

SUBSTITUTE FOR
HOUSE BILL NO. 5109

A bill to amend 2000 PA 489, entitled
"Michigan trust fund act,"
by amending the title and section 2 (MCL 12.252), and by adding
sections 7 and 8; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

TITLE

2

An act to create certain funds; to provide for the **ALLOCATION**
OF CERTAIN REVENUES AMONG CERTAIN FUNDS AND FOR THE operation,
investment, and expenditure of certain funds; and to impose certain
duties and requirements on certain state officials.

6

Sec. 2. As used in this act:

7

(a) "Medicaid benefits trust fund" means the Michigan medicaid
benefits trust fund established in section 5.

8

1 (b) "Medicaid program" means a program for medical assistance
2 established under title XIX of the social security act, chapter
3 531, 49 Stat. 620, 42 ~~U.S.C.~~ **USC** 1396 to 1396f, 1396g-1 to 1396r-
4 6, and 1396r-8 to 1396v.

5 (c) "Medicaid special financing payments" means the medicaid
6 special adjustor payments each year authorized in the department of
7 community health appropriations act.

8 **(D) "MICHIGAN MERIT AWARD TRUST FUND" MEANS THE MICHIGAN MERIT**
9 **AWARD TRUST FUND ESTABLISHED IN SECTION 7.**

10 **(E) "RESIDUAL TOBACCO SETTLEMENT REVENUE" MEANS ANY RESIDUAL**
11 **INTERESTS, AS DEFINED BY THE MICHIGAN TOBACCO SETTLEMENT FINANCE**
12 **AUTHORITY, THAT ARE RECEIVED BY THIS STATE.**

13 **(F) ~~(d)~~ "Tobacco settlement revenue" means money received by**
14 **this state that is attributable to the master settlement agreement**
15 **incorporated into a consent decree and final judgment entered into**
16 **on December 7, 1998 in Kelly Ex Rel. Michigan v Philip Morris**
17 **Incorporated, et al., Ingham county circuit court, docket no. 96-**
18 **84281CZ, AND THAT IS NOT TSRS AS THAT TERM IS DEFINED UNDER THE**
19 **MICHIGAN TOBACCO SETTLEMENT FINANCE AUTHORITY ACT.**

20 **(G) ~~(e)~~ "Tobacco settlement trust fund" means the Michigan**
21 **tobacco settlement trust fund established in section 3.**

22 **(H) "21ST CENTURY JOBS TRUST FUND" MEANS THE 21ST CENTURY JOBS**
23 **TRUST FUND ESTABLISHED IN SECTION 7.**

24 **SEC. 7. (1) THE 21ST CENTURY JOBS TRUST FUND IS ESTABLISHED IN**
25 **THE DEPARTMENT OF TREASURY. THE 21ST CENTURY JOBS TRUST FUND SHALL**
26 **CONSIST ONLY OF INTEREST AND EARNINGS FROM 21ST CENTURY JOBS TRUST**
27 **FUND INVESTMENTS, DONATIONS OF MONEY MADE TO THE 21ST CENTURY JOBS**

1 TRUST FUND FROM ANY SOURCE, AND THE NET PROCEEDS OF THE SALE OF
2 TOBACCO SETTLEMENT REVENUES TO THE TOBACCO SETTLEMENT FINANCE
3 AUTHORITY.

4 (2) THE STATE TREASURER SHALL DIRECT THE INVESTMENT OF THE
5 21ST CENTURY JOBS TRUST FUND, WHICH MAY BE INVESTED AS PART OF THE
6 COMMON CASH OF THE STATE BUT SHALL BE SEPARATELY ACCOUNTED FOR BY
7 THE STATE TREASURER. THE STATE TREASURER MAY INVEST THE ASSETS OF
8 THE 21ST CENTURY JOBS TRUST FUND IN ANY INVESTMENT AUTHORIZED UNDER
9 1855 PA 105, MCL 21.141 TO 21.147, FOR SURPLUS FUNDS OF THIS STATE,
10 IN OBLIGATIONS ISSUED BY ANY STATE OR POLITICAL SUBDIVISION OR
11 INSTRUMENTALITY OF THE UNITED STATES, OR IN ANY OBLIGATION ISSUED,
12 ASSUMED, OR GUARANTEED BY A SOLVENT ENTITY CREATED OR EXISTING
13 UNDER THE LAWS OF THE UNITED STATES OR OF ANY STATE, DISTRICT, OR
14 TERRITORY OF THE UNITED STATES, WHICH ARE NOT IN DEFAULT AS TO
15 PRINCIPAL OR INTEREST.

16 SEC. 8. (1) THE MICHIGAN MERIT AWARD TRUST FUND IS ESTABLISHED
17 IN THE DEPARTMENT OF TREASURY. THE MICHIGAN MERIT AWARD TRUST FUND
18 SHALL CONSIST ONLY OF INTEREST AND EARNINGS FROM MICHIGAN MERIT
19 AWARD TRUST FUND INVESTMENTS, DONATIONS OF MONEY MADE TO THE TRUST
20 FUND FROM ANY SOURCE, AND ANY MONEY ALLOCATED AS PROVIDED BY LAW.

21 (2) MONEY IN THE MICHIGAN MERIT AWARD TRUST FUND AT THE CLOSE
22 OF A FISCAL YEAR SHALL REMAIN IN THE MICHIGAN MERIT AWARD TRUST
23 FUND AND SHALL NOT REVERT TO THE GENERAL FUND.

24 (3) THE STATE TREASURER SHALL DIRECT THE INVESTMENT OF THE
25 MICHIGAN MERIT AWARD TRUST FUND.

26 (4) UPON APPROPRIATION, THE STATE TREASURER SHALL DISBURSE
27 FUNDS FROM THE MICHIGAN MERIT AWARD TRUST FUND FOR 1 OR MORE OF THE

1 FOLLOWING PURPOSES:

2 (A) MICHIGAN MERIT AWARD SCHOLARSHIPS UNDER THE MICHIGAN MERIT
3 AWARD SCHOLARSHIP ACT, 1999 PA 94, MCL 390.1451 TO 390.1459.

4 (B) EXPENSES PROPERLY INCURRED IN THE ADMINISTRATION OF THE
5 MICHIGAN MERIT AWARD SCHOLARSHIPS AND ANY TEST BY WHICH AWARDEES OF
6 THE MICHIGAN MERIT AWARD SCHOLARSHIPS ARE DETERMINED.

7 Enacting section 1. Sections 3 and 5 of the Michigan merit
8 award scholarship act, 1999 PA 94, MCL 390.1453 and 390.1455, are
9 repealed.

10 Enacting section 2. This amendatory act takes effect October
11 1, 2005.

12 Enacting section 3. This amendatory act does not take effect
13 unless all of the following bills of the 93rd Legislature are
14 enacted into law:

- 15 (a) Senate Bill No. 359.
16 (b) Senate Bill No. 533.
17 (c) House Bill No. 4972.
18 (d) House Bill No. 4973.
19 (e) House Bill No. 5047.
20 (f) House Bill No. 5048.
21 (g) House Bill No. 5108.