



Senate Fiscal Agency  
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## BILL ANALYSIS

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Senate Bill 574 (as discharged)  
Sponsor: Senator Sam Singh  
Committee: Appropriations (discharged)

### **CONTENT**

The bill would amend the Michigan Trust Fund Act to remove the required annual deposit of \$17.5 million of tobacco settlement revenue into the Countercyclical Budget and Economic Stabilization Fund (BSF). This deposit is to be made through fiscal year (FY) 2034-35.

The bill also would update a reference to the Michigan Early Stage Venture Investment Act of 2003 to reflect changes made by Public Act 189 of 2024.

MCL 12.257

### **FISCAL IMPACT**

The bill would have an indeterminate fiscal impact on State government and no fiscal impact on local units of government.

Currently, \$17.5 million must be deposited annually into the BSF until FY 2034-35. Under the bill, this deposit would not occur, resulting in \$175.0 million less in total deposits to the BSF over the next ten fiscal years. The revenue instead would be deposited into the Michigan Merit Award Trust Fund, which is used to fund Michigan Merit Award Scholarships and associated administrative and testing expenses, the Tuition Incentive Program, and the Michigan Nursing Scholarship Program. Other expenses also are permitted to be paid from the Michigan Merit Award Trust Fund if determined by law.

Date Completed: 9-25-25

Fiscal Analyst: Elizabeth Raczkowski

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.