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BILL ANALYSIS



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Senate Bill 644 (as reported without amendment)  
Sponsor: Senator Tonya Schuitmaker  
Committee: Economic Development

### **CONTENT**

The bill would amend the Michigan Trust Fund Act to require the State Treasurer to transfer and disburse money from the 21<sup>st</sup> Century Jobs Trust Fund for the proposed Michigan Community Revitalization Program.

Under the Act, upon request from the Michigan Strategic Fund (MSF) board, the State Treasurer must transfer and disburse appropriated funds from the 21<sup>st</sup> Century Jobs Trust Fund only for purposes of carrying out, and at the specified time and as necessary to implement, Chapter 8A (21<sup>st</sup> Century Investment Programs and Activities) of MSF Act.

The bill also would require the Treasurer to transfer and disburse funds from the 21<sup>st</sup> Century Jobs Trust Fund for the purposes described in Chapter 8C (Michigan Community Revitalization Program) of the MSF Act (which is proposed by Senate Bills 567 and 568).

MCL 12.258

Legislative Analyst: Patrick Affholter

### **FISCAL IMPACT**

Currently, the Trust Fund Act limits the use of the 21<sup>st</sup> Century Jobs Trust Fund to programs under Chapter 8A of the Michigan Strategic Fund Act, including investments, loan enhancements, tourism promotion, and other programs. The bill would expand these purposes to include the Michigan Community Revitalization Program that would be created in Chapter 8C of the MSF Act by Senate Bills 566, 567, and 568 as a replacement program for brownfield and historic preservation tax credits. Those bills would require any appropriation for the Michigan Community Revitalization Program to be deposited into the 21<sup>st</sup> Century Jobs Trust Fund. Senate Bill 644 would permit appropriated funds that had been deposited into the 21<sup>st</sup> Century Jobs Trust Fund to be used for the Community Revitalization Program.

In FY 2011-12, \$100.0 million was appropriated in the MSF budget for Business Attraction and Economic Gardening. Of that amount, \$25.0 million was appropriated from the 21<sup>st</sup> Century Jobs Trust Fund and \$75.0 million (of which \$50.0 million was one-time funding) was appropriated from the General Fund. Assuming that the General Fund appropriation was deposited to the 21<sup>st</sup> Century Jobs Trust Fund pursuant to Senate Bill 567, this bill would permit use of the entire amount for the proposed Michigan Community Revitalization Program as well as other 21<sup>st</sup> Century programs under Chapter 8A.

Date Completed: 9-30-11

Fiscal Analyst: Elizabeth Pratt