



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 742 (as introduced 11-30-21)

Sponsor: Senator Jeremy Moss

Committee: Regulatory Reform

Date Completed: 1-18-22

CONTENT

The bill would amend the beverage container deposit law to require the Department of Attorney General to establish a telephone and electronic mechanism for a person to report a violation of the law.

Generally, under the law, a dealer, distributor, manufacturer, or other person that violates the law is subject to a fine of at least \$100 but not more than \$1,000 and is liable for the costs of prosecution. Each day a violation occurs counts as a separate offense. Additionally, beginning March 27, 2022, a distributor that, with the intent to defraud, violates Section 4c of the law is guilty of a crime as punishable as prescribed in the law.

The law also prohibits a person from returning or attempting to return to a dealer for a refund a beverage container that the person knows or should know was not purchased in Michigan as a filled returnable container and/or a beverage container that the person knows or should know did not have a deposit paid for it at the time of purchase. A dealer that violates this provision is subject to a penalty as prescribed in the law.

The law prohibits a distributor from knowingly accepting from and paying a deposit to a dealer for a nonrefundable container or knowingly deliver a nonreturnable container to a manufacturer for a refund. A distributor that violates this provision is subject to a penalty as prescribed in the law.

Under the law, in that portion of a dealer's premises where returnable containers are redeemed, a dealer must post a notice that says substantially the following: "A person who returns out-of-State nonreturnable containers for a refund is subject to penalties of up to five years in jail, a fine of \$5,000, and restitution." A dealer who fails to comply with this requirement is subject to a maximum civil fine of \$50.

The bill would require the Department of Attorney General to establish a telephone and electronic mechanism for a person to report a violation of the law. Also, except as otherwise provided, the Department would be responsible for enforcing the law.

Proposed MCL 445.574c & 445.574d

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would not have a significant fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Raczkowski

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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.