer ~~who that~~ does not require a deposit on a
21 returnable container when the contents are consumed in the dealer's
22 sale or consumption area is not required to pay a refund for
23 accepting that empty container.

24 (6) Except as provided in subsection (7), a distributor shall
25 accept from a dealer an empty returnable container of any kind,
26 size, and ~~brand~~**material** sold or offered for sale by that
27 distributor and pay to the dealer its full refund value in cash.

28 (7) Each beverage container sold or offered for sale by a
29 dealer within this state ~~shall~~**must** clearly indicate by embossing

1 or by a stamp, a label, or other method securely affixed to the
2 beverage container, the refund value of the container and the name
3 of this state. A dealer or distributor may, but is not required to,
4 refuse to accept from a person an empty returnable container ~~which~~
5 **that** does not state on the container the refund value of the
6 container and the name of this state. This subsection does not
7 apply to a refillable container having a refund value of not less
8 than 10 cents, having a brand name permanently marked on it, and
9 having a securely affixed method of indicating that it is a
10 returnable container.

11 (8) A dealer within this state shall not sell, offer for sale,
12 or give to consumers a metal beverage container, any part of which
13 becomes detached when opened.

14 (9) A person, dealer, distributor, or manufacturer shall not
15 return an empty container to a dealer for a refund of the deposit
16 if a dealer has already refunded the deposit on that returnable
17 container. This subsection does not prohibit a dealer from
18 refunding the deposit on an empty returnable container each time
19 the returnable container is sanitized by the manufacturer and
20 reused as a beverage container.

21 (10) A dealer **with a store footprint of 4,000 or more square**
22 **feet** may accept, but is not required to accept, from a person,
23 empty returnable containers for a refund in excess of \$25.00 on any
24 given day. **A dealer with a store footprint of less than 4,000**
25 **square feet may accept, but is not required to accept, from a**
26 **person, empty returnable containers for a refund in excess of**
27 **\$10.00 on any given day.**

28 (11) A manufacturer licensed by the commission shall not
29 require a distributor licensed by the commission to pay a deposit

1 to the manufacturer on a nonrefillable container. However, a
2 manufacturer licensed by the commission and a distributor licensed
3 by the commission may enter into an agreement providing that either
4 or both may originate a deposit or any portion of a deposit on a
5 nonrefillable container if the agreement is entered into freely and
6 without coercion.

7 (12) A manufacturer shall refund the deposit paid on any
8 container returned by a distributor for which a deposit has been
9 paid by a distributor to the manufacturer.

10 (13) Subsections (4), (6), ~~and (7)~~, **(15), and (16)** apply only
11 to a returnable container that was originally sold in this state as
12 a filled returnable container.

13 **(14) A dealer with a store footprint of less than 4,000 square**
14 **feet that regularly sells beverages for consumption off the**
15 **dealer's premises shall provide on the premises, or within 100**
16 **yards of the premises on which the dealer sells or offers for sale**
17 **a beverage in a returnable container, a convenient means for**
18 **containers of any kind, size, and brand sold or offered for sale by**
19 **the dealer to be returned by, and the deposit refunded in cash to,**
20 **a person whether or not the person is the original customer of that**
21 **dealer, and whether or not the container was sold by that dealer.**

22 (15) Except as provided in subsections (5) and (7), a dealer
23 with a store footprint of less than 4,000 square feet shall accept
24 from a person an empty returnable container of any kind, size, and
25 brand sold or offered for sale by that dealer and pay to that
26 person its full refund value in cash.

27 (16) Except as provided in subsection (7), a distributor shall
28 accept from a dealer with a store footprint of less than 4,000
29 square feet an empty returnable container of any kind, size, and

1 **brand sold or offered for sale by that distributor and pay to the**
2 **dealer its full refund value in cash.**

3 Sec. 2a. (1) Except as provided in subsection (2), beginning
4 ~~90 days after the effective date of the amendatory act that added~~
5 ~~this section,~~ **on March 1, 2010**, a manufacturer of nonalcoholic
6 beverages shall not sell, offer for sale, or give a nonalcoholic
7 beverage to a consumer, dealer, or distributor in this state in a
8 12-ounce metal beverage container that is not a designated metal
9 container if either of the following is met:

10 (a) Sales of that brand of beverage in 12-ounce metal beverage
11 containers in this state in the preceding calendar year were at
12 least 500,000 cases, as determined by the department of treasury.

