

# SENATE BILL No. 270

April 16, 1991, Introduced by Senators CHERRY, O'BRIEN, HART, GEAKE and EHLERS and referred to the Committee on Appropriations.

A bill to amend the title and section 6 of Act No. 101 of the Public Acts of 1985, entitled "Michigan natural resources trust fund act," being section 318.506 of the Michigan Compiled Laws; and to add section 6a.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Section 1. The title and section 6 of Act No. 101 of the  
2 Public Acts of 1985, being section 318.506 of the Michigan  
3 Compiled Laws, are amended and section 6a is added to read as  
4 follows:

**5** **TITLE**

6 An act to provide for the implementation of section 35 of  
7 article IX of the state constitution of 1963 creating the  
8 Michigan natural resources trust fund; TO ESTABLISH THE NATURAL  
9 HERITAGE RESEARCH TRUST FUND; to establish the Michigan natural

1 resources trust fund board; to establish the Michigan natural  
2 resources trust bondholder protection board; to require the  
3 transfer of money from certain trusts to the Michigan natural  
4 resources trust fund; to require the transfer of certain docu-  
5 ments and records; to prescribe certain powers and duties of the  
6 Michigan natural resources trust fund board, the Michigan natural  
7 resources trust bondholder protection board, the state treasurer,  
8 the department of natural resources, and the department of trea-  
9 sury; to provide for certain distributions from the Michigan nat-  
10 ural resources trust fund AND THE NATURAL HERITAGE RESEARCH TRUST  
11 FUND, and to repeal certain acts and parts of acts.

12       Sec. 6. The amount accumulated in the trust fund shall not  
13 exceed ~~-\$200,000,000.00-~~ \$400,000,000.00, exclusive of interest  
14 and earnings. Any amount of money that would be a part of the  
15 trust fund but for the limitation stated in this section FOR THE  
16 TRUST FUND shall be deposited ~~as provided by law~~ INTO THE NATU-  
17 RAL HERITAGE RESEARCH TRUST FUND ESTABLISHED IN SECTION 6A UNTIL  
18 THE NATURAL HERITAGE RESEARCH TRUST FUND REACHES ITS ACCUMULATION  
19 LIMIT OF \$100,000,000.00. AFTER THE NATURAL HERITAGE RESEARCH  
20 TRUST FUND HAS REACHED ITS ACCUMULATION LIMIT, MONEY RECEIVED  
21 SHALL BE DEPOSITED INTO THE GENERAL FUND. However, only the bal-  
22 ance remaining after the operation of section 5(1) and (2) shall  
23 be subject to this section.

24       SEC. 6A. (1) THE NATURAL HERITAGE RESEARCH TRUST FUND IS  
25 ESTABLISHED IN THE STATE TREASURY. THE STATE TREASURER SHALL  
26 DIRECT THE INVESTMENT OF THE NATURAL HERITAGE RESEARCH TRUST  
27 FUND. INTEREST AND EARNINGS OF THE NATURAL HERITAGE RESEARCH

1 TRUST FUND SHALL BE CREDITED TO THE NATURAL HERITAGE RESEARCH  
2 TRUST FUND. MONEY IN THE NATURAL HERITAGE RESEARCH TRUST FUND AT  
3 THE CLOSE OF THE FISCAL YEAR SHALL REMAIN IN THE NATURAL HERITAGE  
4 RESEARCH TRUST FUND AND SHALL NOT REVERT TO THE GENERAL FUND.

5 (2) THE AMOUNT ACCUMULATED IN THE NATURAL HERITAGE RESEARCH  
6 TRUST FUND IN ANY STATE FISCAL YEAR SHALL NOT EXCEED  
7 \$100,000,000.00, EXCLUSIVE OF INTEREST AND EARNINGS. PRIOR TO  
8 REACHING THIS LIMIT, NOT MORE THAN 33-1/3% OF THE MONEY, EXCLU-  
9 SIVE OF INTEREST AND EARNINGS, RECEIVED BY THE NATURAL HERITAGE  
10 RESEARCH TRUST FUND IN ANY STATE FISCAL YEAR MAY BE EXPENDED IN  
11 THE FOLLOWING FISCAL YEAR FOR THE PURPOSES DESCRIBED IN  
12 SUBSECTION (3). AFTER THE NATURAL HERITAGE RESEARCH TRUST FUND  
13 REACHES THIS LIMIT, ONLY THE INTEREST AND EARNINGS OF THE NATURAL  
14 HERITAGE RESEARCH TRUST FUND MAY BE EXPENDED AND ONLY FOR THE  
15 PURPOSES DESCRIBED IN SUBSECTION (3).

16 (3) MONEY IN THE NATURAL HERITAGE RESEARCH TRUST FUND SHALL  
17 BE USED BY THE DEPARTMENT, UPON APPROPRIATION, FOR GRANTS FOR  
18 RESEARCH AND PILOT PROJECTS INTENDED TO MAINTAIN OR ENHANCE THE  
19 STATE'S BIOLOGICAL DIVERSITY, RESEARCH AND PILOT PROJECTS CON-  
20 TRIBUTING TO THE SUSTAINED VIABILITY OF PLANT, ANIMAL, OR GREAT  
21 LAKES FISH POPULATIONS, RESEARCH AND PILOT PROJECTS FOR HABITAT  
22 MAINTENANCE AND RESTORATION, AND RESEARCH AND PILOT PROJECTS FOR  
23 FISH AND WILDLIFE MANAGEMENT, AND FOR ADMINISTRATION OF THE NATU-  
24 RAL HERITAGE RESEARCH TRUST FUND PROGRAM UNDER SUBSECTION (4).

25 (4) THE DEPARTMENT SHALL DEVELOP A LONG-TERM RESEARCH PRO-  
26 GRAM FOR ADMINISTRATION OF THE NATURAL HERITAGE RESEARCH TRUST  
27 FUND, AND SHALL UPDATE IT ANNUALLY. THE DEPARTMENT SHALL ACCEPT

1 APPLICATIONS, DETERMINE WHICH PROJECTS ARE CONSISTENT WITH THE  
2 LONG-TERM RESEARCH PROGRAM, AND RECOMMEND TO THE COMMISSION ON  
3 NATURAL RESOURCES WHICH PROJECTS SHOULD BE FUNDED FROM THE NATU-  
4 RAL HERITAGE RESEARCH TRUST FUND. UPON APPROVAL OF THE COMMIS-  
5 SION ON NATURAL RESOURCES, THE DEPARTMENT SHALL SUBMIT TO THE  
6 LEGISLATURE IN JANUARY OF EACH YEAR A LIST OF THOSE PROJECTS THAT  
7 THE COMMISSION OF NATURAL RESOURCES HAS DETERMINED SHOULD BE  
8 FUNDED BY THE NATURAL HERITAGE RESEARCH TRUST FUND. THE DEPART-  
9 MENT SHALL PROVIDE THE LEGISLATURE WITH A STATEMENT OF THE GUIDE-  
10 LINES USED IN PREPARING THE LIST OF PROJECTS.

11 (5) THE LEGISLATURE SHALL ANNUALLY APPROVE BY LAW THE  
12 PROJECTS TO BE FUNDED WITH MONEY IN THE NATURAL HERITAGE RESEARCH  
13 TRUST FUND.