

SENATE JOINT RESOLUTION Q

November 10, 2011, Introduced by Senators CASPERSON, ROBERTSON, PROOS, EMMONS and BOOHER and referred to the Committee on Natural Resources, Environment and Great Lakes.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 35 of article IX, to modify the allowable expenditures from the Michigan natural resources trust fund.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to modify the allowable expenditures from the Michigan natural resources trust fund, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

Sec. 35. There is hereby established the Michigan natural resources trust fund. ~~The~~ **EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE** trust fund shall consist of all bonuses, rentals, delayed rentals, and royalties collected or reserved by the state

1 under provisions of leases for the extraction of nonrenewable
2 resources from state owned lands, except such revenues accruing
3 under leases of state owned lands acquired with money from state or
4 federal game and fish protection funds or revenues accruing from
5 lands purchased with such revenues. The trust fund may receive
6 appropriations, money, or other things of value. The assets of the
7 trust fund shall be invested as provided by law.

8 ~~—— Until the trust fund reaches an accumulated principal of~~
9 ~~\$500,000,000.00, \$10,000,000.00 of the revenues from bonuses,~~
10 ~~rentals, delayed rentals, and royalties described in this section~~
11 ~~otherwise dedicated to the trust fund that are received by the~~
12 ~~state each state fiscal year shall be deposited into the Michigan~~
13 ~~state parks endowment fund. However, until the trust fund reaches~~
14 ~~an accumulated principal of \$500,000,000.00, in any state fiscal~~
15 ~~year, not more than 50 percent of the total revenues from bonuses,~~
16 ~~rentals, delayed rentals, and royalties described in this section~~
17 ~~otherwise dedicated to the trust fund that are received by the~~
18 ~~state each state fiscal year shall be deposited into the Michigan~~
19 ~~state parks endowment fund.~~

20 ~~—— The amount accumulated in the trust fund in any state fiscal~~
21 ~~year shall not exceed \$500,000,000.00, exclusive of interest and~~
22 ~~earnings and amounts authorized for expenditure pursuant to this~~
23 ~~section. When the accumulated principal of the trust fund reaches~~
24 ~~\$500,000,000.00, all revenue~~ **UNTIL THE MICHIGAN STATE PARKS**
25 **ENDOWMENT FUND REACHES AN ACCUMULATED PRINCIPAL OF \$400,000,000.00,**
26 **40 PERCENT OF THE REVENUES** from bonuses, rentals, delayed rentals,
27 and royalties described in this section that would be received by

1 the trust fund but for this limitation shall be deposited into the
 2 Michigan state parks endowment fund. ~~until the Michigan state parks~~
 3 ~~endowment fund reaches an accumulated principal of \$800,000,000.00.~~
 4 ~~When the Michigan state parks endowment fund reaches an accumulated~~
 5 ~~principal of \$800,000,000.00, all revenues from bonuses, rentals,~~
 6 ~~delayed rentals, and royalties described in this section shall be~~
 7 ~~distributed as provided by law.~~

8 The **ACCUMULATED PRINCIPAL OF THE TRUST FUND SHALL NOT BE**
 9 **EXPENDED. HOWEVER, THE** interest and earnings of the trust fund
 10 shall be expended for ~~the~~ **1 OR MORE OF THE FOLLOWING:**

11 (A) **THE** acquisition of land or rights in land for recreational
 12 uses or protection of the land because of its environmental
 13 importance or its scenic beauty. ~~for the~~

14 (B) **THE MANAGEMENT OF LAND AND WATER RESOURCES FOR**
 15 **RECREATIONAL PURPOSES.**

16 (C) **THE** development of public recreation facilities. ~~and for~~
 17 ~~the~~

18 (D) **THE DEVELOPMENT AND MAINTENANCE OF TRAILS AND ROADS ON**
 19 **STATE-OWNED LAND.**

20 (E) **INFRASTRUCTURE RELATED TO ROADS IN LOCATIONS WHERE NATURAL**
 21 **RESOURCE BASED INDUSTRIES, INCLUDING TIMBER HARVEST OR MINING, ARE**
 22 **OPERATING.**

23 (F) **INFRASTRUCTURE ON WATERWAYS, INCLUDING BREAKWATERS AND**
 24 **DREDGING OPERATIONS.**

25 (G) **PAYMENTS IN LIEU OF TAXES ON STATE-OWNED LAND.**

26 (H) **THE** administration of the trust fund. ~~which may include~~
 27 ~~payments in lieu of taxes on state owned land purchased through the~~

1 ~~trust fund.~~

2 The trust fund may provide grants to units of local government
3 or public authorities which shall be used for the purposes of this
4 section. The legislature shall provide that a portion of the cost
5 of a project funded by such grants be provided by the local unit of
6 government or public authority.

7 ~~—— Until the trust fund reaches an accumulated principal of~~
8 ~~\$500,000,000.00, the~~ **THE** legislature may provide, in addition to
9 the expenditure of interest and earnings authorized by this
10 section, that a ~~portion, not to exceed 33 1/3 percent,~~ of the
11 revenues **OR A PORTION OF THE REVENUES** from bonuses, rentals,
12 delayed rentals, and royalties described in this section received
13 by the trust fund during each state fiscal year may be expended
14 during subsequent state fiscal years for the purposes of this
15 section.

16 Not ~~less~~ **MORE** than 25 percent of the total amounts made
17 available for expenditure from the trust fund from any state fiscal
18 year shall be expended for acquisition of land and rights in land.
19 ~~and not more than 25 percent of the total amounts made available~~
20 ~~for expenditure from the trust fund from any state fiscal year~~
21 ~~shall be expended for development of public recreation facilities.~~

22 The legislature shall provide by law for the establishment of
23 a trust fund board within the department of natural resources. The
24 trust fund board shall recommend the projects to be funded. The
25 board shall submit its recommendations to the governor who shall
26 submit the board's recommendations to the legislature in an
27 appropriations bill.

1 The legislature shall provide by law for the implementation of
2 this section.

3 Resolved further, That the foregoing amendment shall be
4 submitted to the people of the state at the next general election
5 in the manner provided by law.