13 (b) Sales of that brand of beverage in 12-ounce metal beverage
14 containers in this state in the preceding calendar year were fewer
15 than 500,000 cases, and 12-ounce metal beverage containers of that
16 brand of beverage were overredeemed by more than 600,000 containers
17 in the preceding calendar year, as determined by the department of
18 treasury.

19 (2) Beginning ~~90 days after the effective date of the~~
20 ~~amendatory act that added this section,~~ **on March 1, 2010**, a
21 manufacturer of nonalcoholic beverages shall not sell, offer for
22 sale, or give a nonalcoholic beverage to a consumer, dealer, or
23 distributor in the Upper Peninsula in a 12-ounce metal beverage
24 container that is not a designated metal container if either of the
25 following is met:

26 (a) Sales of that brand of beverage in 12-ounce metal beverage
27 containers in the Upper Peninsula were at least 500,000 cases, as
28 determined by the department of treasury.

29 (b) Sales of that brand of beverage in 12-ounce metal beverage

1 containers in the Upper Peninsula in the preceding calendar year
2 were fewer than 500,000 cases, and 12-ounce metal beverage
3 containers of that brand of beverage were overredeemed in the Upper
4 Peninsula by more than 600,000 containers in the preceding calendar
5 year, as determined by the department of treasury.

6 (3) Except as provided in subsection (4), beginning ~~450 days~~
7 ~~after the effective date of the amendatory act that added this~~
8 ~~section,~~ **on February 24, 2011**, a manufacturer of nonalcoholic
9 beverages shall not sell, offer for sale, or give a nonalcoholic
10 beverage to a consumer, dealer, or distributor in this state in a
11 12-ounce glass beverage container that is not a designated glass
12 container if either of the following is met:

13 (a) Sales of that brand of beverage in 12-ounce glass beverage
14 containers in this state in the preceding calendar year were at
15 least 500,000 cases, as determined by the department of treasury.

16 (b) Sales of that brand of beverage in 12-ounce glass beverage
17 containers in this state in the preceding calendar year were fewer
18 than 500,000 cases, and 12-ounce glass beverage containers of that
19 brand of beverage were overredeemed by more than 600,000 containers
20 in the preceding calendar year, as determined by the department of
21 treasury.

22 (4) Beginning ~~450 days after the effective date of the~~
23 ~~amendatory act that added this section,~~ **on February 24, 2011**, a
24 manufacturer of nonalcoholic beverages shall not sell, offer for
25 sale, or give a nonalcoholic beverage to a consumer, dealer, or
26 distributor in the Upper Peninsula in a 12-ounce glass beverage
27 container that is not a designated glass container if either of the
28 following is met:

29 (a) Sales of that brand of beverage in 12-ounce glass beverage

1 containers in the Upper Peninsula were at least 500,000 cases, as
2 determined by the department of treasury.

3 (b) Sales of that brand of beverage in 12-ounce glass beverage
4 containers in the Upper Peninsula in the preceding calendar year
5 were fewer than 500,000 cases, and 12-ounce glass beverage
6 containers of that brand of beverage were overredeemed in the Upper
7 Peninsula by more than 600,000 containers in the preceding calendar
8 year, as determined by the department of treasury.

9 (5) Except as provided in subsection (6), beginning ~~450 days~~
10 ~~after the effective date of the amendatory act that added this~~
11 ~~section,~~ **on February 24, 2011**, a manufacturer of nonalcoholic
12 beverages shall not sell, offer for sale, or give a nonalcoholic
13 beverage to a consumer, dealer, or distributor in this state in a
14 20-ounce plastic beverage container that is not a designated
15 plastic container if either of the following is met:

16 (a) Sales of that brand of beverage in 20-ounce plastic
17 beverage containers in this state in the preceding calendar year
18 were at least 500,000 cases, as determined by the department of
19 treasury.

20 (b) Sales of that brand of beverage in 20-ounce plastic
21 beverage containers in this state in the preceding calendar year
22 were fewer than 500,000 cases, and 20-ounce plastic beverage
23 containers of that brand of beverage were overredeemed by more than
24 600,000 containers in the preceding calendar year, as determined by
25 the department of treasury.

26 (6) Beginning ~~450 days after the effective date of the~~
27 ~~amendatory act that added this section,~~ **on February 24, 2011**, a
28 manufacturer of nonalcoholic beverages shall not sell, offer for
29 sale, or give a nonalcoholic beverage to a consumer, dealer, or

1 distributor in the Upper Peninsula in a 20-ounce plastic beverage
2 container that is not a designated plastic container if either of
3 the following is met:

4 (a) Sales of that brand of beverage in 20-ounce plastic
5 beverage containers in the Upper Peninsula were at least 500,000
6 cases, as determined by the department of treasury.

