

HOUSE BILL No. 6263

August 13, 2002, Introduced by Rep. Richner and referred to the Committee on Appropriations.

A bill to implement the provisions of section 36 of article IX of the state constitution of 1963 relating to the dedication of tobacco settlement revenue for improvement of health care; to create certain funds; to provide for the operation, investment, and expenditure of certain funds; and to impose certain duties and requirements on certain state officials.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "tobacco settlement revenue expenditure and accountability act".

3 Sec. 2. As used in this act, "funds" means each fund cre-
4 ated under section 3.

5 Sec. 3. (1) The following funds are created pursuant to
6 section 36 of article IX of the state constitution of 1963:

7 (a) Tobacco free futures fund.

1 (b) Tobacco illness care fund.

2 (c) Tobacco settlement research and education fund.

3 (d) Senior citizen prescription drug assistance fund.

4 (2) The business that the funds may perform shall be con-
5 ducted at a public meeting held in compliance with the open meet-
6 ings act, 1976 PA 267, MCL 15.261 to 15.275.

7 (3) A writing prepared, owned, used, in the possession of,
8 or retained by the funds in the performance of an official func-
9 tion is subject to the freedom of information act, 1976 PA 442,
10 MCL 15.231 to 15.246.

11 (4) The funds shall do all of the following:

12 (a) Establish and maintain an internal accounting and admin-
13 istrative control system and prepare and submit reports in the
14 same manner as provided under the management and budget act, 1984
15 PA 431, MCL 18.1101 to 18.1594.

16 (b) Maintain all records, statements, and other reports in
17 accordance with generally accepted accounting principles imple-
18 mented to conform with requirements promulgated by the governmen-
19 tal accounting standards board, or its successor. If there is a
20 conflict between the generally accepted accounting principles,
21 the principles adopted by the governmental accounting standards
22 board, or its successor, shall be used.

23 (c) File with the legislature, governor, and auditor general
24 an annual written report on its activities of the immediately
25 preceding year. This report shall specify the activities of each
26 fund created under section 3, the amount and source of revenues

1 received, and a complete and cumulative accounting of the
2 expenditures from each fund created under section 3.

3 (d) Participate in the government finance officers associa-
4 tion awards for excellence program.

5 Sec. 5. The funds shall be subject to a financial and per-
6 formance audit by the auditor general.

7 Sec. 7. The funds shall not expend or distribute money from
8 its fund to any of the following:

9 (a) A public officer, agent, or contractor as extra compen-
10 sation for services already rendered.

11 (b) A person convicted of malfeasance, misfeasance, or abuse
12 of the public trust.

13 (c) A person or entity convicted of a crime involving fraud,
14 deception, or other illegal fiscal practices.

15 Enacting section 1. This act does not take effect unless
16 the proposed amendment to section 36 of article IX of the state
17 constitution of 1963 is approved by a majority of the electors
18 voting on the proposed amendment at the November 5, 2002 general
19 election.