

# SENATE BILL NO. 230

March 22, 2023, Introduced by Senator KLINEFELT and referred to the Committee on Finance, Insurance, and Consumer Protection.

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
- 5 trust fund created in section 11.
- 6           (c) "Medicaid benefits trust fund" means the Michigan Medicaid

1 benefits trust fund established in section 5.

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

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

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

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

12 **(h) "Revenue sharing trust fund" means the revenue sharing**  
13 **trust fund established in section 11a.**

14 **(i)** ~~(h)~~—"Strategic outreach and attraction reserve fund" means  
15 the strategic outreach and attraction reserve fund created in  
16 section 4.

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

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

26 **Sec. 11a. (1) The revenue sharing trust fund is established in**  
27 **the department of treasury. The revenue sharing trust fund consists**  
28 **of 1 or more of the following:**

29 **(a) Money deposited in the revenue sharing trust fund as**

1 required by section 25 of the general sales tax act, 1933 PA 167,  
2 MCL 205.75.

3 (b) Donations of money made to the revenue sharing trust fund  
4 from any source.

5 (c) Interest and earnings from revenue sharing trust fund  
6 investments.

7 (2) The state treasurer shall direct the investment of the  
8 revenue sharing trust fund.

9 (3) Money in the revenue sharing trust fund at the close of a  
10 fiscal year remains in the revenue sharing trust fund and does not  
11 lapse to the general fund.

12 Sec. 11b. (1) Beginning on October 15, 2023 and on the  
13 fifteenth day of every other month thereafter, upon appropriation,  
14 the state treasurer shall transfer and disburse the money collected  
15 in the revenue sharing trust fund over the previous 2 months, as  
16 follows:

17 (a) To cities, villages, and townships, in an amount equal to  
18 50% of the disbursement, distributed to each city, village, or  
19 township in the same proportion that each was eligible to receive  
20 under section 952(1) of article 5 of 2022 PA 166.

21 (b) To counties, in an amount equal to 50% of the  
22 disbursement, distributed to each county in the same proportion  
23 that each was eligible to receive under sections 952(2) and 955 of  
24 article 5 of 2022 PA 166. If a county was eligible to receive  
25 payments under section 11 of the Glenn Steil state revenue sharing  
26 act of 1971, 1971 PA 140, MCL 141.911, for only a partial fiscal  
27 year, the amount distributed to the county under this subdivision  
28 must be adjusted to treat the county as if it were eligible to  
29 receive the revenue sharing payments for the entire fiscal year.

1           (2) Money in the revenue sharing trust fund must not be  
2 transferred, expended, withdrawn, or otherwise disbursed from the  
3 revenue sharing trust fund except as authorized in this section.

4           (3) For each state fiscal period that begins after September  
5 30, 2024, the governor and the state budget director shall include  
6 in the annual budget for that fiscal period submitted to the  
7 legislature under section 18 of article V of the state constitution  
8 of 1963 an appropriation directing the state treasurer to transfer  
9 and disburse all of the money from the revenue sharing trust fund  
10 as provided in this section.

11           Enacting section 1. This amendatory act does not take effect  
12 unless Senate Bill No. 229 of the 102nd Legislature is enacted into  
13 law.