

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 586

A bill to amend 1987 PA 264, entitled
"Health and safety fund act,"
by amending section 5 (MCL 141.475), as amended by 2008 PA 586.

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 **1988-1989** fiscal year and in each **FISCAL YEAR** following **THE 1988-**
4 **1989** fiscal year:

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

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

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

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

1 a per capita basis to offset the cost to the state of the
2 assumption of the financing of the state court system in the
3 counties not receiving a distribution under this subparagraph.

4 (iii) In the 2008-2009 fiscal year through the 2014-2015 fiscal
5 year, \$16,000,000.00 of the amount deposited in the fund under
6 section 3(2) shall be transferred to and deposited in the
7 convention facility development fund created under the state
8 convention facility development act, 1985 PA 106, MCL 207.621 to
9 207.640, for distribution and use only in the manner and for the
10 purposes stated in that act and no amount shall be distributed
11 under subparagraph (i) or (ii). In the 2015-2016 fiscal year through
12 the 2038-2039 fiscal year, \$15,000,000.00 of the amount deposited
13 in the fund under section 3(2) shall be transferred to and
14 deposited in the convention facility development fund created under
15 the state convention facility development act, 1985 PA 106, MCL
16 207.621 to 207.640, for distribution and use ~~only~~ **EXCLUSIVELY** in
17 the manner and for the purposes stated in that act and
18 \$1,000,000.00 shall be distributed under subparagraphs (i) and (ii).

19 (c) The remaining amount deposited in the fund under section
20 3(2) not distributed under subdivisions (a) and (b) shall be
21 distributed to each county that does not receive and has never
22 received a loan authorized under section 3(2) or (3) of the
23 emergency municipal loan act, 1980 PA 243, MCL 141.933, on a per
24 capita basis according to the ratio that the population of the
25 county receiving the distribution under this subdivision, according
26 to the most recent decennial census, bears to the total population
27 of all counties receiving distribution under this subdivision,

1 according to the most recent decennial census. A distribution under
2 this subdivision shall be made each February, May, August, and
3 November from the collections that were deposited in the fund under
4 section 3(2) in the immediately preceding calendar quarter. Subject
5 to section 6, 12/17 of the distribution under this subdivision
6 shall be distributed to each local health department as defined in
7 section 1105 of the public health code, 1978 PA 368, MCL 333.1105,
8 in the county receiving the distribution on a per capita basis,
9 based on the most recent decennial census, to be used only for
10 public health prevention programs and services. This distribution
11 is in addition to and is not intended as a replacement for any
12 other state or county payments to these health departments. This
13 distribution satisfies the requirements of former section 7a(3) of
14 1947 PA 265. The remaining 5/17 of the distribution shall be used
15 only for 1 or more of the following:

16 (i) The operation, maintenance, or expansion of an existing
17 county jail facility or juvenile facility.

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

20 (iii) Court operations.