7 (b) Sales of that brand of beverage in 20-ounce plastic
8 beverage containers in the Upper Peninsula in the preceding
9 calendar year were fewer than 500,000 cases, and 20-ounce plastic
10 beverage containers of that brand of beverage were overredeemed in
11 the Upper Peninsula by more than 600,000 containers in the
12 preceding calendar year, as determined by the department of
13 treasury.

14 (7) Beginning ~~90 days after the effective date of the~~
15 ~~amendatory act that added this section,~~ **on March 1, 2010**, a
16 manufacturer of alcoholic beverages shall not sell, offer for sale,
17 or give an alcoholic beverage to a consumer, dealer, or distributor
18 in this state in a 12-ounce metal beverage container that is not a
19 designated metal container if either of the following is met:

20 (a) Sales of that brand of beverage in this state in the
21 preceding calendar year were at least 500,000 case equivalents, as
22 determined by the department of treasury.

23 (b) Sales of that brand of beverage in this state in the
24 preceding calendar year were fewer than 500,000 case equivalents,
25 and beverage containers of that brand of beverage were overredeemed
26 by more than 600,000 containers in the preceding calendar year, as
27 determined by the department of treasury.

28 (8) Beginning ~~450 days after the effective date of the~~
29 ~~amendatory act that added this section,~~ **on February 24, 2011**, a

1 manufacturer of alcoholic beverages shall not sell, offer for sale,
2 or give an alcoholic beverage to a consumer, dealer, or distributor
3 in this state in a 12-ounce glass beverage container that is not a
4 designated glass container if either of the following is met:

5 (a) Sales of that brand of beverage in this state in the
6 preceding calendar year were at least 500,000 case equivalents, as
7 determined by the department of treasury.

8 (b) Sales of that brand of beverage in this state in the
9 preceding calendar year were fewer than 500,000 case equivalents,
10 and beverage containers of that brand of beverage were overredeemed
11 by more than 600,000 containers in the preceding calendar year, as
12 determined by the department of treasury.

13 (9) Beginning ~~450 days after the effective date of the~~
14 ~~amendatory act that added this section,~~ **on February 24, 2011,** a
15 manufacturer of alcoholic beverages shall not sell, offer for sale,
16 or give an alcoholic beverage to a consumer, dealer, or distributor
17 in this state in a 20-ounce plastic beverage container that is not
18 a designated plastic container if either of the following is met:

19 (a) Sales of that brand of beverage in this state in the
20 preceding calendar year were at least 500,000 case equivalents, as
21 determined by the department of treasury.

22 (b) Sales of that brand of beverage in this state in the
23 preceding calendar year were fewer than 500,000 case equivalents,
24 and beverage containers of that brand of beverage were overredeemed
25 by more than 600,000 containers in the preceding calendar year, as
26 determined by the department of treasury.

27 (10) A symbol, mark, or other distinguishing characteristic
28 that is placed on a designated metal container, designated glass
29 container, or designated plastic container by a manufacturer to

1 allow a reverse vending machine to determine if that container is a
2 returnable container must be unique to this state, or used only in
3 this state and 1 or more other states that have laws substantially
4 similar to this act.

5 **(11) A distributor that purchases filled beverage containers**
6 **of nonalcoholic beverages in another state for subsequent sale to a**
7 **dealer within this state shall originate a deposit of 10 cents on**
8 **those filled containers at the time of sale to the dealer and**
9 **maintain a record of those deposits for purposes of its required**
10 **annual filing under section 3a.**

11 **(12) A dealer or manufacturer that sells online and arranges**
12 **for or delivers beverage containers to addresses within this state**
13 **shall originate a deposit of 10 cents on those containers at the**
14 **time of sale and maintain a record of those deposits for purposes**
15 **of its required annual filing under section 3a.**

16 **(13) ~~(11)~~**A person that violates this section is guilty of a
17 misdemeanor punishable by imprisonment for not more than 180 days
18 or a fine of not more than \$2,000.00, or both. Section 4 does not
19 apply to a violation described in this subsection.

20 **(14) ~~(12)~~**As used in this section:

21 (a) "Alcoholic beverage" means beer, ale, any other malt drink
22 of whatever alcoholic content, a mixed wine drink, or a mixed
23 spirit drink.

