

# SENATE BILL NO. 416

June 12, 2025, Introduced by Senator MCCANN and referred to Committee on Energy and Environment.

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

as amended by 1989 PA 93, section 2 as amended by 1998 PA 473, and section 3c as amended by 2022 PA 198, and by adding sections 2b, 3g, 3h, and 5a; to provide for a referendum; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

**TITLE**

~~A petition to initiate legislation~~ **An initiated law** to provide for the ~~use~~ **collection of deposits on and return** 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~~ **return and distribution** of ~~unredeemed~~ bottle deposits; to prescribe the powers and duties of certain state ~~agencies and officials;~~ **officers and entities; to create funds; to provide for the promulgation of rules;** and to prescribe penalties and provide remedies.

Sec. 1. As used in this act:

(a) "Beverage" means a soft drink, soda water, ~~carbonated~~ natural or mineral water, or ~~other~~ **a nonalcoholic carbonated drink, or noncarbonated drink in liquid form and intended for internal human consumption; hard cider of whatever alcoholic content;** beer, ale, or other malt drink of whatever alcoholic content; or a mixed wine drink or a mixed spirit drink.

(b) "Beverage container" means an airtight metal, glass, paper, or plastic container, or a container composed of a combination of these materials ~~, which, at the time of sale, that~~ contains 1 gallon or less of a beverage **at the time of sale. A beverage container does not include any of the following:**

(i) **A container that contains milk, a dairy-alternative-based**

1 liquid, or infant formula at the time of sale.

2 (ii) A container that contains 1/2 gallon or more of fruit or  
3 vegetable juice at the time of sale.

4 (iii) A freezable container as described in section 1a.

5 (iv) A carton that contains a beverage.

6 (v) A foil pouch that contains a beverage.

7 (vi) A box that contains a beverage.

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

11 (d) "Returnable container" means a beverage container ~~upon~~**for**  
12 which a deposit of ~~at least~~**not less than** 10 cents has been paid,  
13 or is required to be paid ~~upon~~**on** the removal of the **beverage**  
14 container from the sale or consumption area, and for which a refund  
15 of ~~at least~~**not less than** 10 cents in cash is payable by every  
16 dealer or distributor in this state of that beverage in beverage  
17 containers ~~, as further provided in~~**under** section 2.

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

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

27 (g) "Dealer" means a person ~~who~~**that** sells or offers for sale  
28 to consumers within this state a beverage in a beverage container,  
29 including an operator of a vending machine containing a beverage in

1 a beverage container.

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

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

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

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

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

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

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

28 (o) "Mixed wine drink" means a drink ~~or similar product~~  
 29 ~~marketed as a wine cooler and containing~~ **that contains** less than 7%

1 alcohol by volume, ~~consisting~~**consists** of wine and plain,  
2 sparkling, or carbonated water, and ~~containing any~~**contains** 1 or  
3 more of the following:

4 (i) Nonalcoholic beverages.

5 (ii) Flavoring.

6 (iii) Coloring materials.

7 (iv) Fruit juices.

8 (v) Fruit adjuncts.

9 (vi) Sugar.

10 (vii) Carbon dioxide.

11 (viii) Preservatives.

12 (p) "Mixed spirit drink" means a drink ~~containing that~~  
13 **contains** 10% or less alcohol by volume consisting of distilled  
14 spirits mixed with nonalcoholic beverages or flavoring or coloring  
15 materials and which may also contain water, fruit juices, fruit  
16 adjuncts, sugar, carbon dioxide, or preservatives; or any spirits  
17 based beverage, regardless of the percent of alcohol by volume,  
18 that is manufactured for sale in a metal container.

19 (q) "Institution of higher learning" means that term as  
20 defined in 38 USC 3452(f).

21 (r) "Nonprofit organization" means an organization exempt from  
22 taxation under section 501(c)(3) of the internal revenue code, 26  
23 USC 501.

