

**HEALTH AND SAFETY FUND ACT**  
**Act 264 of 1987**

AN ACT to provide for the creation of the health and safety fund; to provide for the deposit of certain money in that fund; to provide for the distribution of the money in that fund and to limit its use; to prescribe the powers and duties of certain state officials; and to provide for an appropriation.

**History:** 1987, Act 264, Eff. Apr. 11, 1988.

*The People of the State of Michigan enact:*

**141.471 Short title.**

Sec. 1. This act shall be known and may be cited as the "health and safety fund act".

**History:** 1987, Act 264, Eff. Apr. 11, 1988.

**Compiler's note:** For transfer of authority, powers, duties, functions, and responsibilities of the State Budget Director under the State Revenue Sharing Act of 1971 and the Health and Safety Fund Act from the State Budget Director, within the Department of Management and Budget, to the State Treasurer, within the Department of Treasury, see E.R.O. No. 1993-6, compiled at MCL 141.991 of the Michigan Compiled Laws.

**141.472 Definitions.**

Sec. 2. As used in this act:

- (a) "Distribution" means the amount of money a county receives under sections 4 and 5.
- (b) "Fund" means the health and safety fund created in section 3.
- (c) "Jail facility" means a jail, holding cell, holding center, or lockup as those terms are defined in section 62 of Act No. 232 of the Public Acts of 1953, being section 791.262 of the Michigan Compiled Laws.
- (d) "Juvenile facility" means a county facility or an institution operated as an agency of the county or the juvenile division of the probate court for the housing or detention of juveniles.
- (e) "Local health department" means that term as defined in section 1105 of the public health code, Act No. 368 of the Public Acts of 1978, being section 333.1105 of the Michigan Compiled Laws.

**History:** 1987, Act 264, Eff. Apr. 11, 1988.

**141.473 Health and safety fund; creation; deposits.**

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

(2) The state treasurer shall credit the health and safety fund with the portion of the proceeds from the excise tax on cigarettes authorized to be deposited into the health and safety fund under section 12 of the tobacco products tax act, 1993 PA 327, MCL 205.432.

**History:** 1987, Act 264, Eff. Apr. 11, 1988;—Am. 1998, Act 529, Imd. Eff. Jan. 12, 1999;—Am. 2022, Act 172, Imd. Eff. July 21, 2022.

**141.474 Distribution from fund generally.**

Sec. 4. The department of management and budget upon authorization by the state treasurer shall cause to be distributed from the health and safety fund the total amount available in the 1987-88 fiscal year to each county that had a patient care management system in the 1986-87 fiscal year. The distribution under this section shall be used only for the following:

(i) To pay outstanding obligations of the county for services rendered before March 1, 1984 under the resident county hospitalization program, the community mental health shared management and state institutions programs, and the state ward charge-back program. Distributions under this subparagraph shall be made as necessary to satisfy the obligation of the county.

(ii) For the repayment of principal on any loans made to the county under the emergency municipal loan act, Act No. 243 of the Public Acts of 1980, being sections 141.931 to 141.942 of the Michigan Compiled Laws. The distribution shall be made as necessary to satisfy the obligations of the county.

**History:** 1987, Act 264, Eff. Apr. 11, 1988.

\*\*\*\*\* 141.475 THIS SECTION IS AMENDED EFFECTIVE 91 DAYS AFTER ADJOURNMENT OF THE 2024 REGULAR SESSION SINE DIE: See 141.475.amended \*\*\*\*\*

**141.475 Distribution from fund; amounts.**

Sec. 5. The state treasurer shall cause to be distributed from the health and safety fund the following amounts in the 1988-89 fiscal year and in each following fiscal year:

- (a) One-fourth of the collections deposited in the fund under section 3(2) shall be used for indigent volume

adjusters for hospitals within the medicaid program.

