HOUSE JOINT RESOLUTION H

February 5, 2009, Introduced by Reps. Sheltrown, Melton and Dean and referred to the Committee on Tourism, Outdoor Recreation and Natural Resources.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 35 of article IX, to modify the allowable expenditures from the Michigan natural resources trust fund and to provide for the uses of money in the trust fund to include the management of land and water resources for recreational uses, including the development and management of habitat for game and sport fisheries.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to modify the allowable expenditures from the Michigan natural resources trust fund and to provide for the uses of money in the trust fund to include the management of land and water resources for recreational uses, including the development and management of habitat for game and sport fisheries, is

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proposed, agreed to, and submitted to the people of the state:

ARTICLE IX 1 2 Sec. 35. There is hereby established the Michigan natural 3 resources trust fund. The trust fund shall consist of all bonuses, rentals, delayed rentals, and royalties collected or reserved by 4 the state under provisions of leases for the extraction of 5 6 nonrenewable resources from state owned lands, except such revenues accruing under leases of state owned lands acquired with money from 7 state or federal game and fish protection funds or revenues 8 9 accruing from lands purchased with such revenues. The trust fund 10 may receive appropriations, money, or other things of value. The 11 assets of the trust fund shall be invested as provided by law. 12 Until the trust fund reaches an accumulated principal of 13 \$500,000,000.00, \$10,000,000.00 of the revenues from bonuses, 14 rentals, delayed rentals, and royalties described in this section 15 otherwise dedicated to the trust fund that are received by the 16 state each state fiscal year shall be deposited into the Michigan 17 state parks endowment fund. However, until the trust fund reaches 18 an accumulated principal of \$500,000,000.00, in any state fiscal 19 year, not more than 50 percent of the total revenues from bonuses, 20 rentals, delayed rentals, and royalties described in this section otherwise dedicated to the trust fund that are received by the 21 22 state each state fiscal year shall be deposited into the Michigan 23 state parks endowment fund. The amount accumulated in the trust fund in any state fiscal 24 year shall not exceed \$500,000,000.00, exclusive of interest and 25 26 earnings and amounts authorized for expenditure pursuant to this

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- 1 section. When the accumulated principal of the trust fund reaches
- 2 \$500,000,000.00, all revenue from bonuses, rentals, delayed
- 3 rentals, and royalties described in this section that would be
- 4 received by the trust fund but for this limitation shall be
- 5 deposited into the Michigan state parks endowment fund until the
- 6 Michigan state parks endowment fund reaches an accumulated
- 7 principal of \$800,000,000.00. When the Michigan state parks
- 8 endowment fund reaches an accumulated principal of \$800,000,000.00,
- 9 all revenues from bonuses, rentals, delayed rentals, and royalties
- 10 described in this section shall be distributed as provided by law.
- 11 The interest and earnings of the trust fund shall be expended
- 12 for the acquisition of land or rights in land for recreational uses
- 13 or protection of the land because of its environmental importance
- 14 or its scenic beauty, FOR THE MANAGEMENT OF LAND AND WATER
- 15 RESOURCES FOR RECREATIONAL USES, for the development of public
- 16 recreation facilities, and for the administration of the trust
- 17 fund, which may include payments in lieu of taxes on state owned
- 18 land purchased through the trust fund. The trust fund may provide
- 19 grants to units of local government or public authorities which
- 20 shall be used for the purposes of this section. The legislature
- 21 shall provide that a portion of the cost of a project funded by
- 22 such grants be provided by the local unit of government or public
- 23 authority.
- 24 Until the trust fund reaches an accumulated principal of
- 25 \$500,000,000.00, the legislature may provide, in addition to the
- 26 expenditure of interest and earnings authorized by this section,
- 27 that a portion, not to exceed $\frac{33-1}{3}$ percent, of the revenues

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- 1 from bonuses, rentals, delayed rentals, and royalties described in
- 2 this section received by the trust fund during each state fiscal
- 3 year may be expended during subsequent state fiscal years for the
- 4 purposes of this section.
- 5 Not less than 25-50 percent of the total amounts made
- 6 available for expenditure from the trust fund from any state fiscal
- 7 year shall be expended for THE DEVELOPMENT AND MANAGEMENT OF
- 8 HABITAT FOR GAME AND SPORT FISHERIES, INCLUDING THE STOCKING OF
- 9 GAME AND FISH; NOT MORE THAN 25 PERCENT OF THE TOTAL AMOUNTS MADE
- 10 AVAILABLE FOR EXPENDITURE FROM THE TRUST FUND FROM ANY STATE FISCAL
- 11 YEAR SHALL BE EXPENDED FOR THE acquisition of land and rights in
- 12 land; and not more than 25 percent of the total amounts made
- 13 available for expenditure from the trust fund from any state fiscal
- 14 year shall be expended for THE development of public recreation
- 15 facilities.
- 16 The legislature shall provide by law for the establishment of
- 17 a trust fund board within the department of natural resources. The
- 18 trust fund board shall recommend the projects to be funded. The
- 19 board shall submit its recommendations to the governor who shall
- 20 submit the board's recommendations to the legislature in an
- 21 appropriations bill.
- The legislature shall provide by law for the implementation of
- 23 this section.
- 24 Resolved further, That the foregoing amendment shall be
- 25 submitted to the people of the state at the next general election
- 26 in the manner provided by law.