24 (s) "Brand" means any word, name, group of letters, symbol, or  
25 trademark, or any combination of these, 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       (t) "Redemption center" means a place where a consumer can  
2 return an empty beverage container to receive a refund, that is  
3 operated by an individual, a nonprofit business, or a for-profit  
4 business, and that is in addition to reverse vending machines  
5 operated by a dealer.

6       (u) "Reverse vending machine" means a device designed to  
7 properly identify and process empty beverage containers and provide  
8 a means for a deposit refund on returnable containers.

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

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

21       (3) Regional **redemption** centers for the redemption of  
22 returnable containers may be established, in addition to but not as  
23 substitutes for, the means established for refunds of deposits  
24 ~~prescribed in~~**under** subsection (2).

25       (4) Except as provided in subsections (5) and (7), a dealer  
26 shall accept from a person an empty returnable container of any  
27 kind, size, and brand sold or offered for sale ~~by that dealer in~~  
28 **this state, whether or not the beverage container was sold by that**  
29 **dealer,** and pay to that person ~~its the~~ full refund value **of the**

1 **container** in cash.

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

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

11 (7) Each beverage container sold or offered for sale by a  
12 dealer within this state ~~shall~~**must** clearly indicate by embossing  
13 or by a stamp, a label, or other method securely affixed to the  
14 beverage container, the refund value of the container and the name  
15 of this state. A dealer or distributor may, but is not required to,  
16 refuse to accept from a person an empty returnable container ~~which~~  
17 **that** does not state on the container the refund value of the  
18 container and the name of this state. This subsection does not  
19 apply to a refillable container ~~having~~**that has** a refund value of  
20 not less than 10 cents, ~~having~~**has** a brand name permanently marked  
21 on it, and ~~having~~**has** a securely affixed method of indicating that  
22 it is a returnable container.

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

26 (9) A person, dealer, distributor, or manufacturer shall not  
27 return an empty container to a dealer **or a redemption center** for a  
28 refund of the deposit if a dealer **or redemption center** has already  
29 refunded the deposit on that returnable container. This subsection

1 does not prohibit a dealer **or redemption center** from refunding the  
2 deposit on an empty returnable container each time the returnable  
3 container is sanitized by the manufacturer and reused as a beverage  
4 container.

5 (10) A dealer **or a redemption center** may accept, but is not  
6 required to accept, from a person, empty returnable containers for  
7 a refund in excess of \$25.00 on any given day.

8 (11) A manufacturer licensed by the commission shall not  
9 require a distributor licensed by the commission to pay a deposit  
10 to the manufacturer on a nonrefillable container. However, a  
11 manufacturer licensed by the commission and a distributor licensed  
12 by the commission may enter into an agreement providing that either  
13 or both may originate a deposit or any portion of a deposit on a  
14 nonrefillable container if the agreement is entered into freely and  
15 without coercion.

16 (12) A manufacturer shall refund the deposit paid on any  
17 container returned by a distributor for which a deposit ~~has been~~  
18 **was** paid by a distributor to the manufacturer.

19 (13) Subsections (4), (6), and (7) apply only to a returnable  
20 container that was originally sold in this state as a filled  
21 returnable container.

22 (14) **As used in this section, "metal beverage container" means**  
23 **a beverage container composed primarily of metal.**

24 **Sec. 2b. (1) The beverage container handling fund is created**  
25 **in the state treasury. The state treasurer shall deposit money and**  
26 **other assets received from any source in the fund. The state**  
27 **treasurer shall direct the investment of money in the fund and**  
28 **credit interest and earnings from the investments to the fund.**

29 **(2) Money in the beverage container handling fund at the close**



1 of the fiscal year remains in the beverage container handling fund  
2 and does not lapse to the general fund.

3 (3) The department of treasury is the administrator of the  
4 beverage container handling fund for auditing purposes.

5 (4) The department of treasury shall expend money from the  
6 beverage container handling fund, on appropriation, in the  
7 following manner:

8 (a) 1.5% to the department of environment, Great Lakes, and  
9 energy for staffing and programs related to this act.

