HOUSE SUBSTITUTE FOR SENATE BILL NO. 1224

A bill to amend 2000 PA 489, entitled "Michigan trust fund act,"

by amending section 7 (MCL 12.257), as amended by 2007 PA 50.

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
- 9 settlement finance authority act, 2005 PA 226, MCL 129.261 to
- **10** 129.279.

1 (B) AMOUNTS APPROPRIATED FROM THE GENERAL FUND IN SECTION

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- 2 89B(1) OF THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270, MCL
- 3 125.2089B.
- 4 (2) The state treasurer shall direct the investment of the
- 5 21st century jobs trust fund, which may be invested as part of the
- 6 common cash of this state under 1967 PA 55, MCL 12.51 to 12.53, but
- 7 shall be separately accounted for by the state treasurer. The state
- 8 treasurer may invest the funds or assets of the 21st century jobs
- 9 trust fund in any investment authorized under 1855 PA 105, MCL
- 10 21.141 to 21.147, for surplus funds of this state, in obligations
- 11 issued by any state or political subdivision or instrumentality of
- 12 the United States, or in any obligation issued, assumed, or
- 13 guaranteed by a solvent entity created or existing under the laws
- 14 of the United States or of any state, district, or territory of the
- 15 United States, which are not in default as to principal or
- 16 interest.
- 17 (3) Except as provided in subsection (4), money in the 21st
- 18 century jobs trust fund at the close of a fiscal year shall remain
- 19 in the 21st century jobs trust fund and shall not revert to the
- 20 general fund.
- 21 (4) Interest and earnings from investment of the 21st century
- 22 jobs trust fund shall be deposited in the general fund. For the
- 23 fiscal year ending September 30, 2007 only, in addition to any
- 24 interest and earnings deposited in the general fund under this
- 25 subsection, \$50,000,000.00 of the funds in the 21st century jobs
- 26 trust fund is transferred to and shall be deposited into the
- 27 general fund.

- 1 (5) Beginning in fiscal year 2008 and through fiscal year
- 2 2015, each year \$75,000,000.00 of the tobacco settlement revenue
- 3 received by this state that is not considered a TSR as that term is
- 4 defined under the Michigan tobacco settlement finance authority
- 5 act, 2005 PA 226, MCL 129.261 to 129.279, shall be deposited into
- 6 the 21st century jobs trust fund.
- 7 (6) For the fiscal year ending September 30, 2016 only,
- 8 \$30,000,000.00 of the tobacco settlement revenue received by this
- 9 state that is not considered a TSR as that term is defined under
- 10 the Michigan tobacco settlement finance authority act, 2005 PA 226,
- 11 MCL 129.261 to 129.279, shall be deposited into the 21st century
- 12 jobs trust fund.