24 (b) "Brand" means any word, name, group of letters, symbol, or
25 trademark, or any combination of them, adopted and used by a
26 manufacturer to identify a specific flavor or type of beverage and
27 to distinguish that flavor or type of beverage from another
28 beverage produced or marketed by that manufacturer or another
29 manufacturer.

1 (c) "Designated glass container" means a 12-ounce glass
2 beverage container that contains a symbol, mark, or other
3 distinguishing characteristic that allows a reverse vending machine
4 to determine if the beverage container is or is not a returnable
5 container.

6 (d) "Designated metal container" means a 12-ounce metal
7 beverage container that contains a symbol, mark, or other
8 distinguishing characteristic that allows a reverse vending machine
9 to determine if the beverage container is or is not a returnable
10 container.

11 (e) "Designated plastic container" means a 20-ounce plastic
12 beverage container that contains a symbol, mark, or other
13 distinguishing characteristic that allows a reverse vending machine
14 to determine if the beverage container is or is not a returnable
15 container.

16 (f) "Glass beverage container" means a beverage container
17 composed primarily of glass.

18 (g) "Metal beverage container" means a beverage container
19 composed primarily of metal.

20 (h) "Nonalcoholic beverage" means a soft drink, soda water,
21 carbonated natural or mineral water, or other nonalcoholic
22 carbonated drink.

23 (i) "Plastic beverage container" means a beverage container
24 composed primarily of plastic.

25 (j) "Reverse vending machine" means a device designed to
26 properly identify and process empty beverage containers and provide
27 a means for a deposit refund on returnable containers.

28 Sec. 3c. (1) The bottle deposit fund is created in the
29 department of treasury. The fund is a revolving fund administered

1 by the department of treasury. All of the following apply to the
2 bottle deposit fund:

3 (a) The fund consists of money paid to the department of
4 treasury by underredeemers under section 3b. The state treasurer
5 shall direct the investment of the fund. The state treasurer shall
6 credit to the fund interest and earnings from fund investments.

7 (b) The department of treasury is the administrator of the
8 fund for auditing purposes.

9 (c) The money deposited in the fund at the close of the fiscal
10 year remains in the fund and does not lapse to the general fund.

11 (2) The bottle bill enforcement fund is created in the
12 department of treasury. The fund is a revolving fund administered
13 by the department of treasury. All of the following apply to the
14 bottle bill enforcement fund:

15 (a) The fund consists of money disbursed to the fund under
16 subsection (3) (a). The state treasurer shall direct the investment
17 of the fund. The state treasurer shall credit to the fund interest
18 and earnings from fund investments.

19 (b) The department of treasury is the administrator of the
20 fund for auditing purposes.

21 (c) The money deposited in the fund at the close of the fiscal
22 year remains in the fund and does not lapse to the general fund.

23 (3) The department of treasury shall deposit the amount paid
24 to the department of treasury by underredeemers under section 3b,
25 less any amount refunded by the department of treasury to
26 overredeemers under section 3b, into the bottle deposit fund
27 created in subsection (1) for annual disbursement by the department
28 of treasury in the following manner:

29 (a) The first \$1,000,000.00 to the bottle bill enforcement

1 fund created in subsection (2). The department of treasury shall
2 disburse the money deposited into the bottle bill enforcement fund
3 to the department of state police for use in enforcing this act and
4 investigating violations of this act. If the bottle bill
5 enforcement fund balance at the end of the fiscal year is greater
6 than \$3,000,000.00, deposits in the fund required under this
7 subdivision are suspended until the fund balance falls below
8 \$2,000,000.00.

9 (b) After the disbursement of the first \$1,000,000.00 to the
10 bottle bill enforcement fund as described in subdivision (a), the
11 remaining amount must be disbursed as follows:

12 ~~(i) Seventy five percent to the cleanup and redevelopment trust~~
13 ~~fund created in section 3e.~~

14 ~~(ii) Twenty five percent to dealers to be apportioned to each~~
15 ~~dealer on the basis of the number of empty returnable containers~~
16 ~~handled by a dealer as determined by the department of treasury in~~
17 ~~the following order of priority:~~

18 (i) An amount equal to 1/2 of 1 cent per empty returnable
19 container redeemed must be deposited in the bottle handling fund
20 created in section 3g.

21 (ii) From the balance remaining after disbursement under
22 subparagraph (i), to the department of attorney general for audit
23 and fraud investigations under this act as follows:

24 (A) If the redemption rate is 95% or higher, \$1,000,000.00.

