

SENATE BILL No. 1247

May 18, 2004, Introduced by Senators BROWN, BARCIA, ALLEN, CROPSEY, GEORGE, VAN WOERKOM, BIRKHOLZ, BRATER, CLARKE and BISHOP and referred to the Committee on Appropriations.

A bill to amend 1946 (1st Ex Sess) PA 9, entitled

"An act to create the Michigan veterans' trust fund, and to define who shall be eligible to receive assistance therefrom; to provide for the disbursement of the income thereof and surplus therein; to create a board of trustees, and to prescribe its powers and duties; to provide for county and district committees, and their powers, duties, and expenses; to prescribe penalties; and to make appropriations to carry out the provisions of this act,"

by amending section 1c (MCL 35.601c), as amended by 1980 PA 353.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1c. (1) The state treasurer is hereby authorized to
2 transfer, with the approval of the state administrative board,
3 all or part of the United States treasury bonds, notes, and other
4 evidences of indebtedness in the Michigan veterans' trust fund to
5 the general fund. The state treasurer, with the approval of the
6 state administrative board, shall sell the bonds transferred and
7 deposit the proceeds in the general fund.

8 (2) To reimburse the Michigan veterans' trust fund for the

1 bonds, notes, and other evidences of indebtedness transferred
 2 ~~pursuant to~~ **under** this section, to provide for the
 3 administration of this act, ~~to furnish college tuition grants~~
 4 ~~for children of disabled or deceased veterans,~~ there is ~~hereby~~
 5 appropriated from the general fund ~~— (a) For the fiscal year~~
 6 ~~beginning October 1, 1976, a sum of \$3,100,000.00; and for in~~
 7 each fiscal year ~~thereafter,~~ a sum to be determined by the
 8 appropriations committees of the senate and house, based on the
 9 interest as determined by the department of treasury ~~which~~ **that**
 10 would have been earned from investment of the trust fund
 11 principal amount of \$50,000,000.00 ~~—~~ less interest earned by
 12 investment of the principal amount repaid. The **department of**
 13 **treasury shall determine the** annual rate of interest ~~is to be~~
 14 ~~determined by the department of treasury and forwarded~~ **forward**
 15 **it** in writing on August 1 of each year to the department of
 16 management and budget and the appropriations committees of the
 17 house and senate. ~~— (b) For the fiscal year beginning in 1979, in~~
 18 ~~addition to the amount appropriated in subdivision (a), the sum~~
 19 ~~of \$2,000,000.00 shall be paid to reestablish the principal of~~
 20 ~~the Michigan veterans' trust fund. — (c) For the fiscal year~~
 21 ~~beginning in 1980, in addition to the amount appropriated in~~
 22 ~~subdivision (a), the sum of \$200,000.00 shall be paid to~~
 23 ~~reestablish the principal of the Michigan veterans' trust fund.~~
 24 ~~— (d) For each fiscal year beginning in 1981, 1982, 1983, 1984,~~
 25 ~~1985, 1986, 1987, 1988, 1989, 1990, and 1991, in addition to the~~
 26 ~~amount appropriated in subdivision (a), the sum of \$4,000,000.00~~
 27 ~~shall be paid to reestablish the principal of the Michigan~~

1 ~~veterans' trust fund.~~ ~~(e)~~ For any fiscal year that is modified
2 to be more than or less than a 12-month period, the sums
3 appropriated in this subsection shall be prorated to assure
4 payment in lieu of interest and repayment of principal ~~—~~ as
5 intended in this subsection.

6 ~~(f) For the fiscal year beginning in 1992, in addition, a~~
7 ~~sum sufficient which, when taken with sums previously~~
8 ~~appropriated and other investments of the fund, will restore the~~
9 ~~fund to a principal sum of \$49,000,000.00.~~

10 (3) ~~The appropriations made in~~ **An appropriation made under**
11 **this** subsection ~~(2)(a) shall be deemed~~ **is considered** "income"
12 as the term is used in this act and shall be disbursed by the
13 board of trustees in the manner and for the purposes prescribed
14 in this act. ~~The appropriations made in subsection (2)(b), (c),~~
15 ~~(d), (e), and (f) shall be vested as directed by the state~~
16 ~~administrative board pursuant to this act.~~