Legislative Analysis

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TRANSFERS FROM 21ST CENTURY JOBS TRUST FUND TO GENERAL FUND

House Bill 4182
Sponsor: Rep. Durhal
Committee: Appropriations

Complete to 12-7-09

A SUMMARY OF HOUSE BILL 4182 AS PASSED BY THE SENATE:

House Bill 4182 would amend the Michigan Trust Fund Act to transfer funds from the 21st Century Jobs Fund to the state's General Fund for two fiscal years:

- $42.0 million for FY 2008-09.
- $37.5 million for FY 2009-10.

The bill would also increase the specified amount of tobacco settlement revenue to be deposited into the 21st Century Jobs Fund in FY 2015-16 from $30.0 million to $72.0 million. (FY 2015-16 is the final year for which the act specifies a deposit of tobacco settlement revenue into the fund. Appropriations from the 21st Century Jobs Trust Fund are utilized for various programs, grants, and loans related to economic diversification.)

FISCAL IMPACT:

The bill would transfer funds available from the 21st Century Jobs Trust Fund as a result of previous budget actions taken in order to help balance the state's FY 2008-09 General Fund/General Purpose budget.

Those previous budget actions are as follows:

Excess funds from 2008 PA 98 transfer (Michigan Promotion Program)	$10.0 million
Nonappropriated funds for FY 2008-09	10.0 million
Vetoed FY 2008-09 funds (Lakeshore Advantage)	3.0 million
Executive Order 2009-22 (FY 2008-09 appropriation)	9.05 million
Executive Order 2009-22 (prior-year work projects)	9.95 million
TOTAL	$42.0 million

Similarly, the bill would transfer $37.5 million available from the 21st Century Jobs Trust Fund in order to help balance the state's FY 2009-10 General Fund/General Purpose budget.

Only $28.5 million—rather than the statutorily-specified amount of $75.0 million—was appropriated from the fund in the initial FY 2009-10 budget for the Department of Treasury. An additional $9.0 million has been transferred to the Convention Facility Development Fund for Cobo Hall expansion, leaving an available balance of $37.5 million.

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