

HOUSE BILL No. 5062

June 9, 2009, Introduced by Rep. Smith and referred to the Committee on Appropriations.

A bill to amend 2000 PA 489, entitled
"Michigan trust fund act,"
by amending sections 9 and 10 (MCL 12.259 and 12.260), sections 9
and 10 as added by 2005 PA 232; and to repeal acts and parts of
acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9. (1) The Michigan merit award trust fund is established
2 in the department of treasury. The Michigan merit award trust fund
3 shall consist only of interest and earnings from Michigan merit
4 award trust fund investments, donations of money made to the trust
5 fund from any source, and any money allocated as provided by law.

6 (2) Money in the Michigan merit award trust fund at the close
7 of a fiscal year shall remain in the Michigan merit award trust

1 fund and shall not revert to the general fund.

2 (3) The state treasurer shall direct the investment of the
3 Michigan merit award trust fund.

4 (4) Except as otherwise provided in section 7(5), each fiscal
5 year, tobacco settlement revenue received by this state **BEFORE**
6 **AUGUST 1, 2009** that is not considered a TSR as that term is defined
7 under the Michigan tobacco settlement finance authority act, ~~shall~~
8 ~~be~~ **2005 PA 226, MCL 129.261 TO 129.279, IS** allocated to the
9 Michigan merit award trust fund.

10 (5) **ON SEPTEMBER 30, 2009, MONEY IN THE MICHIGAN MERIT AWARD**
11 **TRUST FUND OR OTHER MONEY HELD BY THE STATE TREASURER FOR PURPOSES**
12 **OF THIS SECTION OR SECTION 10 SHALL REVERT TO THE GENERAL FUND.**

13 Sec. 10. (1) Upon appropriation, the state treasurer shall
14 disburse funds from the Michigan merit award trust fund for 1 or
15 more of the following purposes:

16 (a) Michigan merit award scholarships under the Michigan merit
17 award scholarship act, 1999 PA 94, MCL 390.1451 to 390.1459, or to
18 a successor to that program.

19 (b) Expenses properly incurred in the administration of the
20 Michigan merit award scholarships and the test by which awardees of
21 the Michigan merit award scholarships are determined.

22 (c) Funding of the tuition incentive program as described in
23 section 310 of 1998 PA 271 or a successor to that program.

24 (d) Funding of the Michigan nursing scholarship program as
25 described in the Michigan nursing scholarship act, 2002 PA 591, MCL
26 390.1181 to 390.1189.

27 (e) Other expenditures as determined by law.

1 (2) THE STATE TREASURER SHALL NOT DISBURSE FUNDS FROM THE
2 MICHIGAN MERIT AWARD TRUST FUND UNDER THIS SECTION IN THE 2009-2010
3 ACADEMIC YEAR OR ANY SUBSEQUENT ACADEMIC YEAR.

4 (3) IF THE STATE TREASURER INCURS AN OBLIGATION TO DISBURSE
5 FUNDS FROM THE MICHIGAN MERIT AWARD TRUST FUND UNDER THIS SECTION
6 BEFORE THE 2009-2010 ACADEMIC YEAR, AND THAT OBLIGATION OR ANY PART
7 OF THE OBLIGATION IS UNPAID AS OF SEPTEMBER 15, 2009, THE
8 OBLIGATION OR REMAINING PART OF THE OBLIGATION IS VOID AND
9 UNENFORCEABLE AND THE STATE TREASURER SHALL NOT DISBURSE FUNDS FOR
10 THAT UNPAID AMOUNT.

11 (4) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
12 ADDED THIS SUBSECTION, THE STATE TREASURER SHALL NOTIFY EACH PERSON
13 TO WHICH THE STATE TREASURER OWES AN OBLIGATION OF ANY PART OF AN
14 OBLIGATION, OR TO WHICH THE STATE TREASURER INCURS AN OBLIGATION,
15 TO DISBURSE FUNDS FROM THE MICHIGAN MERIT AWARD TRUST FUND UNDER
16 THIS SECTION OF THE PENDING REPEAL OF THIS SECTION AND SECTION 9
17 AND THE TIMETABLES DESCRIBED IN SUBSECTIONS (2) AND (3).

18 (5) AS USED IN THIS SECTION, "ACADEMIC YEAR" MEANS THE PERIOD
19 FROM AUGUST 1 OF A CALENDAR YEAR TO JULY 31 OF THE NEXT CALENDAR
20 YEAR.

21 Enacting section 1. Sections 9 and 10 of the Michigan trust
22 fund act, 2000 PA 489, MCL 12.259 and 12.260, are repealed
23 effective October 1, 2009.

24 Enacting section 2. This amendatory act does not take effect
25 unless Senate Bill No.____ or House Bill No.____ (request no.
26 00505'09) of the 95th Legislature is enacted into law.