



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 644 (as introduced 9-13-11)
Sponsor: Senator Tonya Schuitmaker
Committee: Economic Development

(as enacted)

Date Completed: 9-20-11

CONTENT

The bill would amend the Michigan Trust Fund Act to require the State Treasurer to transfer and disburse money from the 21st 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 21st Century Jobs Trust Fund only for purposes of carrying out, and at the specified time and as necessary to implement, Chapter 8A (21st Century Investment Programs and Activities) of MSF Act.

The bill also would require the Treasurer to transfer and disburse funds from the 21st 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 21st 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 21st Century Jobs Trust Fund. Senate Bill 644 would permit appropriated funds that had been deposited into the 21st 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 21st 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 21st 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 21st Century programs under Chapter 8A.

Fiscal Analyst: Elizabeth Pratt

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.