

**SUBSTITUTE FOR
SENATE BILL NO. 931**

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 74119 (MCL 324.74119), as amended by 2002 PA
54.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 74119. (1) In accordance with section 35a of article IX
2 of the state constitution of 1963, the Michigan state parks
3 endowment fund is created within the state treasury. The Michigan
4 state parks endowment fund may be referred to as the Genevieve
5 Gillette state parks endowment fund.

6 (2) The state treasurer may receive money or other assets from
7 any source for deposit into the endowment fund. The state treasurer

1 shall direct the investment of the endowment fund. The state
 2 treasurer shall have the same authority to invest the assets of the
 3 endowment fund as is granted to an investment fiduciary under the
 4 public employee retirement system investment act, 1965 PA 314, MCL
 5 38.1132 to ~~38.1140~~. **38.1141**. The state treasurer shall credit to
 6 the endowment fund interest and earnings from endowment fund
 7 investments.

8 (3) Money in the endowment fund at the close of the fiscal
 9 year shall remain in the endowment fund and shall not lapse to the
 10 general fund.

11 (4) The accumulated principal of the endowment fund shall not
 12 exceed \$800,000,000.00, which amount shall be annually adjusted
 13 pursuant to the Detroit ~~consumer price index~~ all **CONSUMER PRICE**
 14 **INDEX-ALL** items beginning when the endowment fund reaches
 15 \$800,000,000.00. This annually adjusted figure is the accumulated
 16 principal limit of the endowment fund.

17 (5) ~~Money~~ **UNTIL DECEMBER 31, 2019, MONEY** in the endowment fund
 18 shall be expended for operations, maintenance, and capital
 19 improvements at Michigan state parks and for the acquisition of
 20 land or rights in land for Michigan state parks.

21 ~~(6) Money in the endowment fund shall be expended as follows:~~

22 (6) (a) ~~Until the endowment fund reaches an accumulated~~
 23 ~~principal of \$800,000,000.00,~~ **UNTIL DECEMBER 31, 2019**, each state
 24 fiscal year the legislature may appropriate not more than 50% of
 25 the money received under section 35 of article IX of the state
 26 constitution of 1963 plus interest and earnings and any private
 27 contributions or other revenue to the endowment fund.

1 ~~— (b) Once the accumulated principal in the endowment fund~~
2 ~~reaches \$800,000,000.00, only the interest and earnings of the~~
3 ~~endowment fund in excess of the amount necessary to maintain the~~
4 ~~endowment fund's accumulated principal limit shall be expended.~~

5 (7) BEGINNING JANUARY 1, 2020, MONEY IN THE ENDOWMENT FUND
6 SHALL BE EXPENDED FOR THE FOLLOWING:

7 (A) OPERATIONS, MAINTENANCE, AND CAPITAL IMPROVEMENTS AT
8 MICHIGAN STATE PARKS AND FOR THE ACQUISITION OF LAND OR RIGHTS IN
9 LAND FOR MICHIGAN STATE PARKS.

10 (B) LOCAL PUBLIC RECREATION PROJECTS CONDUCTED BY LOCAL UNITS
11 OF GOVERNMENT AND PUBLIC AUTHORITIES THAT PROVIDE FOR THE
12 FOLLOWING:

13 (i) THE DEVELOPMENT, RENOVATION, AND REDEVELOPMENT OF
14 MOTORIZED AND NONMOTORIZED TRAILS AND RELATED INFRASTRUCTURE.

15 (ii) THE DEVELOPMENT, RENOVATION, AND REDEVELOPMENT OF LOCAL
16 PUBLIC RECREATION FACILITIES. HOWEVER, NOT MORE THAN 25% OF THE
17 TOTAL EXPENDITURES UNDER THIS SUBPARAGRAPH MAY BE EXPENDED FOR THE
18 PREVENTION OF AQUATIC INVASIVE SPECIES AND THE 1-TIME CONTROL OF
19 AQUATIC INVASIVE SPECIES CONDUCTED IN CONJUNCTION WITH LOCAL PUBLIC
20 RECREATION PROJECTS.

21 (C) THE ADMINISTRATION OF THE ENDOWMENT FUND.

