

HOUSE BILL No. 5573

May 8, 2014, Introduced by Reps. Talabi and Walsh and referred to the Committee on Detroit's Recovery and Michigan's Future.

A bill to amend 2000 PA 489, entitled "Michigan trust fund act," by amending section 7 (MCL 12.257), as amended by 2009 PA 183.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) The 21st century jobs trust fund is established in
2 the department of treasury. The 21st century jobs trust fund shall
3 consist of donations of money made to the 21st century jobs trust
4 fund from any source and both of the following:

5 (a) To the extent provided in section 8(1) of the Michigan
6 tobacco settlement finance authority act, 2005 PA 226, MCL 129.268,
7 the net proceeds of the sale of tobacco settlement revenues to the
8 tobacco settlement finance authority under the Michigan tobacco
9 settlement finance authority act, 2005 PA 226, MCL 129.261 to

1 129.279.

2 (b) Amounts appropriated from the general fund in section
3 89b(1) of the Michigan strategic fund act, 1984 PA 270, MCL
4 125.2089b.

5 (2) The state treasurer shall direct the investment of the
6 21st century jobs trust fund, which may be invested as part of the
7 common cash of this state under 1967 PA 55, MCL 12.51 to 12.53, but
8 shall be separately accounted for by the state treasurer. The state
9 treasurer may invest the funds or assets of the 21st century jobs
10 trust fund in any investment authorized under 1855 PA 105, MCL
11 21.141 to 21.147, for surplus funds of this state, in obligations
12 issued by any state or political subdivision or instrumentality of
13 the United States, or in any obligation issued, assumed, or
14 guaranteed by a solvent entity created or existing under the laws
15 of the United States or of any state, district, or territory of the
16 United States, which are not in default as to principal or
17 interest. In addition, the state treasurer shall comply with the
18 divestment from terror act, 2008 PA 234, MCL 129.291 to 129.301, in
19 making investments under this section.

20 (3) Except as provided in subsection (4), money in the 21st
21 century jobs trust fund at the close of a fiscal year shall remain
22 in the 21st century jobs trust fund and shall not revert to the
23 general fund.

24 (4) Interest and earnings from investment of the 21st century
25 jobs trust fund shall be deposited in the general fund. For the
26 fiscal year ending September 30, 2009 only, in addition to any
27 interest and earnings deposited in the general fund under this

1 subsection, \$42,000,000.00 of the funds in the 21st century jobs
2 trust fund is transferred to and shall be deposited into the
3 general fund.

4 (5) Beginning in fiscal year 2008 and through fiscal year
5 2015, each year \$75,000,000.00 of the tobacco settlement revenue
6 received by this state that is not considered a TSR as that term is
7 defined under the Michigan tobacco settlement finance authority
8 act, 2005 PA 226, MCL 129.261 to 129.279, shall be deposited into
9 the 21st century jobs trust fund.

10 (6) For the fiscal year ending September 30, 2016 only,
11 \$72,000,000.00 of the tobacco settlement revenue received by this
12 state that is not considered a TSR as that term is defined under
13 the Michigan tobacco settlement finance authority act, 2005 PA 226,
14 MCL 129.261 to 129.279, shall be deposited into the 21st century
15 jobs trust fund.

16 (7) For the fiscal year ending September 30, 2010 only,
17 \$9,000,000.00 of the tobacco settlement revenue received by this
18 state that is not considered a TSR as that term is defined under
19 the Michigan tobacco settlement finance authority act, 2005 PA 226,
20 MCL 129.261 to 129.279, shall be used as provided in the state
21 convention facility development act, 1985 PA 106, MCL 207.621 to
22 207.640.

23 (8) For the fiscal year ending September 30, 2010 only,
24 \$37,500,000.00 of the funds in the 21st century jobs trust fund is
25 transferred to and shall be deposited into the general fund.

26 (9) BEGINNING IN FISCAL YEAR 2015 AND THROUGH FISCAL YEAR
27 2035, EACH YEAR \$17,500,000.00 OF THE TOBACCO SETTLEMENT REVENUE

1 RECEIVED BY THIS STATE THAT IS NOT CONSIDERED A TSR AS THAT TERM IS
2 DEFINED UNDER THE MICHIGAN TOBACCO SETTLEMENT FINANCE AUTHORITY
3 ACT, 2005 PA 226, MCL 129.261 TO 129.279, SHALL BE DEPOSITED INTO
4 THE COUNTERCYCLICAL BUDGET AND ECONOMIC STABILIZATION FUND CREATED
5 IN SECTION 351 OF THE MANAGEMENT AND BUDGET ACT, 1984 PA 431, MCL
6 18.1351.