

Act No. 174
Public Acts of 2023
Approved by the Governor
October 24, 2023
Filed with the Secretary of State
October 24, 2023
EFFECTIVE DATE: October 24, 2023

**STATE OF MICHIGAN
102ND LEGISLATURE
REGULAR SESSION OF 2023**

Introduced by Reps. Fitzgerald, Mentzer and Skaggs

ENROLLED HOUSE BILL No. 4553

AN ACT to amend 2000 PA 489, entitled “An act to create certain funds; to provide for the allocation of certain revenues among certain funds and for the operation, investment, and expenditure of certain funds; and to impose certain duties and requirements on certain state officials,” by amending section 2 (MCL 12.252), as amended by 2022 PA 83, and by adding section 3a.

The People of the State of Michigan enact:

Sec. 2. As used in this act:

- (a) “Community district education trust fund” means the community district education trust fund created in section 12.
- (b) “Flint settlement trust fund” means the Flint settlement trust fund created in section 11.
- (c) “Local government reimbursement fund” means the local government reimbursement fund created in section 3a.
- (d) “Medicaid benefits trust fund” means the Michigan Medicaid benefits trust fund established in section 5.
- (e) “Medicaid program” means a program for medical assistance established under title XIX of the social security act, 42 USC 1396 to 1396w-6.
- (f) “Medicaid special financing payments” means the Medicaid special adjustor payments each year authorized in the department of health and human services appropriations act.
- (g) “Michigan merit award trust fund” means the Michigan merit award trust fund established in section 9.
- (h) “Michigan opioid healing and recovery fund” means the Michigan opioid healing and recovery fund created in section 3.
- (i) “Strategic outreach and attraction reserve fund” means the strategic outreach and attraction reserve fund created in section 4.
- (j) “Tobacco settlement revenue” means money received by this state that is attributable to the master settlement agreement incorporated into a consent decree and final judgment entered into on December 7, 1998 in *Kelly Ex Rel. Michigan v Philip Morris Incorporated, et al.*, Ingham County Circuit Court, docket no. 96-84281CZ, including any rights to receive money attributable to the master settlement agreement that has been sold by this state.
- (k) “21st century jobs trust fund” means the 21st century jobs trust fund established in section 7.

Sec. 3a. (1) The local government reimbursement fund is created in the state treasury.

(2) The state treasurer shall deposit money and assets received under section 21(7) of the use tax act, 1937 PA 94, MCL 205.111, or from any other source in the fund. The state treasurer shall direct the investment of money in the fund and credit interest and earnings from the investments to the fund.

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

(4) The department of treasury is the administrator of the fund for audits of the fund.

(5) The department of treasury shall expend money from the fund, upon appropriation, only for the purpose of compensating municipalities as described in this subsection. Subject to subsection (6), on or before May 31, 2024, and on or before May 31 of each year thereafter, the department of treasury shall compensate municipalities for the revenue lost during the immediately preceding property tax year as a result of exemptions claimed under section 9o(2)(b) of the general property tax act, 1893 PA 206, MCL 211.9o, as determined by the department of treasury.

(6) If the money in the fund is insufficient to fully compensate all municipalities that lost revenue as described in subsection (5), payments from the fund must be prorated amongst those municipalities.

(7) As used in this section:

(a) "Fund" means the local government reimbursement fund created in subsection (1).

(b) "Municipality" means that term as defined in section 5 of the local community stabilization authority act, 2014 PA 86, MCL 123.1345.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 102nd Legislature are enacted into law:

(a) Senate Bill No. 331.

(b) House Bill No. 4554.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor

Compiler's note: Senate Bill No. 331, referred to in enacting section 1, was filed with the Secretary of State October 24, 2023, and became 2023 PA 176, Eff. Dec. 31, 2023.

House Bill No. 4554, also referred to in enacting section 1, was filed with the Secretary of State October 24, 2023, and became 2023 PA 175, Imd. Eff. Oct. 24, 2023.