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REVERSE VENDING MACHINES

House Bill 5907

Sponsor: Rep. Kirk Profit

Committee: Regulatory Affairs

Complete to 9-14-98

A SUMMARY OF HOUSE BILL 5907 AS INTRODUCED 6-4-98

Under current Michigan law (Initiated Law of 1976, MCL 445.571 et al.), certain beverages must be sold in returnable containers. Some store owners use a machine known as a "reverse vending machine" to collect returnable containers and issue a refund in some form or another. House Bill 5907 would regulate reverse vending machines, define terms, and establish penalties for violations. A "reverse vending machine" would be defined as a machine that can identify empty returnable bottles and cans and provide a means to obtain a refund.

A machine would have to determine (from the universal product code) if a can or bottle was a returnable container sold in Michigan; capture and destroy any nonreturnable container placed in the machine for a refund; and provide an accurate printed report that had recorded the number of returnable and nonreturnable containers, and the brand name, kind, type, and size of each beverage container placed in the reverse vending machine. The report would have to be made available to a manufacturer or distributor of beverage containers who provided a refund to the dealer. A reverse vending machine and the reports it provides would be subject to inspections and audits by the Michigan Department of Treasury in its enforcement of the Initiated Law of 1976.

Further, the bill would prohibit the return of an empty bottle or can for a refund unless it was a returnable container. A manufacturer could not sell a returnable container or beverage in a returnable container unless the universal product code was affixed to it and identified the container as a returnable container sold in the state.

A violation of the bill's provisions would result in a misdemeanor punishable by up to six months imprisonment, a fine of up to \$10,000, or both. A person found in violation of the bill would also be ordered by a court to pay restitution for any loss caused by the violation.

Analyst: S. Stutzky

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.