22 (8) BEGINNING JANUARY 1, 2020 AND UNTIL THE ENDOWMENT FUND
23 REACHES AN ACCUMULATIVE PRINCIPAL OF \$800,000,000.00, AN
24 EXPENDITURE FROM THE ENDOWMENT FUND MAY BE MADE IN THE FORM OF A
25 GRANT TO A LOCAL UNIT OF GOVERNMENT OR PUBLIC AUTHORITY, SUBJECT TO
26 ALL OF THE FOLLOWING CONDITIONS:

27 (A) THE GRANT IS USED FOR A LOCAL PUBLIC RECREATION PROJECT

1 DESCRIBED IN SUBSECTION (7) (B) .

2 (B) THE GRANT IS MATCHED BY THE LOCAL UNIT OF GOVERNMENT OR
3 PUBLIC AUTHORITY WITH AT LEAST 25% OF THE TOTAL COST OF THE
4 PROJECT.

5 (9) BEGINNING JANUARY 1, 2020 AND UNTIL THE ENDOWMENT FUND
6 REACHES AN ACCUMULATED PRINCIPAL OF \$800,000,000.00, EACH STATE
7 FISCAL YEAR THE LEGISLATURE SHALL ALLOCATE THE MONEY RECEIVED UNDER
8 SECTION 35 OF ARTICLE IX OF THE STATE CONSTITUTION OF 1963 AS
9 FOLLOWS:

10 (A) THIRTY PERCENT SHALL BE RETAINED BY THE ENDOWMENT FUND AND
11 CREDITED TO THE ACCUMULATED PRINCIPAL OF THE ENDOWMENT FUND.

12 (B) FIFTY-FIVE PERCENT SHALL BE MADE AVAILABLE FOR EXPENDITURE
13 FOR OPERATIONS, MAINTENANCE, AND CAPITAL IMPROVEMENTS AT MICHIGAN
14 STATE PARKS AND THE ACQUISITION OF LAND AND RIGHTS IN LAND FOR
15 MICHIGAN STATE PARKS.

16 (C) FIFTEEN PERCENT SHALL BE MADE AVAILABLE FOR EXPENDITURE
17 FOR LOCAL PUBLIC RECREATION PROJECTS AUTHORIZED BY THIS SECTION.

18 (10) BEGINNING JANUARY 1, 2020 AND UNTIL THE ENDOWMENT FUND
19 REACHES AN ACCUMULATED PRINCIPAL OF \$800,000,000.00, THE
20 LEGISLATURE MAY APPROPRIATE THE MONEY MADE AVAILABLE FOR
21 EXPENDITURE UNDER SUBSECTION (9) PLUS INTEREST AND EARNINGS AND ANY
22 PRIVATE CONTRIBUTIONS OR OTHER REVENUE RECEIVED BY THE ENDOWMENT
23 FUND.

24 (11) ONCE THE ACCUMULATED PRINCIPAL IN THE ENDOWMENT FUND
25 REACHES \$800,000,000.00, ONLY THE INTEREST AND EARNINGS OF THE
26 ENDOWMENT FUND AND ANY PRIVATE CONTRIBUTIONS OR OTHER REVENUE
27 RECEIVED BY THE ENDOWMENT FUND IN EXCESS OF THE AMOUNT NECESSARY TO

1 MAINTAIN THE ENDOWMENT FUND'S ACCUMULATED PRINCIPAL LIMIT SHALL BE
2 EXPENDED FOR THE FOLLOWING:

3 (A) OPERATIONS, MAINTENANCE, AND CAPITAL IMPROVEMENTS AT
4 MICHIGAN STATE PARKS AND FOR THE ACQUISITION OF LAND OR RIGHTS IN
5 LAND FOR MICHIGAN STATE PARKS.

6 (B) THE ADMINISTRATION OF THE ENDOWMENT FUND.

7 (12) ~~(7)~~—Unexpended appropriations of the endowment fund from
8 any state fiscal year as authorized by this section may be carried
9 forward or may be appropriated as determined by the legislature for
10 purposes of this section.

11 (13) ~~(8)~~—The department shall annually prepare a report
12 containing an accounting of revenues and expenditures from the
13 endowment fund. This report shall identify the interest and
14 earnings of the endowment fund from the previous year, the
15 investment performance of the endowment fund during the previous
16 year, and the total amount of appropriations from the endowment
17 fund during the previous year. This report shall be provided to the
18 senate and house of representatives appropriations committees and
19 the standing committees of the senate and house of representatives
20 with jurisdiction over issues pertaining to natural resources and
21 the environment.

22 Enacting section 1. This amendatory act does not take effect
23 unless all of the following bills of the 99th Legislature are
24 enacted into law:

25 (a) Senate Bill No. 763.

26 (b) Senate Bill No. 932.

27 Enacting section 2. This amendatory act does not take effect

1 unless Senate Joint Resolution O of the 99th Legislature becomes a
2 part of the state constitution of 1963 as provided in section 1 of
3 article XII of the state constitution of 1963.