

HOUSE BILL NO. 4606

May 23, 2023, Introduced by Reps. Farhat, Shannon, Andrews, Liberati, Byrnes, Miller, Tyrone Carter, O'Neal, Brenda Carter, Young, Haadsma, Morse, McFall, Fitzgerald, Coleman, Martus, Price, Steckloff, Neeley, Arbit, Scott, Hood, Koleszar, Hoskins, Wilson, Paiz, Grant, Conlin, Tsernoglou, Hope, Mentzer, Glanville, Edwards, Breen, Brabec, Rogers, Dievendorf, Weiss, Morgan and Whitsett and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 2000 PA 489, entitled
"Michigan trust fund act,"
by amending section 2 (MCL 12.252), as amended by 2022 PA 83, and
by adding sections 11a and 11b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 2. As used in this act:
- 2 (a) "Community district education trust fund" means the
- 3 community district education trust fund created in section 12.
- 4 (b) "Flint settlement trust fund" means the Flint settlement

1 trust fund created in section 11.

2 (c) "Medicaid benefits trust fund" means the Michigan Medicaid
3 benefits trust fund established in section 5.

4 (d) "Medicaid program" means a program for medical assistance
5 established under title XIX of the social security act, 42 USC 1396
6 to 1396w-6.

7 (e) "Medicaid special financing payments" means the Medicaid
8 special adjustor payments each year authorized in the department of
9 health and human services appropriations act.

10 (f) "Michigan merit award trust fund" means the Michigan merit
11 award trust fund established in section 9.

12 (g) "Michigan opioid healing and recovery fund" means the
13 Michigan opioid healing and recovery fund created in section 3.

14 **(h) "Public safety and violence prevention fund" means the**
15 **public safety and violence prevention fund established in section**
16 **11a.**

17 (i) ~~(h)~~—"Strategic outreach and attraction reserve fund" means
18 the strategic outreach and attraction reserve fund created in
19 section 4.

20 (j) ~~(i)~~—"Tobacco settlement revenue" means money received by
21 this state that is attributable to the master settlement agreement
22 incorporated into a consent decree and final judgment entered into
23 on December 7, 1998 in *Kelly Ex Rel. Michigan v Philip Morris*
24 *Incorporated, et al.*, Ingham County Circuit Court, docket no. 96-
25 84281CZ, including any rights to receive money attributable to the
26 master settlement agreement that has been sold by this state.

27 (k) ~~(j)~~—"21st century jobs trust fund" means the 21st century
28 jobs trust fund established in section 7.

29 **Sec. 11a. (1) The public safety and violence prevention fund**

1 is established in the department of treasury. The public safety and
2 violence prevention fund consists of 1 or more of the following:

3 (a) Money deposited in the public safety and violence
4 prevention fund as required by section 25 of the general sales tax
5 act, 1933 PA 167, MCL 205.75.

6 (b) Donations of money made to the public safety and violence
7 prevention fund from any source.

8 (c) Interests and earnings from public safety and violence
9 prevention fund investments.

10 (2) The state treasurer shall direct the investment of the
11 public safety and violence prevention fund.

12 (3) Money in the public safety and violence prevention fund at
13 the close of the fiscal year remains in the public safety and
14 violence prevention fund and does not lapse to the general fund.

15 Sec. 11b. (1) Beginning on November 15, 2023 and on the
16 fifteenth day of every month after that date, upon appropriation,
17 the state treasurer shall transfer and disburse the money collected
18 in the public safety and violence prevention fund over the previous
19 month to each city, village, and township that provides or
20 contracts to provide police services in an amount that is at least
21 proportional to the city's, village's, or township's average share
22 of the reported statewide violent crimes, as determined by the 3
23 most recent annual crime reports published by the department of
24 state police, except that a city, village, or township is not
25 entitled to receive more than 25% of the total monthly
26 disbursement.

27 (2) Subject to subsection (3), a city, village, or township
28 that receives a disbursement under this section, and a sheriff's
29 department of a county that is contracted by the city, village, or

1 township to provide police services, shall use the disbursement for
2 the purposes of public safety and violence prevention.

3 (3) A city, village, or township that receives a disbursement
4 under this section may not use the disbursement to replace or
5 supplant its existing reoccurring resources for public safety and
6 violence prevention, unless there is a decline in the estimated
7 total general fund revenue of the city, village, or township from
8 the previous fiscal year and there is a reduction in the existing
9 reoccurring resources of the city, village, or township that is
10 proportional to the estimated decline in the general fund revenue.

11 (4) Money in the public safety and violence prevention fund
12 must not be transferred, expended, withdrawn, or otherwise
13 disbursed except as otherwise provided in this section.

14 (5) For each state fiscal period that begins after September
15 30, 2024, the governor and the state budget director shall include
16 in the annual budget for that fiscal period submitted to the
17 legislature under section 18 of article V of the state constitution
18 of 1963 an appropriation directing the state treasurer to transfer
19 and disburse money from the public safety and violence prevention
20 fund as provided in this section.

21 (6) As used in this section, "existing reoccurring resources"
22 does not include funds that were provided by a voter-approved
23 millage or special assessment that has since expired or has
24 otherwise not been renewed.

25 Enacting section 1. This amendatory act does not take effect
26 unless Senate Bill No. ____ or House Bill No. 4605 (request no.
27 02226'23) of the 102nd Legislature is enacted into law.