

**STATE CONSTITUTION (EXCERPT)**  
**CONSTITUTION OF MICHIGAN OF 1963**

**Â§ 35 Michigan natural resources trust fund.**

Sec. 35.

(1) There is hereby established the Michigan natural resources trust fund. The trust fund shall consist of all bonuses, rentals, delayed rentals, and royalties collected or reserved by the state under provisions of leases for the extraction of nonrenewable resources from state owned lands, except such revenues accruing under leases of state owned lands acquired with money from state or federal game and fish protection funds or revenues accruing from lands purchased with such revenues. However, until the Michigan state parks endowment fund reaches an accumulated principal of \$800,000,000.00, the revenues from bonuses, rentals, delayed rentals, and royalties described in this section that would otherwise be deposited into the trust fund shall be deposited into the Michigan state parks endowment fund. In addition to the revenues described in this subsection, the trust fund may receive appropriations, money, or other things of value. The assets of the trust fund shall be invested as provided by law.

(2) Until the Michigan state parks endowment fund reaches an accumulated principal of \$800,000,000.00, the amount accumulated in the trust fund in any state fiscal year shall not exceed \$500,000,000.00, exclusive of interest and earnings and money authorized for expenditure pursuant to this section. This amount is the accumulated principal limit. The accumulated principal of the trust fund shall not be expended. However, the interest and earnings of the trust fund shall be expended for the following:

(a) Acquisition of land or rights in land for recreational uses or protection of the land because of its environmental importance or its scenic beauty.

(b) Development, renovation, and redevelopment of public recreation facilities.

(c) Administration of the trust fund, which may include payments in lieu of taxes on state owned land purchased through the trust fund.

(3) The trust fund may provide grants to local units of government or public authorities, which shall be used for the purposes of this section. The legislature shall provide that a portion of the cost of a project funded by these grants be provided by the local unit of government or public authority.

(4) After the Michigan state parks endowment fund reaches an accumulated principal of \$800,000,000.00, the accumulated principal limit for the trust fund as provided for in subsection (2) no longer applies and the revenues from bonuses, rentals, delayed rentals, and royalties described in subsection (1) shall be deposited into the trust fund. From these revenues each year the legislature may provide, in addition to the expenditure of interest and earnings authorized by this section, that a portion, not to exceed 50 percent, may be expended during subsequent state fiscal years for the purposes of this section.

(5) Not less than 25 percent of the money made available for expenditure from the trust fund from any state fiscal year shall be expended for acquisition of land and rights in land for recreational uses or protection of the land because of its environmental importance or its scenic beauty, and not less than 25 percent of the money made available for expenditure from the trust fund from any state fiscal year shall be expended for development, renovation, and redevelopment of public recreation facilities.

(6) The legislature shall provide by law for the establishment of a trust fund board within the department of natural resources. The trust fund board shall recommend the projects to be funded. The board shall submit its recommendations to the governor who shall submit the board's recommendations to the legislature in an appropriations bill.

(7) The legislature shall provide by law for the implementation of this section.

**History:** Add. H.J.R. M, approved Nov. 6, 1984, Eff. Dec. 22, 1984 ;-- Am. S.J.R. E, approved Nov. 8, 1994, Eff. Dec. 24, 1994 ;-- Am. S.J.R. T, approved Aug. 6, 2002, Eff. Sept. 21, 2002 ;-- Am. S.J.R. O, approved Nov. 3, 2020, Eff. Dec. 19, 2020