

Reforming Michigan's Bottle Bill



*CHANGING THE
WAY WE DO
BUSINESS*

After 40 years, new legislation will modernize Michigan's Bottle Bill to address current consumer trends. When first approved by the people of Michigan 40 years ago as a pollution prevention program, no one could imagine the broad array of beverages we consume in single use plastics today. As market share has dropped for pop and grown for other bottled drinks, Michigan's Bottle Bill has not changed to reflect the new dominant markets.

This new legislation makes a number of changes that will modernize the Bottle Bill, making it easier for consumers to return containers while also investing in pollution prevention and recycling programs across the state.

MAJOR CHANGES UNDER THE NEW LEGISLATION

Expands the deposit law to all beverages except dairy, including bottled water, tea, and cider. The new bottles covered are made of glass, plastic or aluminum and are less than 3 liters in size. This bill was always about pollution prevention first, and beach counts in the Great Lakes show that bottle bill states have fewer beverage bottles in general on beaches. This will further that mission by accommodating beverage markets that were unimagined when this bill was first approved by Michigan voters.

Allows universal redemption, meaning consumers can take back any bottle to any large store. With the diversity of beverages, and brands available, especially with Michigan's large craft beverage industry, it can be frustrating for consumers to take bottles back while grocery shopping only to find that store does not take that brand. Now all large stores will take back all containers, regardless of brand.

Smaller stores have smaller take backs. Stores under 4,000 square feet will only be required to take up to \$10 in returns per person per day instead of \$25. Smaller stores can always take back more than the required minimum, but this will allow these stores to better accommodate the volume increase from the expanded deposit.

Addresses new commerce methods by requiring the first person to sell a container in Michigan to initiate and track the deposit. Online retailers have not always properly participated in the Bottle Bill and this language will help ensure they follow the same rules Michigan retailers do.

Completely overhauls the escheat (unredeemed deposits) distribution to more predictably reimburse those handling the bottles and to invest in cleaning up Michigan.

Creates the bottle handling fund to reimburse distributors and dealers on a per bottle basis instead of a percentage of the total escheats. The old system saw dealers receive more money when fewer bottles were redeemed in a year. Now they will be given an amount per bottle that they take in, creating an incentive to taking more bottles and giving them a more predictable amount of money every year. This new fund also reimburses distributors, who help provide the logistics for the system to work, for the first time.

Invests in audits and fraud enforcement. To ensure the integrity of the system, more money will go to ensuring all the bottles in the system are properly purchased in Michigan and everyone is properly accounting for the bottles they take back. Other states have seen a large return on investment for system audits, and fraud prevention ensures Michigan consumers are seeing proper investments from the Bottle Bill escheats.

Provides EGLE with \$25 million per year to address contaminated sites. This important investment is currently in the Bottle Bill system and this maintains current funding levels into the future.

Distributes the remaining escheats equally into four different investments, including into recycling efforts for the first time. If the redemption rate of bottles drops in Michigan, more money is invested through these systems to help prevent and clean up pollution:

1. Money will be distributed per capita to municipalities who are achieving the statewide municipal recycling rate goal of 45%. While we are investing money into growing recycling statewide, it is also important to recognize those who are ahead of the curve and have already invested in effective recycling systems.
2. Dollars will also be distributed per capita to municipalities throughout the state for work on Pollution Prevention Programs, including wellhead protection, education on pollution, vapor intrusion and plastic waste reduction.
3. Renew Michigan, our funding for recycling, will also see an investment with these dollars. More will be dedicated to growing recycling in the state and educating the public to reduce contamination.
4. Finally, these dollars will also go out as they currently do in competitive grants to prevent pollution, clean up sites, and ensure the public is protected from contamination.



FOR MORE INFORMATION

Sean Hammond, Policy Director
sean@environmentalcouncil.org

602 W. Ionia Street, Lansing, MI 48933
517-487-9539

www.environmentalcouncil.org