

Legislative Analysis



21ST CENTURY JOBS TRUST FUND: TOBACCO SETTLEMENT REVENUES

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House Bill 5109

Sponsor: Rep. Rick Baxter

Committee: Commerce

Complete to 8-26-05

A SUMMARY OF HOUSE BILL 5109 AS INTRODUCED 8-24-05

The bill would amend the Michigan Trust Fund Act to create a new fund, the 21st Century Jobs Trust Fund, which would consist only of net proceeds from the sale of tobacco settlement revenues to the Tobacco Settlement Finance Authority, interest and earnings from trust fund investments, and donations from any source. The trust fund would be created in the Department of Treasury; the state treasurer would direct investments.

The Tobacco Settlement Finance Authority is the authority that would be created by House Bill 5048, which authorizes the sale of a portion of future tobacco settlement receipts.

The bill also would repeal two sections of the Michigan Merit Award Scholarship Act, one that creates the Michigan Merit Award Trust Fund (which is currently a recipient of a portion of tobacco settlement revenue) and another that deals with disbursements of money from that fund.

MCL 12.252

FISCAL IMPACT:

Taken alone, the bill would have no fiscal impact on either the State of Michigan or its local units of government. The bill is related to other legislation that would authorize the sale of a portion of future tobacco settlement receipts.

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