



**House  
Legislative  
Analysis  
Section**

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**USE ACCIDENT FUND REVENUES**

**House Bill 5248**  
**Sponsor: Rep. Tom Alley**

**Committee: Appropriations**  
**Complete to 1-24-94**

**A SUMMARY OF HOUSE BILL 5248 AS INTRODUCED 12-16-93**

The proceeds from the sale of the state accident fund would be transferred to the state's budget and economic stabilization fund -- the "rainy day" fund -- under the provisions of Senate Bill 345 of 1993. House Bill 5248 would amend the Management and Budget Act to permit some of the proceeds from the sale of the state accident fund to be appropriated for a proposed state parks endowment fund that would be established under the provisions of House Bill 5064. The appropriations would be effective after the proceeds from the sale of the state accident fund had been transferred to the rainy day fund and would be effective for the fiscal year ending September 30, 1994, only.

Transfers from Rainy Day Fund. At present, money is appropriated from the rainy day fund to assist in stabilizing revenue and employment during periods of economic recession and unemployment. House Bill 5248 would amend this provision to permit \$40 million to be transferred from the rainy day fund into a state parks endowment fund.

Transfers into the Rainy Day Fund. Under the act, money is deposited into the fund when the annual growth rate of the state's economy, measured as growth in personal income, exceeds two percent when compared to the previous year. House Bill 5248 would amend the act to require that a transfer for the fiscal year ending September 30, 1994, be automatically appropriated at the close of the fiscal year. Under the bill, a transfer for the fiscal year ending September 30, 1995, would be considered as automatically appropriated, and would be paid in equal monthly installments throughout the fiscal year. The bill would also transfer all general fund/general purpose balances for the 1993-94 fiscal year into the fund.

MCL 18.1353 and 18.1354

House Bill 5248 (1-24-94)