

SENATE BILL No. 1224

March 19, 2008, Introduced by Senators STAMAS, ALLEN and CLARKE and referred to the Committee on Commerce and Tourism.

A bill to amend 2000 PA 489, entitled "Michigan trust fund act," by amending sections 7 and 8 (MCL 12.257 and 12.258), section 7 as amended by 2007 PA 50 and section 8 as added by 2005 PA 232.

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.

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1 (B) TO THE EXTENT PROVIDED IN SECTION 8(2) OF THE MICHIGAN
2 TOBACCO SETTLEMENT FINANCE AUTHORITY ACT, 2005 PA 226, MCL 129.268,
3 THE NET PROCEEDS RESULTING FROM A REFUNDING OR REFINANCING OF BONDS
4 OR THE SALE OF RESIDUAL INTERESTS UNDER THE MICHIGAN TOBACCO
5 SETTLEMENT FINANCE AUTHORITY ACT, 2005 PA 226, MCL 129.261 TO
6 129.279

7 (2) The state treasurer shall direct the investment of the
8 21st century jobs trust fund, which may be invested as part of the
9 common cash of this state under 1967 PA 55, MCL 12.51 to 12.53, but
10 shall be separately accounted for by the state treasurer. The state
11 treasurer may invest the funds or assets of the 21st century jobs
12 trust fund in any investment authorized under 1855 PA 105, MCL
13 21.141 to 21.147, for surplus funds of this state, in obligations
14 issued by any state or political subdivision or instrumentality of
15 the United States, or in any obligation issued, assumed, or
16 guaranteed by a solvent entity created or existing under the laws
17 of the United States or of any state, district, or territory of the
18 United States, which are not in default as to principal or
19 interest.

20 (3) Except as provided in subsection (4), money in the 21st
21 century jobs trust fund at the close of a fiscal year shall remain
22 in the 21st century jobs trust fund and shall not revert to the
23 general fund.

24 (4) Interest and earnings from investment of the 21st century
25 jobs trust fund shall be deposited in the general fund. ~~For the~~
26 ~~fiscal year ending September 30, 2007 only, in addition to any~~
27 ~~interest and earnings deposited in the general fund under this~~

1 ~~subsection, \$50,000,000.00 of the funds in the 21st century jobs~~
2 ~~trust fund is transferred to and shall be deposited into the~~
3 ~~general fund.~~

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

10 (6) For the fiscal year ending September 30, 2016 only,
11 \$30,000,000.00 of the tobacco settlement revenue received by this
12 state that is not considered a TSR as that term is defined under
13 the Michigan tobacco settlement finance authority act, 2005 PA 226,
14 MCL 129.261 to 129.279, shall be deposited into the 21st century
15 jobs trust fund.

16 Sec. 8. Upon request from the fund board as defined in section
17 88a of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088a,
18 the state treasurer shall transfer and disburse appropriated funds
19 from the 21st century jobs trust fund only for the purpose of
20 carrying out and at the specified time and as necessary to
21 implement chapter 8A of the Michigan strategic fund act, 1984 PA
22 270, MCL 125.2088 to 125.2088p, **AND CHAPTER 8B OF THE MICHIGAN**
23 **STRATEGIC FUND ACT, 1984 PA 270.**