

HOUSE BILL No. 6405

September 9, 2008, Introduced by Rep. Farrah and referred to the Committee on Regulatory Reform.

A bill to amend 1987 PA 264, entitled
"Health and safety fund act,"
by amending sections 5 and 8 (MCL 141.475 and 141.478), section 5
as amended by 1998 PA 529.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. The state treasurer shall cause to be distributed from
2 the health and safety fund the following amounts in the 1988-89
3 fiscal year and in each **FOLLOWING** fiscal year: ~~after that.~~

4 (a) ~~One-fourth~~ **TWENTY-FIVE PERCENT** of the collections
5 deposited in the fund under section 3(2) shall be used for indigent
6 volume adjusters for hospitals within the medicaid program.

7 (b) After the distribution in subdivision (a), \$16,000,000.00
8 of the amount deposited in the fund under section 3(2) shall be
9 distributed as follows:

1 (i) To a county that received a loan authorized under section
2 3(2) or (3) of the emergency municipal loan act, 1980 PA 243, MCL
3 141.933, to pay outstanding obligations of the county; for the
4 repayment of principal and interest on any loans made to the county
5 under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to
6 141.942; and for the payment of principal, premium, if any, and
7 interest due during a fiscal year on bonds issued by that county
8 under the fiscal stabilization act, 1981 PA 80, MCL 141.1001 to
9 141.1011. The distributions under this subparagraph shall be made
10 as necessary and only to the extent necessary to satisfy the
11 obligations of the county.

12 (ii) To the extent that \$16,000,000.00 is no longer necessary
13 to satisfy the obligations under subparagraph (i), a portion of the
14 amount not required for satisfaction of obligations shall be
15 distributed to each county that receives or has received a loan
16 authorized under section 3(2) or (3) of the emergency municipal
17 loan act, 1980 PA 243, MCL 141.933, in an amount determined by
18 multiplying the amount available for distribution under this
19 subparagraph by a fraction, the numerator of which is the
20 population of the county receiving the distribution and the
21 denominator of which is the total population of the state according
22 to the most recent decennial census. The distribution under this
23 subparagraph shall be made at the same times and shall be used,
24 subject to section 6, for the same purposes described in
25 subdivision (c). The remaining amount available for distribution
26 under this subparagraph shall be used on a per capita basis to
27 offset the cost to the state of the assumption of the financing of

1 the state court system in the counties not receiving a distribution
2 under this subparagraph.

3 (c) The remaining amount deposited in the fund under section
4 3(2) not distributed under subdivisions (a) and (b) shall be
5 distributed to each county that does not receive and has never
6 received a loan authorized under section 3(2) or (3) of the
7 emergency municipal loan act, 1980 PA 243, MCL 141.933, on a per
8 capita basis according to the ratio that the population of the
9 county receiving the distribution under this subdivision, according
10 to the most recent decennial census, bears to the total population
11 of all counties receiving distribution under this subdivision,
12 according to the most recent decennial census. A distribution under
13 this subdivision shall be made each February, May, August, and
14 November from the collections that were deposited in the fund under
15 section 3(2) in the immediately preceding calendar quarter. Subject
16 to section 6, 12/17 of the distribution under this subdivision
17 shall be distributed to each local health department as defined in
18 section 1105 of the public health code, 1978 PA 368, MCL 333.1105,
19 in the county receiving the distribution on a per capita basis,
20 based on the most recent decennial census, to be used only for
21 public health prevention programs and services. This distribution
22 is in addition to and is not intended as a replacement for any
23 other state or county payments to these health departments. This
24 distribution satisfies the requirements of former section 7a(3) of
25 1947 PA 265. The remaining 5/17 of the distribution shall be used
26 only for 1 or more of the following:

27 (i) The operation, maintenance, or expansion of an existing

1 county jail facility or juvenile facility.

2 (ii) The acquisition, construction, and equipping of a new jail
3 facility or juvenile facility.

4 (iii) Court operations.

5 Sec. 8. (1) There is hereby appropriated from the health and
6 safety fund an amount necessary to make the distributions under
7 section 4.

8 (2) ~~Beginning in the 1988-89 fiscal year and for~~ **FOR** each
9 fiscal year, ~~thereafter, the legislative~~ **LEGISLATURE** shall
10 appropriate an amount necessary to make the distributions under
11 this act.