

# SENATE JOINT RESOLUTION M

April 17, 2008, Introduced by Senators BIRKHOLZ, RICHARDVILLE, HARDIMAN, PAPPAGEORGE, ALLEN, JANSEN, KAHN, GILBERT and JELINEK and referred to the Committee on Natural Resources and Environmental Affairs.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 35 of article IX, to increase the allowable annual expenditures from the Michigan natural resources trust fund and to authorize the issuance of bonds and notes for the purposes of the Michigan natural resources trust fund.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to increase the allowable annual expenditures from the Michigan natural resources trust fund and to authorize the issuance of bonds and notes for the purposes of the Michigan natural resources trust fund, is proposed, agreed to, and submitted to the people of the state:

## ARTICLE IX

Sec. 35. There is hereby established the Michigan natural resources trust fund. The trust fund shall consist of all bonuses, rentals, delayed rentals, and royalties collected or reserved by the state under provisions of leases for the extraction of nonrenewable resources from state owned lands, except such revenues accruing under leases of state owned lands acquired with money from state or federal game and fish protection funds or revenues accruing from lands purchased with such revenues. The trust fund may receive appropriations, money, or other things of value. The assets of the trust fund shall be invested as provided by law.

Until the trust fund reaches an accumulated principal of \$500,000,000.00, \$10,000,000.00 of the revenues from bonuses, rentals, delayed rentals, and royalties described in this section otherwise dedicated to the trust fund that are received by the state each state fiscal year shall be deposited into the Michigan state parks endowment fund. However, until the trust fund reaches an accumulated principal of \$500,000,000.00, in any state fiscal year, not more than 50 percent of the total revenues from bonuses, rentals, delayed rentals, and royalties described in this section otherwise dedicated to the trust fund that are received by the state each state fiscal year shall be deposited into the Michigan state parks endowment fund.

The amount accumulated in the trust fund in any state fiscal year shall not exceed \$500,000,000.00, exclusive of interest and earnings and amounts authorized for expenditure pursuant to this section. When the accumulated principal of the trust fund reaches

1 \$500,000,000.00, all revenue from bonuses, rentals, delayed  
2 rentals, and royalties described in this section that would be  
3 received by the trust fund but for this limitation shall be  
4 deposited into the Michigan state parks endowment fund until the  
5 Michigan state parks endowment fund reaches an accumulated  
6 principal of \$800,000,000.00. When the Michigan state parks  
7 endowment fund reaches an accumulated principal of \$800,000,000.00,  
8 all revenues from bonuses, rentals, delayed rentals, and royalties  
9 described in this section shall be distributed as provided by law.

10 The interest and earnings of the trust fund shall be expended  
11 for the acquisition of land or rights in land for recreational uses  
12 or protection of the land because of its environmental importance  
13 or its scenic beauty, for the development of public recreation  
14 facilities, and for the administration of the trust fund, which may  
15 include payments in lieu of taxes on state owned land purchased  
16 through the trust fund **AND THE REPAYMENT OF BONDS AND NOTES**. The  
17 trust fund may provide grants to units of local government or  
18 public authorities which shall be used for the purposes of this  
19 section. The legislature shall provide that a portion of the cost  
20 of a project funded by such grants be provided by the local unit of  
21 government or public authority.

22 Until the trust fund reaches an accumulated principal of  
23 \$500,000,000.00, the legislature may provide, in addition to the  
24 expenditure of interest and earnings authorized by this section,  
25 that a portion, not to exceed ~~33-1/3~~ **66-2/3** percent, of the  
26 revenues from bonuses, rentals, delayed rentals, and royalties  
27 described in this section received by the trust fund during each

1 state fiscal year may be expended during subsequent state fiscal  
2 years for the purposes of this section.

3 Not less than 25 percent of the total amounts made available  
4 for expenditure from the trust fund from any state fiscal year  
5 shall be expended for acquisition of land and rights in land and  
6 not more than 25 percent of the total amounts made available for  
7 expenditure from the trust fund from any state fiscal year shall be  
8 expended for development of public recreation facilities.

9 The legislature shall provide by law for the establishment of  
10 a trust fund board within the department of natural resources. The  
11 trust fund board shall recommend the projects to be funded. The  
12 **TRUST FUND** board shall submit its recommendations to the governor  
13 who shall submit the board's recommendations to the legislature in  
14 an appropriations bill.

15 **THE TRUST FUND BOARD MAY AUTHORIZE THE ISSUANCE OF BONDS AND**  
16 **NOTES FOR THE PURPOSES OF THIS SECTION, PAYABLE FROM THE ALLOWABLE**  
17 **EXPENDITURES OF THE TRUST FUND.**

18 The legislature shall provide by law for the implementation of  
19 this section.

20 Resolved further, That the foregoing amendment shall be  
21 submitted to the people of the state at a special election to be  
22 held on August 5, 2008 in the manner provided by law.