
Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 800 (as passed by the Senate)
Sponsor: Senator Loren Bennett
Committee: Appropriations

CONTENT

The bill would amend the Natural Resources and Environmental Protection Act to allow a change in the investment of the Game and Fish Protection Trust Fund (GFPTF) and to require a report.

The bill would give the State Treasurer the authority to invest the GFPTF in the same manner as the State Employees' Retirement Fund (SERF) is invested. Currently, the assets of the GFPTF may not be invested in stocks (although up to 70% of the assets of the SERF may be invested in stocks within certain limitations).

The bill would require the State Treasurer to report annually to the Appropriations Committees and the natural resources and environment committees of the Legislature on the revenues and expenditures of the GFPTF. The report would have to describe specifically the impact of the expanded investment options on the revenues and expenditures of the GFPTF.

The bill is tie barred to Senate Joint Resolution T, which would amend the State Constitution to exempt certain funds from the prohibition on investment in stocks.

MCL 324.43704

FISCAL IMPACT

If the GFPTF were invested in the same manner as the SERF is invested, and if it is assumed that the earnings rate of the SERF is similar to the earnings rate of the last 15 years, then the GFPTF would earn approximately 6.5% more per year than currently earned. In FY 2000-01, if the GFPTF earned at the annual average rate of the SERF, then the earnings of the Fund would be approximately \$5.5 million greater than under current investment restrictions.

Date Completed: 11-2-01

Fiscal Analyst: P. Graham