25 (B) If the redemption rate is 90% or higher but less than 95%,
26 \$2,000,000.00.

27 (C) If the redemption rate is 85% or higher but less than 90%,
28 \$3,000,000.00.

29 (D) If the redemption rate is 80% or higher but less than 85%,

1 \$4,000,000.00.

2 (E) If the redemption rate is less than 80%, \$5,000,000.00.

3 (iii) From the balance remaining after the disbursement under
4 subparagraphs (i) and (ii), \$25,000,000.00 to the renew Michigan fund
5 created in section 51g of the income tax act of 1967, 1967 PA 281,
6 MCL 206.51g, for environmental cleanup and redevelopment.

7 (iv) The balance to the cleanup and redevelopment trust fund
8 created in section 3e.

9 (4) Three years after ~~the effective date of the amendatory act~~
10 ~~that added this subsection,~~ **March 27, 2022**, the department of state
11 police shall report to the legislature on the efficacy of the state
12 police in enforcing this act. The report must contain at least the
13 minimum number of beverage and deposit containers seized and the
14 deposit value in this state of those containers.

15 (5) Not later than June 1 of each year, the department of
16 treasury shall publish and make available to the public information
17 related to subsection (3)(a) and section 3b(1) and send a report of
18 that information to the legislature.

19 (6) If the department of treasury determines that rules are
20 needed to properly implement and administer sections 3a to 3d, the
21 department may promulgate rules to implement and administer those
22 sections under the administrative procedures act of 1969, 1969 PA
23 306, MCL 24.201 to 24.328.

24 Sec. 3e. (1) The cleanup and redevelopment trust fund is
25 created within the state treasury.

26 (2) The state treasurer may receive money or other assets from
27 any source for deposit into the trust fund. The state treasurer
28 shall direct the investment of the trust fund. The state treasurer
29 shall credit to the trust fund interest and earnings from fund

1 investments.

2 (3) Money in the trust fund at the close of the fiscal year
3 ~~shall remain~~ **remains** in the trust fund and ~~shall~~ **does** not lapse to
4 the general fund.

5 (4) The state treasurer shall annually disburse the following
6 amounts from the trust fund:

7 ~~(a) For each of the state fiscal years 1996-1997, 1997-1998,~~
8 ~~and 1998-1999, up to \$15,000,000.00 each year of money in the trust~~
9 ~~fund to the cleanup and redevelopment fund created in section 20108~~
10 ~~of part 201 (environmental remediation) of the natural resources~~
11 ~~and environmental protection act, Act No. 451 of the Public Acts of~~
12 ~~1994, being section 324.20108 of the Michigan Compiled Laws.~~

13 ~~(b) In addition to the disbursements under subdivision (a),~~
14 ~~each state fiscal year, 80%~~

15 **(a) Twenty-five percent** of the revenues received by the trust
16 fund ~~from disbursements under section 3e to the cleanup and~~
17 ~~redemption fund and 10% to the community pollution prevention~~
18 fund created in section 3f.

19 **(b) Twenty-five percent of the revenues received by the trust**
20 **fund to the renew Michigan fund created in section 51g of the**
21 **income tax act of 1967, 1967 PA 281, MCL 206.51g, for recycling.**

22 **(c) Twenty-five percent of the revenues received by the trust**
23 **fund distributed per capita to municipalities that have achieved**
24 **45% municipal recycling rate.**

25 **(d) Twenty-five percent of the revenues received by the trust**
26 **fund distributed per capita to all municipalities to be used for**
27 **purposes described under section 3f.**

28 (5) All money in the trust fund that is not disbursed pursuant
29 ~~to~~ **under** subsection (4) ~~shall remain~~ **remains** in the trust fund

1 until the trust fund reaches an accumulated principal of
 2 \$200,000,000.00. After the trust fund reaches an accumulated
 3 principal of \$200,000,000.00, interest and earnings of the trust
 4 fund only ~~shall~~**must** be expended, upon appropriation, for the
 5 purposes specified in section 20113(4) ~~of part 201 (environmental~~
 6 ~~remediation)~~ of the natural resources and environmental protection
 7 act, ~~Act No. 451 of the Public Acts of 1994, being section~~
 8 ~~324.20113 of the Michigan Compiled Laws.~~**1994 PA 451, MCL 324.20113.**

9 (6) As used in this section, "trust fund" means the cleanup
 10 and redevelopment trust fund created in subsection (1).

