

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 798

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 74119 (MCL 324.74119), as added by 1995
PA 58.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 74119. (1) ~~Pursuant to~~ IN ACCORDANCE WITH section
2 ~~36~~ 35A of article IX of the state constitution of 1963, the
3 Michigan state parks endowment fund is created within the state
4 treasury. The Michigan state parks endowment fund may be
5 referred to as the Genevieve Gillette state parks endowment
6 fund.
7 (2) The state treasurer may receive money or other assets
8 from any source for deposit into the endowment fund. The state
9 treasurer shall direct the investment of the endowment fund. THE
10 STATE TREASURER SHALL HAVE THE SAME AUTHORITY TO INVEST THE

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1 ASSETS OF THE ENDOWMENT FUND AS IS GRANTED TO AN INVESTMENT
2 FIDUCIARY UNDER THE PUBLIC EMPLOYEE RETIREMENT SYSTEM INVESTMENT
3 ACT, 1965 PA 314, MCL 38.1132 TO 38.1140/. The state treasurer
4 shall credit to the endowment fund interest and earnings from
5 endowment fund investments.

6 (3) Money in the endowment fund at the close of the fiscal
7 year shall remain in the endowment fund and shall not lapse to
8 the general fund.

9 (4) The accumulated principal of the endowment fund shall
10 not exceed \$800,000,000.00, which amount shall be annually
11 adjusted pursuant to the Detroit consumer price index--all items
12 beginning when the endowment fund reaches \$800,000,000.00. This
13 annually adjusted figure is the accumulated principal limit of
14 the endowment fund.

15 (5) Money in the endowment fund shall be expended for opera-
16 tions, maintenance, and capital improvements at Michigan state
17 parks AND FOR THE ACQUISITION OF LAND OR RIGHTS IN LAND FOR
18 MICHIGAN STATE PARKS.

19 (6) Money in the endowment fund shall be expended as
20 follows:

21 (a) Until the endowment fund reaches an accumulated princi-
22 pal of \$800,000,000.00, each state fiscal year the legislature
23 may appropriate not more than ~~\$5,000,000.00 of the money in the~~
24 ~~endowment fund as this \$5,000,000.00 amount is annually adjusted~~
25 ~~pursuant to the Detroit consumer price index--all items~~ 50% OF
26 THE MONEY RECEIVED UNDER SECTION 35 OF ARTICLE IX OF THE STATE

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1 CONSTITUTION OF 1963 PLUS INTEREST AND EARNINGS AND ANY PRIVATE
2 CONTRIBUTIONS OR OTHER REVENUE TO THE ENDOWMENT FUND.

3 (b) Once the accumulated principal in the endowment fund
4 reaches \$800,000,000.00, only the interest and earnings of the
5 endowment fund in excess of the amount necessary to maintain the
6 endowment fund's accumulated principal limit shall be expended.

7 (7) Unexpended appropriations of the endowment fund from any
8 state fiscal year as authorized by this section may be carried
9 forward or may be appropriated as determined by the legislature
10 for purposes of this section.

11 (8) THE DEPARTMENT SHALL ANNUALLY PREPARE A REPORT CONTAIN-
12 ING AN ACCOUNTING OF REVENUES AND EXPENDITURES FROM THE ENDOWMENT
13 FUND. THIS REPORT SHALL IDENTIFY THE INTEREST AND EARNINGS OF
14 THE ENDOWMENT FUND FROM THE PREVIOUS YEAR, THE INVESTMENT PER-
15 FORMANCE OF THE ENDOWMENT FUND DURING THE PREVIOUS YEAR, AND THE
16 TOTAL AMOUNT OF APPROPRIATIONS FROM THE ENDOWMENT FUND DURING THE
17 PREVIOUS YEAR. THIS REPORT SHALL BE PROVIDED TO THE SENATE AND
18 HOUSE OF REPRESENTATIVES APPROPRIATIONS COMMITTEES AND THE STAND-
19 ING COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES WITH
20 JURISDICTION OVER ISSUES PERTAINING TO NATURAL RESOURCES AND THE
21 ENVIRONMENT.

22 Enacting section 1. This amendatory act does not take
23 effect unless Senate Joint Resolution T becomes a part of the
24 state constitution of 1963 as provided in section 1 of article
25 XII of the state constitution of 1963.