

SUBSTITUTE FOR
SENATE BILL NO. 1224

A bill to amend 2000 PA 489, entitled
"Michigan trust fund act,"
by amending sections 7 and 8 (MCL 12.257 and 12.258), section 7 as
amended by 2007 PA 50 and section 8 as added by 2005 PA 232.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) The 21st century jobs trust fund is established in
2 the department of treasury. The 21st century jobs trust fund shall
3 consist of donations of money made to the 21st century jobs trust
4 fund from any source and, ~~to~~ **BOTH OF THE FOLLOWING:**

5 **(A) TO** the extent provided in section 8(1) of the Michigan
6 tobacco settlement finance authority act, 2005 PA 226, MCL 129.268,
7 the net proceeds of the sale of tobacco settlement revenues to the
8 tobacco settlement finance authority under the Michigan tobacco

1 settlement finance authority act, 2005 PA 226, MCL 129.261 to
2 129.279.

3 (B) TO THE EXTENT PROVIDED IN SECTION 8(2) OF THE MICHIGAN
4 TOBACCO SETTLEMENT FINANCE AUTHORITY ACT, 2005 PA 226, MCL 129.268,
5 THE NET PROCEEDS RESULTING FROM A REFUNDING OR REFINANCING OF BONDS
6 OR THE SALE OF RESIDUAL INTERESTS UNDER THE MICHIGAN TOBACCO
7 SETTLEMENT FINANCE AUTHORITY ACT, 2005 PA 226, MCL 129.261 TO
8 129.279

9 (2) The state treasurer shall direct the investment of the
10 21st century jobs trust fund, which may be invested as part of the
11 common cash of this state under 1967 PA 55, MCL 12.51 to 12.53, but
12 shall be separately accounted for by the state treasurer. The state
13 treasurer may invest the funds or assets of the 21st century jobs
14 trust fund in any investment authorized under 1855 PA 105, MCL
15 21.141 to 21.147, for surplus funds of this state, in obligations
16 issued by any state or political subdivision or instrumentality of
17 the United States, or in any obligation issued, assumed, or
18 guaranteed by a solvent entity created or existing under the laws
19 of the United States or of any state, district, or territory of the
20 United States, which are not in default as to principal or
21 interest.

22 (3) Except as provided in subsection (4), money in the 21st
23 century jobs trust fund at the close of a fiscal year shall remain
24 in the 21st century jobs trust fund and shall not revert to the
25 general fund.

26 (4) Interest and earnings from investment of the 21st century
27 jobs trust fund shall be deposited in the general fund. ~~For the~~

1 ~~fiscal year ending September 30, 2007 only, in addition to any~~
2 ~~interest and earnings deposited in the general fund under this~~
3 ~~subsection, \$50,000,000.00 of the funds in the 21st century jobs~~
4 ~~trust fund is transferred to and shall be deposited into the~~
5 ~~general fund.~~

6 (5) Beginning in fiscal year 2008 and through fiscal year
7 2015, each year \$75,000,000.00 of the tobacco settlement revenue
8 received by this state that is not considered a TSR as that term is
9 defined under the Michigan tobacco settlement finance authority
10 act, 2005 PA 226, MCL 129.261 to 129.279, shall be deposited into
11 the 21st century jobs trust fund.

12 (6) For the fiscal year ending September 30, 2016 only,
13 \$30,000,000.00 of the tobacco settlement revenue received by this
14 state that is not considered a TSR as that term is defined under
15 the Michigan tobacco settlement finance authority act, 2005 PA 226,
16 MCL 129.261 to 129.279, shall be deposited into the 21st century
17 jobs trust fund.

18 Sec. 8. (1) Upon request from the fund board as defined in
19 section 88a of the Michigan strategic fund act, 1984 PA 270, MCL
20 125.2088a, **EXCEPT AS PROVIDED IN SUBSECTION (2)**, the state
21 treasurer shall transfer and disburse appropriated funds from the
22 21st century jobs trust fund only for the purpose of carrying out
23 and at the specified time and as necessary to implement chapter 8A
24 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088 to
25 125.2088p.

26 (2) **THE STATE TREASURER SHALL TRANSFER AND DISBURSE THE NET**
27 **PROCEEDS DESCRIBED IN SECTION 7(1)(B) FOR THE PURPOSES DESCRIBED IN**

1 CHAPTER 8B OF THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270, MCL
2 125.2089 TO 125.2089D, AS PROVIDED BY AN APPROPRIATION.

3 Enacting section 1. This amendatory act does not take effect
4 unless all of the following bills of the 94th Legislature are
5 enacted into law:

6 (a) Senate Bill No. 1223.

7 (b) Senate Bill No. 1225.