

Legislative Analysis



CHILDREN'S TRUST FUND DISBURSEMENTS

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4825

Sponsor: Rep. Michael Murphy

Committee: Family and Children Services

Complete to 6-1-05

A SUMMARY OF HOUSE BILL 4825 AS INTRODUCED 5-24-05

The Children's Trust Fund was established by the legislature in 1982 to fund efforts to prevent child abuse and neglect. The act creating the CTF specifies that once the total assets in the fund exceed \$20 million, only the interest and earnings credited to the trust fund are available for disbursement. House Bill 4825 would amend the Children's Trust Fund act to eliminate that restriction on disbursements. Instead, up to one-half of the money contributed to the fund each year, and the earnings credited to the fund during the previous fiscal year, would be available for disbursement.

[The CTF initially was funded by a check-off on the state income tax form that was to continue until the assets of the fund reached \$20 million. Until the assets reached that amount, up to one-half of the money contributed each year and interest and earnings credited to the trust fund were available for disbursement each year. An appropriation of \$13.1 million in the 1999-2000 fiscal year brought the balance of the fund beyond the \$20 million threshold and the check-off was eliminated.]

MCL 21.171

Legislative Analyst: E. Best

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