

# SENATE BILL No. 1480

September 10, 2008, Introduced by Senators CASSIS, GEORGE, GARCIA, McMANUS, JANSEN, GILBERT, VAN WOERKOM, JELINEK, PAPPAGEORGE, KUIPERS, ALLEN and KAHN and referred to the Committee on Finance.

A bill to establish the Michigan higher education fund in the department of treasury; to provide for the distribution of the money from the fund; to prescribe the powers and duties of certain agencies and officials; and to provide for appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. This act shall be known and may be cited as the  
2 "Michigan higher education fund act".

3           Sec. 3. As used in this act:

4           (a) "Department" means the department of treasury.

5           (b) "Fund" means the Michigan higher education fund created in  
6 section 5.

7           (c) "Institution of higher education" means an institution of  
8 higher education or a community or junior college described in  
9 section 4, 5, 6, or 7 of article VIII of the state constitution of

1 1963 or an independent nonprofit degree-granting institution of  
2 postsecondary education in this state that is approved by the state  
3 board of education.

4 Sec. 5. (1) The Michigan higher education fund is created in  
5 the department to provide funds to supplement state appropriations  
6 for the state institutions of higher education and certain state  
7 purposes related to education each fiscal year. The department  
8 shall be the administrator of the fund for auditing purposes.

9 (2) The state treasurer shall credit to the fund all amounts  
10 appropriated for this purpose under section 435 of the income tax  
11 act of 1967, 1967 PA 281, MCL 206.435, and money from any other  
12 source for deposit into the fund.

13 (3) The state treasurer shall direct the investment of the  
14 fund. The fund shall consist of the money credited to the fund  
15 pursuant to section 435 of the income tax act of 1967, 1967 PA 281,  
16 MCL 206.435, any interest and earnings accruing from the saving and  
17 investment of that money, and money from any other source.

18 (4) Money in the fund at the close of the year shall remain in  
19 the fund and shall not lapse to the general fund.

20 Sec. 7. The money, interest, and earnings of the fund shall be  
21 expended solely to supplement state appropriations for the state  
22 institutions of higher education and certain state purposes related  
23 to education.

24 Sec. 9. The money in the fund that is available for  
25 distribution shall be appropriated each year. Money granted or  
26 received as a gift or donation to the fund is available for  
27 distribution upon appropriation.

