

SENATE JOINT RESOLUTION C

January 20, 2015, Introduced by Senator CASPERSON and referred to the Committee on Outdoor Recreation and Tourism.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 35 of article IX, to provide for the use of certain revenues generated from leases for the extraction of nonrenewable resources from state-owned lands and to modify the allowable expenditures from the Michigan natural resources trust fund.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to provide for the use of certain revenues generated from leases for the extraction of nonrenewable resources from state-owned lands and to modify the allowable expenditures from the Michigan natural resources trust fund, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

Sec. 35. There is hereby established the Michigan natural

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1 resources trust fund. ~~The~~ **EXCEPT AS OTHERWISE PROVIDED IN THIS**
2 **SECTION, THE** trust fund shall consist of all bonuses, rentals,
3 delayed rentals, and royalties collected or reserved by the state
4 under provisions of leases for the extraction of nonrenewable
5 resources from state owned lands, except such revenues accruing
6 under leases of state owned lands acquired with money from state or
7 federal game and fish protection funds or revenues accruing from
8 lands purchased with such revenues. The trust fund may receive
9 appropriations, money, or other things of value. The assets of the
10 trust fund shall be invested as provided by law.

11 ~~—— Until the trust fund reaches an accumulated principal of~~
12 ~~\$500,000,000.00, \$10,000,000.00 of the revenues from bonuses,~~
13 ~~rentals, delayed rentals, and royalties described in this section~~
14 ~~otherwise dedicated to the trust fund that are received by the~~
15 ~~state each state fiscal year shall be deposited into the Michigan~~
16 ~~state parks endowment fund. However, until the trust fund reaches~~
17 ~~an accumulated principal of \$500,000,000.00, in any state fiscal~~
18 ~~year, not more than 50 percent of the total revenues from bonuses,~~
19 ~~rentals, delayed rentals, and royalties described in this section~~
20 ~~otherwise dedicated to the trust fund that are received by the~~
21 ~~state each state fiscal year shall be deposited into the Michigan~~
22 ~~state parks endowment fund.~~

23 ~~The amount accumulated in the trust fund in any state fiscal~~
24 ~~year shall not exceed \$500,000,000.00, exclusive of interest and~~
25 ~~earnings and amounts authorized for expenditure pursuant to this~~
26 ~~section. When the accumulated principal of the trust fund reaches~~

1 ~~\$500,000,000.00, all revenue~~ UNTIL THE MICHIGAN STATE PARKS
 2 ENDOWMENT FUND REACHES AN ACCUMULATED PRINCIPAL OF \$400,000,000.00,
 3 40 PERCENT OF THE REVENUES from bonuses, rentals, delayed rentals,
 4 and royalties described in this section that would be received by
 5 the trust fund but for this limitation shall be deposited into the
 6 Michigan state parks endowment fund. ~~until the Michigan state parks~~
 7 ~~endowment fund reaches an accumulated principal of \$800,000,000.00.~~
 8 ~~When the Michigan state parks endowment fund reaches an accumulated~~
 9 ~~principal of \$800,000,000.00, all revenues from bonuses, rentals,~~
 10 ~~delayed rentals, and royalties described in this section shall be~~
 11 ~~distributed as provided by law.~~

12 The ACCUMULATED PRINCIPAL OF THE TRUST FUND SHALL NOT BE
 13 EXPENDED. HOWEVER, THE interest and earnings of the trust fund
 14 shall be expended for ~~the~~ 1 OR MORE OF THE FOLLOWING:

15 (A) THE acquisition of land or rights in land for recreational
 16 uses or protection of the land because of its environmental
 17 importance or its scenic beauty. ~~for the~~

18 (B) THE MANAGEMENT OF LAND AND WATER RESOURCES FOR
 19 RECREATIONAL PURPOSES.

20 (C) THE development of public recreation facilities. ~~and for~~
 21 ~~the~~

22 (D) THE DEVELOPMENT AND MAINTENANCE OF TRAILS AND ROADS ON
 23 STATE-OWNED LAND.

24 (E) INFRASTRUCTURE DIRECTLY RELATED TO NATURAL-RESOURCE-BASED
 25 INDUSTRIES, INCLUDING TIMBER HARVESTING AND MINING.

26 (F) INFRASTRUCTURE ON WATERWAYS, INCLUDING BREAKWATERS AND
 27 DREDGING OPERATIONS.

1 (G) PAYMENTS IN LIEU OF TAXES ON STATE-OWNED LAND.

2 (H) THE administration of the trust fund. ~~, which may include~~
3 ~~payments in lieu of taxes on state-owned land purchased through the~~
4 ~~trust fund.~~

5 The trust fund may provide grants to units of local government
6 or public authorities which shall be used for the purposes of this
7 section. The legislature shall provide that a portion of the cost
8 of a project funded by such grants be provided by the local unit of
9 government or public authority.

10 ~~Until the trust fund reaches an accumulated principal of~~
11 ~~\$500,000,000.00, the~~ THE legislature may provide, in addition to
12 the expenditure of interest and earnings authorized by this
13 section, that a portion, ~~not to exceed 33 1/3 percent, of the~~
14 revenues OR A PORTION OF THE REVENUES from bonuses, rentals,
15 delayed rentals, and royalties described in this section received
16 by the trust fund during each state fiscal year may be expended
17 during subsequent state fiscal years for the purposes of this
18 section.

19 ~~Not less than 25 percent of the total amounts made available~~
20 ~~for expenditure from the trust fund from any state fiscal year~~
21 ~~shall be expended for acquisition of land and rights in land and~~
22 ~~not more than 25 percent of the total amounts made available for~~
23 ~~expenditure from the trust fund from any state fiscal year shall be~~
24 ~~expended for development of public recreation facilities.~~

25 The legislature shall provide by law for the establishment of
26 a trust fund board within the department of natural resources. The
27 trust fund board shall recommend the projects to be funded. The

1 board shall submit its recommendations to the governor who shall
2 submit the board's recommendations to the legislature in an
3 appropriations bill.

4 The legislature shall provide by law for the implementation of
5 this section.

6 Resolved further, That the foregoing amendment shall be
7 submitted to the people of the state at the next general election
8 in the manner provided by law.