

# SENATE BILL No. 659

December 10, 2015, Introduced by Senator MACGREGOR and referred to the Committee on Families, Seniors and Human Services.

A bill to amend 2008 PA 525, entitled  
"Fostering futures scholarship trust fund act,"  
by amending section 3 (MCL 722.1023), as amended by 2014 PA 530.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 3. (1) The fostering futures scholarship trust fund is  
2       created in the state treasury as a charitable and educational  
3       endowment fund. Money in the trust fund shall be expended only as  
4       provided in this section. The department shall be the administrator  
5       of the trust fund for auditing purposes and all powers, purposes,  
6       and duties of the trust fund shall be exercised by the department.

7       (2) The state treasurer shall credit to the trust fund any  
8       amounts received under section 9 and interest and earnings accrued  
9       from the saving and investment of that money.

1           (3) The state treasurer shall direct the investment of the  
2 trust fund. **THE STATE TREASURER HAS THE SAME AUTHORITY TO INVEST**  
3 **THE ASSETS OF THE TRUST FUND AS IS GRANTED TO AN INVESTMENT**  
4 **FIDUCIARY UNDER THE PUBLIC EMPLOYEE RETIREMENT SYSTEM INVESTMENT**  
5 **ACT, 1965 PA 314, MCL 38.1132 TO 38.1141. THE STATE TREASURER SHALL**  
6 **COMPLY WITH THE DIVESTMENT FROM TERROR ACT, 2008 PA 234, MCL**  
7 **129.291 TO 129.301, IN MAKING INVESTMENTS UNDER THIS ACT.**

8           (4) Except as provided in subsections (6) and (7), all money  
9 contributed to the fund annually, plus 5% of the 12-quarter rolling  
10 average of the fund, including unrealized gains and losses, shall  
11 be available for disbursement upon the authorization of the  
12 department as provided in section 10.

13           (5) Money in the trust fund shall be available for  
14 disbursement upon appropriation.

15           (6) No money shall be expended from the trust fund until the  
16 date that the deposits credited into the trust fund from all  
17 sources as provided under this section equal or exceed \$500,000.00.  
18 No money shall be expended from the trust fund if the amount in the  
19 trust fund is less than \$500,000.00 or if the expenditure will  
20 cause the amount remaining in the trust fund to be less than  
21 \$500,000.00.

22           (7) No appropriations shall be made from the trust fund until  
23 the date that the deposits credited into the trust fund from all  
24 sources equal or exceed \$500,000.00. No money shall be appropriated  
25 from the trust fund if the amount in the trust fund is less than  
26 \$500,000.00 or if the appropriation will cause the amount remaining  
27 in the trust fund to be less than \$500,000.00.

1           (8) All expenses authorized under this act or necessary to  
2 implement this act shall only be funded by the trust fund created  
3 in this section.

4           (9) Money in the trust fund at the close of the year shall  
5 remain in the trust fund and shall not lapse to the general fund.

6           (10) The trust fund administrative costs shall not exceed 15%  
7 of the amount in the trust fund over \$500,000.00.