

SENATE BILL No. 1633

November 12, 2008, Introduced by Senators THOMAS and CLARK-COLEMAN and referred to the Committee on Commerce and Tourism.

A bill to amend 1987 PA 264, entitled
"Health and safety fund act,"
by amending sections 3 and 5 (MCL 141.473 and 141.475), as amended
by 1998 PA 529.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) The health and safety fund is created in the state
2 treasury.

3 (2) The state treasurer shall credit the health and safety
4 fund with deposits of proceeds from the excise tax on cigarettes
5 under section ~~12(3)(a)~~ 12(3) of the tobacco products tax act, 1993
6 PA 327, MCL 205.432.

7 (3) MONEY IN THE HEALTH AND SAFETY FUND AT THE CLOSE OF THE
8 FISCAL YEAR SHALL REMAIN IN THE HEALTH AND SAFETY FUND AND SHALL
9 NOT LAPSE TO THE GENERAL FUND.

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 fiscal year and in each fiscal year after that:

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

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

10 (i) To a county that received a loan authorized under section
11 3(2) or (3) of the emergency municipal loan act, 1980 PA 243, MCL
12 141.933, to pay outstanding obligations of the county; for the
13 repayment of principal and interest on any loans made to the county
14 under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to
15 141.942; and for the payment of principal, premium, if any, and
16 interest due during a fiscal year on bonds issued by that county
17 under the fiscal stabilization act, 1981 PA 80, MCL 141.1001 to
18 141.1011. The distributions under this subparagraph shall be made
19 as necessary and only to the extent necessary to satisfy the
20 obligations of the county.

21 (ii) To the extent that \$16,000,000.00 is no longer necessary
22 to satisfy the obligations under subparagraph (i), a portion of the
23 amount not required for satisfaction of obligations shall be
24 distributed to each county that receives or has received a loan
25 authorized under section 3(2) or (3) of the emergency municipal
26 loan act, 1980 PA 243, MCL 141.933, in an amount determined by
27 multiplying the amount available for distribution under this

1 subparagraph by a fraction, the numerator of which is the
2 population of the county receiving the distribution and the
3 denominator of which is the total population of the state according
4 to the ~~most recent 2000~~ decennial census. The distribution under
5 this subparagraph shall be made at the same times and shall be
6 used, subject to section 6, for the same purposes described in
7 subdivision (c). The remaining amount available for distribution
8 under this subparagraph shall be used on a per capita basis to
9 offset the cost to the state of the assumption of the financing of
10 the state court system in the counties not receiving a distribution
11 under this subparagraph.

12 (c) The remaining amount deposited in the fund under section
13 3(2) not distributed under subdivisions (a) and (b) shall be
14 distributed to each county that does not receive and has never
15 received a loan authorized under section 3(2) or (3) of the
16 emergency municipal loan act, 1980 PA 243, MCL 141.933, on a per
17 capita basis according to the ratio that the population of the
18 county receiving the distribution under this subdivision, according
19 to the ~~most recent 2000~~ decennial census, bears to the total
20 population of all counties receiving distribution under this
21 subdivision, according to the ~~most recent 2000~~ decennial census. A
22 distribution under this subdivision shall be made each February,
23 May, August, and November from the collections that were deposited
24 in the fund under section 3(2) in the immediately preceding
25 calendar quarter. Subject to section 6, 12/17 of the distribution
26 under this subdivision shall be distributed to each local health
27 department as defined in section 1105 of the public health code,

1 1978 PA 368, MCL 333.1105, in the county receiving the distribution
2 on a per capita basis, based on the ~~most recent~~ 2000 decennial
3 census, to be used only for public health prevention programs and
4 services. This distribution is in addition to and is not intended
5 as a replacement for any other state or county payments to these
6 health departments. This distribution satisfies the requirements of
7 former section 7a(3) of 1947 PA 265. The remaining 5/17 of the
8 distribution shall be used only for 1 or more of the following:

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

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

13 (iii) Court operations.