10 (b) 6% to the department of environment, Great Lakes, and  
11 energy for marketing participation and compliance with this act.

12 (c) 1.5% to the department of licensing and regulatory affairs  
13 for staffing and programs related to this act.

14 (d) 6% to the bottle bill enforcement fund created under  
15 section 3c(2).

16 (e) 85% to the resource recovery fund created under section 3g  
17 for system improvement grants.

18 Sec. 3c. (1) The bottle deposit fund is created in the  
19 department of treasury. The fund is a revolving fund administered  
20 by the department of treasury. All of the following apply to the  
21 bottle deposit fund:

22 (a) The fund consists of money paid to the department of  
23 treasury by underredeemers under section 3b. The state treasurer  
24 shall direct the investment of the fund ~~—The state treasurer shall~~  
25 **and** credit to the fund interest and earnings from fund investments.

26 (b) The department of treasury is the administrator of the  
27 fund for auditing purposes.

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

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

(a) The fund consists of money disbursed to the fund under ~~subsection (3) (a).~~ **section 2b.** The state treasurer shall direct the investment of the fund ~~. The state treasurer shall~~ **and** credit to the fund interest and earnings from fund investments.

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

(c) ~~The money deposited~~ **department of treasury shall transfer any balance remaining** in the fund at the close of the fiscal year ~~remains in the fund and does not lapse to the general fund.~~ **to the resource recovery fund created in section 3g.**

(d) The department of treasury shall disburse money from the bottle bill enforcement fund, on appropriation, to the department of state police and the department of attorney general to use in enforcing this act and investigating violations of this act in the following manner:

(i) 50% to the department of state police.

(ii) 50% to the department of attorney general.

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

~~(a) The first \$1,000,000.00 to the bottle bill enforcement fund created in subsection (2). The department of treasury shall~~

~~disburse the money deposited into the bottle bill enforcement fund to the department of state police for use in enforcing this act and investigating violations of this act. If the bottle bill enforcement fund balance at the end of the fiscal year is greater than \$3,000,000.00, deposits in the fund required under this subdivision are suspended until the fund balance falls below \$2,000,000.00.~~

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

~~(a) (i) Seventy-five percent~~ **40%** to the cleanup and redevelopment trust fund created in section 3e.

~~(b) (ii) Twenty-five percent to dealers to be apportioned to each dealer on the basis of the number of empty returnable containers handled by a dealer as determined by the department of treasury.~~ **10% to the water security fund created in section 3h.**

**(c) 5% to the manufacturers disbursed proportionally on the basis of the number of empty returnable containers redeemed as determined by the department of treasury.**

**(d) 20% to the distributors disbursed proportionally on the basis of the number of empty returnable containers redeemed as determined by the department of treasury.**

**(e) 25% to the dealers and redemption centers disbursed proportionally on the basis of the number of empty returnable containers redeemed as determined by the department of treasury.**

~~(4) Three years after the effective date of the amendatory act that added this subsection, March 27, 2022, the department of state police and the department of attorney general shall report to the legislature on the efficacy of the state police in enforcing~~

**enforcement of** this act. The report must contain at least the minimum number of beverage and deposit containers seized and the deposit value in this state of those containers.

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

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

**(7) The department of state police and the department of attorney general shall enforce this act.**

Sec. 3e. (1) The cleanup and redevelopment trust fund is created ~~within~~**in** the state treasury.

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

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

**(4) The department of environment, Great Lakes, and energy is the administrator of the fund for auditing purposes.**

**(5) The department of environment, Great Lakes, and energy shall expend, on appropriation, 25% or \$10,000,000.00 of the annual deposits to the trust fund, whichever is less, for the purposes**

1 specified in section 20113(4) of the natural resources and  
 2 environmental protection act, 1994 PA 451, MCL 324.20113.