11 Sec. 3f. (1) The community pollution prevention fund is
 12 created within the state treasury.

13 (2) The state treasurer may receive money or other assets from
 14 any source for deposit into the community pollution prevention
 15 fund. The state treasurer shall direct the investment of the
 16 community pollution prevention fund. The state treasurer shall
 17 credit to the community pollution prevention fund interest and
 18 earnings from fund investments.

19 (3) Money in the community pollution prevention fund at the
 20 close of the fiscal year ~~shall remain~~**remains** in the community
 21 pollution prevention fund and ~~shall~~**does** not lapse to the general
 22 fund.

23 (4) The department of ~~environmental quality~~**environment, Great**
 24 **Lakes, and energy** shall expend interest and earnings of the
 25 community pollution prevention fund only, upon appropriation, for
 26 grants for the purpose of preventing pollution, with an emphasis on
 27 the prevention of groundwater contamination and resulting risks to
 28 the public health, ecological risks, and public and private cleanup
 29 costs. The department of ~~environmental quality~~**environment, Great**

1 **Lakes, and energy** shall enter into contractual agreements with
2 grant recipients, ~~who~~**that** shall include county governments, local
3 health departments, municipalities, and regional planning agencies.
4 Activities to be performed by grant recipients and program
5 objectives and deliverables ~~shall~~**must** be specified in the
6 contractual agreements. Grant recipients shall provide a financial
7 match of not less than 25% nor more than 50%. Not more than
8 \$100,000.00 may be granted in any fiscal year to a single
9 recipient. Eligible pollution prevention activities include, **but**
10 **are not limited to**, all of the following:

11 (a) Drinking water wellhead protection, including the
12 delineation of wellhead protection areas and implementation of
13 wellhead protection plans ~~pursuant to~~**under** the safe drinking water
14 act, ~~Act No. 399 of the Public Acts of 1976, being sections~~
15 ~~325.1001 to 325.1023 of the Michigan Compiled Laws.~~**1976 PA 399, MCL**
16 **325.1001 to 325.1023.**

17 (b) The review of pollution incident prevention plans prepared
18 by, and the inspection of, facilities whose storage or handling of
19 hazardous materials may pose a risk to the groundwater.

20 (c) The identification and plugging of abandoned wells other
21 than oil and gas wells.

22 (d) Programs to educate the general public and businesses that
23 use or handle hazardous materials on pollution prevention methods,
24 technologies, and processes, with an emphasis on the direct
25 reduction of toxic material releases or disposal at the source.

26 (e) **Programs and activities to monitor and respond to**
27 **migration of contaminants and vapor intrusion.**

28 (f) **Programs and activities regarding the reduction of plastic**
29 **waste and pollution in this state.**

1 (5) The department of ~~environmental quality~~**environment, Great**
2 **Lakes, and energy** shall annually prepare a report summarizing the
3 grants made under this section, contractual commitments made and
4 achieved, and a preliminary evaluation of the effectiveness of this
5 section not later than ~~September 30, 1997,~~ and September 30 of each
6 year, ~~thereafter,~~ and shall provide a copy of this report to the
7 chairs of the house and senate appropriations subcommittees for the
8 department of ~~environmental quality~~**environment, Great Lakes, and**
9 **energy.**

10 **Sec. 3g. (1) The bottle handling fund is created within the**
11 **state treasury.**

12 (2) The state treasurer may receive money or other assets from
13 any source for deposit into the bottle handling fund. The state
14 treasurer shall direct the investment of the bottle handling fund.
15 The state treasurer shall credit to the bottle handling fund
16 interest and earnings from bottle handling fund investments.

17 (3) Money in the bottle handling fund at the close of the
18 fiscal year remains in the bottle handling fund and does not lapse
19 to the general fund.

20 (4) The department of treasury is the administrator of the
21 bottle handling fund for auditing purposes.

22 (5) The department of treasury shall expend money from the
23 bottle handling fund, upon appropriation, only for 1 or more of the
24 following purposes:

25 (a) Eighty percent of the yearly total to dealers to be
26 apportioned to each dealer on the basis of the number of empty
27 returnable containers redeemed by the dealer as determined by the
28 department of treasury.

29 (b) Twenty percent of the yearly total to distributors to be

1 apportioned to each distributor on the basis of the number of empty
2 returnable containers redeemed by the distributor as determined by
3 the department of treasury.

4 Enacting section 1. This amendatory act takes effect 2 years
5 after the date it is enacted into law.