

HOUSE BILL No. 4825

May 24, 2005, Introduced by Reps. Murphy, Bieda, Taub, Palmer, Byrum, Nitz, Gosselin, Accavitti, Clack, Virgil Smith, Zelenko, Cushingberry, Sak, Waters, Whitmer, Gonzales, Sheltroun, Angerer, Byrnes, McDowell, Kehrl, Donigan, Spade, Polidori, Kathleen Law, Hopgood, Miller, Ward and McConico and referred to the Committee on Family and Children Services.

A bill to amend 1982 PA 249, entitled

"An act to establish the state children's trust fund in the department of treasury; and to provide certain powers and duties of the department of treasury with respect to the trust fund,"

by amending section 1 (MCL 21.171), as amended by 2002 PA 1.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) The children's trust fund is created as a
2 charitable and educational endowment fund in the department of
3 treasury. The fund shall be expended only as provided in this
4 section.

5 (2) The state treasurer shall credit to the trust fund all
6 amounts appropriated for this purpose under section 475 of the
7 income tax act of 1967, 1967 PA 281, MCL 206.475, any amounts
8 received under section 811j of the Michigan vehicle code, 1949 PA

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300, MCL 257.811j, and section 8 of the child abuse and neglect prevention act, 1982 PA 250, MCL 722.608, and any amounts received from civil fines imposed under the playground equipment safety act, 1997 PA 16, MCL 408.681 to 408.687.

(3) The state treasurer shall direct the investment of the trust fund. The state treasurer shall have the same authority to invest the assets of the trust fund as is granted to an investment fiduciary under the public employee retirement system investment act, 1965 PA 314, MCL 38.1132 to ~~38.1140~~ **38.1140M**.

~~(4) Until the total amount of assets in the trust fund exceeds \$20,000,000.00, not~~ **NOT** more than 1/2 of the money contributed to the trust fund each year, plus the interest and earnings<<, **[EXCLUDING] UNREALIZED GAINS AND LOSSES,>>** credited to the trust fund during the previous fiscal year, shall be available for disbursement upon the authorization of the state board as provided in section 9 of the child abuse and neglect prevention act, 1982 PA 250, MCL 722.609. ~~If the state treasurer certifies that the assets in the trust fund exceed \$20,000,000.00, only the interest and earnings credited to the trust fund shall be available for disbursement upon the authorization of the state board as provided in section 9 of the child abuse and neglect prevention act, 1982 PA 250, MCL 722.609.~~

(5) Money granted or received as gifts or donations to the trust fund shall be available for disbursement upon appropriation under section 8 of the child abuse and neglect prevention act, 1982 PA 250, MCL 722.608, and funds authorized for expenditure shall not be considered assets of the trust fund for the purposes of subsection (4).

1 (6) The state treasurer shall annually prepare an accounting
2 of revenues and expenditures from the trust fund. This accounting
3 shall specifically identify the interest and earnings of the trust
4 fund, shall describe how the amount of interest and earnings has
5 been affected by the expanded investment options provided for in
6 subsection (3), and shall identify how the increased interest and
7 earnings, if any, have been expended. This accounting shall be
8 provided to the senate and house of representatives appropriations
9 committees.

10 (7) As used in this section, "trust fund" means the children's
11 trust fund created in subsection (1).