3 (6) ~~(4)~~ The state treasurer ~~department of treasury~~ shall  
 4 annually disburse the following amounts from the trust  
 5 ~~fund~~ **revenues received by the trust fund from disbursements under**  
 6 **section 3c in the following manner:**

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 (a) ~~(b)~~ In addition to the disbursements under subdivision  
 14 ~~(a), each state fiscal year, 80% of the revenues received by the~~  
 15 ~~trust fund from disbursements under section 3e to the cleanup and~~  
 16 ~~redemption fund~~ **created under section 20108 of the natural**  
 17 **resources and environmental protection act, 1994 PA 451, MCL**  
 18 **324.20108. and**

19 (b) 10% to the community pollution prevention fund created in  
 20 section 3f.

21 (7) ~~(5)~~ All money in the trust fund that is not disbursed  
 22 ~~pursuant to~~ **under** subsection ~~(4)~~ shall remain **(6) remains** in the  
 23 trust fund until the trust fund reaches an accumulated principal of  
 24 ~~\$200,000,000.00.~~ **\$500,000,000.00.** After the trust fund reaches an  
 25 accumulated principal of ~~\$200,000,000.00,~~ **\$500,000,000.00,** interest  
 26 and earnings of the trust fund only shall ~~must~~ be expended, ~~upon on~~  
 27 appropriation, for the purposes specified in section 20113(4) ~~of~~  
 28 ~~part 201 (environmental remediation) of the natural resources and~~  
 29 ~~environmental protection act, Act No. 451 of the Public Acts of~~

~~1994, being section 324.20113 of the Michigan Compiled Laws. 1994 PA~~  
**451, MCL 324.20113.**

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

Sec. 3f. (1) The community pollution prevention fund is  
 created ~~within~~ **in** the state treasury.

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

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

(4) **The department of environment, Great Lakes, and energy is**  
**the administrator of the fund for auditing purposes.**

(5) ~~(4)~~ The department of ~~environmental quality~~ **environment,**  
**Great Lakes, and energy** shall expend ~~interest and earnings of money~~  
**from** the community pollution prevention fund only, ~~upon~~ **on**  
 appropriation, for grants for the purpose of preventing pollution,  
 with an emphasis on the prevention of groundwater contamination and  
 resulting risks to the public health, ecological risks, and public  
 and private cleanup costs, **and for any other purpose that aligns**  
**with the recycling and waste prevention goals of this state.** The  
 department of ~~environmental quality~~ **environment, Great Lakes, and**  
**energy** shall enter into contractual agreements with grant

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

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

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

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

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

25 **(6)** ~~(5)~~ ~~The department of environmental quality~~ **environment,**  
 26 **Great Lakes, and energy** shall annually prepare a report summarizing  
 27 the grants made under this section, contractual commitments made  
 28 and achieved, and a preliminary evaluation of the effectiveness of  
 29 this section not later than September 30, 1997, and **by** September 30

1 of each year thereafter, and shall provide a copy of this report to  
2 the chairs of the house and senate appropriations subcommittees for  
3 the department of ~~environmental quality~~. **environment, Great Lakes,**  
4 **and energy.**

5       **Sec. 3g. (1) The resource recovery fund is created in the**  
6 **state treasury.**

7       **(2) The state treasurer shall deposit money and other assets**  
8 **received from section 2b or from any other source in the fund. The**  
9 **state treasurer shall direct the investment of the fund and credit**  
10 **interest and earnings from the investments to the fund.**

11       **(3) The department of environment, Great Lakes, and energy is**  
12 **the administrator of the fund for auditing purposes.**

13       **(4) The department of environment, Great Lakes, and energy**  
14 **shall expend money from the fund, on appropriation, only for 1 or**  
15 **more of the following purposes:**

16       **(a) Consumer education related to this act, including, but not**  
17 **limited to, changes made to or rules promulgated under this act by**  
18 **the amendatory act that added this section.**

19       **(b) Grants to nonprofit organizations and institutions of**  
20 **higher learning conducting research or developing policy or**  
21 **practices related to increasing the scope, efficiency, and**  
22 **effectiveness of this act.**

23       **(c) System improvement grants used for either of the following**  
24 **purposes:**

25       **(i) The purchase of new equipment and technology to expand the**  
26 **capacity to process materials by any of the following:**

27       **(A) A public or private materials recovery facility.**

28       **(B) A beverage manufacturer.**

29       **(C) A beverage distributor.**



1 (D) A beverage dealer.

