

**BEVERAGE CONTAINER REDEMPTION ANTIFRAUD ACT (EXCERPT)**  
**Act 388 of 2008**

**445.637 Beverage container redemption antifraud fund; creation; payments; allocations; report.**

Sec. 7. (1) The beverage container redemption antifraud fund is created in the state treasury. All of the following apply to the fund:

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

(b) Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.

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

(d) The department shall expend money from the fund, upon appropriation, only for the purposes of this act and the reverse vending machine antifraud act, including, but not limited to, administration of those acts. However, the department may not use more than \$100,000.00 from the fund in any state fiscal year for administration of this act and the reverse vending machine antifraud act.

(2) At any time after it begins to receive reports described in section 13, but not later than 30 days after receiving all of the reports described in section 13, the department shall immediately begin to arrange with reverse vending machine manufacturers for the retrofitting of reverse vending machines under section 5 that are located in counties that border another state and in counties in the Lower Peninsula that are contiguous with a county of this state that borders another state. The department shall also arrange for payments from the fund on behalf of dealers eligible under section 6 for the acquisition of new reverse vending machines for use in those counties.

(3) In allocating money from the fund for purposes of subsection (2), the department shall do all of the following:

(a) Subject to subdivision (b), give priority to retrofitting reverse vending machines under section 5 located in the counties described in subsection (2), or for the acquisition of new reverse vending machines under section 6 for use in those counties, that it determines have the greatest potential benefit for reducing the redemption of nonreturnable containers.

(b) Allocate at least 50% of the money in the fund to retrofitting reverse vending machines located in counties that border another state under section 5 or for the acquisition of new reverse vending machines under section 6 for use in counties that border another state.

(4) Beginning 1 year after the effective date of this act, the department by September 1 of each year shall report to the legislature on the progress it has made in reducing the redemption of nonreturnable containers, including the total number of distributors who were overredeemers in the immediately preceding calendar year, before trading, as well as the average amount of overredemption.

**History:** 2008, Act 388, Imd. Eff. Dec. 29, 2008.