2 (ii) Operations and equipment costs for pilot programs that do  
3 not exceed 5 years.

4 Sec. 3h. (1) The water security fund is created in the state  
5 treasury.

6 (2) The state treasurer shall deposit money and other assets  
7 received from section 3c or from any other source in the fund. The  
8 state treasurer shall direct the investment of the fund and credit  
9 interest and earnings from the investments to the fund.

10 (3) The department of health and human services is the  
11 administrator of the fund for auditing purposes.

12 (4) The department of health and human services shall expend  
13 money from the fund, on appropriation, only for 1 or both of the  
14 following purposes:

15 (a) Grants to a supplier of water that operates a public water  
16 supply and provides year-round service to not less than 15 living  
17 units or regularly provides year-round service to not less than 25  
18 residents to do any of the following:

19 (i) Develop affordability programs that limit each  
20 participating household's water bill to a predetermined percentage  
21 of household income considered to be affordable.

22 (ii) Support the transition to an affordability program created  
23 under subparagraph (i).

24 (iii) Support the design and evaluation of an affordability  
25 program created under subparagraph (i).

26 (b) Grants to nonprofit organizations and institutions of  
27 higher learning for research and programs to reduce water  
28 insecurity in this state.

29 (5) The department of health and human services may expend

1 money for grants under subsection (4) for more than 1 consecutive  
 2 year subject to the availability of funds. A grant under subsection  
 3 (4) (a) must be for not more than 3 consecutive years.

4 (6) As used in this section, "supplier of water" means that  
 5 term as defined in section 2 of the safe drinking water act, 1976  
 6 PA 399, MCL 325.1002.

7 Sec. 5a. (1) By March 1 of every year, any department with  
 8 data regarding the performance of this act, including, but not  
 9 limited to, the data listed under subsection (2), shall share that  
 10 data with the department of environment, Great Lakes, and energy.

11 (2) By April 1 of every year, the department of environment,  
 12 Great Lakes, and energy shall make publicly available on the  
 13 department's website data on the performance of this act that the  
 14 department has or has received under subsection (1), including, but  
 15 not limited to, both of the following:

16 (a) Performance of the deposit return system compared to the  
 17 annual target return rate.

18 (b) The value of, contributions from, and expenditures from  
 19 the following funds:

20 (i) The beverage container handling fund created under section  
 21 2b.

22 (ii) The bottle bill enforcement fund created under section 3c.

23 (iii) The bottle deposit fund created under section 3c.

24 (iv) The cleanup and redevelopment trust fund created under  
 25 section 3e.

26 (v) The community pollution prevention fund created under  
 27 section 3f.

28 (vi) The resource recovery fund created under section 3g.

29 (vii) The water security fund created under section 3h.

1           (3) As used in this section:

2           (a) "Annual target return rate" means a return rate of 85% in  
3 a given year.

4           (b) "Return rate" means the total number of returnable  
5 beverage containers redeemed divided by the total number of  
6 returnable beverage containers sold for which a deposit was  
7 originated.

8           Enacting section 1. Section 2a of 1976 IL 1, MCL 445.572a, is  
9 repealed.

10          Enacting section 2. This amendatory act does not take effect  
11 unless approved by a majority of the electors of this state voting  
12 on the question at the general election to be held November 3,  
13 2026. This amendatory act shall be submitted to the qualified  
14 electors of this state at that election as provided by the Michigan  
15 election law, 1954 PA 116, MCL 168.1 to 168.992. If approved by a  
16 majority of the electors of this state voting on the question, this  
17 amendatory act takes effect 6 months after the date of the official  
18 declaration of the vote.