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

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

(ii) Except as provided in subparagraph (iii), to the extent that \$16,000,000.00 is no longer necessary to satisfy the obligations under subparagraph (i), a portion of the amount not required for satisfaction of obligations shall be distributed to each county that receives or has received a loan authorized under section 3(2) or (3) of the emergency municipal loan act, 1980 PA 243, MCL 141.933, in an amount determined by multiplying the amount available for distribution under this subparagraph by a fraction, the numerator of which is the population of the county receiving the distribution and the denominator of which is the total population of the state according to the most recent decennial census. The distribution under this subparagraph shall be made at the same times and shall be used, subject to section 6, for the same purposes described in subdivision (c). The remaining amount available for distribution under this subparagraph shall be used on a per capita basis to offset the cost to the state of the assumption of the financing of the state court system in the counties not receiving a distribution under this subparagraph.

(iii) In the 2008-2009 fiscal year through the 2014-2015 fiscal year, \$16,000,000.00 of the amount deposited in the fund under section 3(2) shall be transferred to and deposited in the convention facility development fund created under the state convention facility development act, 1985 PA 106, MCL 207.621 to 207.640, for distribution and use only in the manner and for the purposes stated in that act and no amount shall be distributed under subparagraph (i) or (ii). If the transfer or lease of a qualified convention facility to a metropolitan authority takes place as provided in the regional convention facility authority act, 2008 PA 554, MCL 141.1351 to 141.1379, then in the 2015-2016 fiscal year through the 2038-2039 fiscal year, \$15,000,000.00 of the amount deposited in the fund under section 3(2) shall be transferred to and deposited in the convention facility development fund created under the state convention facility development act, 1985 PA 106, MCL 207.621 to 207.640, for distribution and use only in the manner and for the purposes stated in that act and \$1,000,000.00 shall be distributed under subparagraphs (i) and (ii). If the transfer and lease of a qualified convention facility to an authority is disapproved and the authority is dissolved under section 19(1) of the regional convention facility authority act, 2008 PA 554, MCL 141.1369, then in the 2015-2016 fiscal year through the 2029-2030 fiscal year, \$15,000,000.00 of the amount deposited in the fund under section 3(2) shall be transferred to and deposited in the convention facility development fund created under the state convention facility development act, 1985 PA 106, MCL 207.621 to 207.640, for distribution and use only in the manner and for the purposes stated in that act and \$1,000,000.00 shall be distributed under subparagraphs (i) and (ii).

(c) The remaining amount deposited in the fund under section 3(2) not distributed under subdivisions (a) and (b) shall be distributed to each county that does not receive and has never received a loan authorized under section 3(2) or (3) of the emergency municipal loan act, 1980 PA 243, MCL 141.933, on a per capita basis according to the ratio that the population of the county receiving the distribution under this subdivision, according to the most recent decennial census, bears to the total population of all counties receiving distribution under this subdivision, according to the most recent decennial census. A distribution under this subdivision shall be made each February, May, August, and November from the collections that were deposited in the fund under section 3(2) in the immediately preceding calendar quarter. Subject to section 6, 12/17 of the distribution under this subdivision shall be distributed to each local health department as defined in section 1105 of the public health code, 1978 PA 368, MCL 333.1105, in the county receiving the distribution on a per capita basis, based on the most recent decennial census, to be used only for public health prevention programs and services. This distribution is in addition to and is not intended as a replacement for any other state or county payments to these health departments. This distribution satisfies the requirements of former section 7a(3) of 1947 PA 265. The remaining 5/17 of the distribution shall be used only for 1 or more of the following:

- (i) The operation, maintenance, or expansion of an existing county jail facility or juvenile facility.
- (ii) The acquisition, construction, and equipping of a new jail facility or juvenile facility.
- (iii) Court operations.

**History:** 1987, Act 264, Eff. Apr. 11, 1988;—Am. 1998, Act 529, Imd. Eff. Jan. 12, 1999;—Am. 2008, Act 586, Imd. Eff. Jan. 20, 2009;—Am. 2009, Act 60, Imd. Eff. July 2, 2009.

\*\*\*\*\* 141.475.amended THIS AMENDED SECTION IS EFFECTIVE 91 DAYS AFTER ADJOURNMENT OF THE 2024 REGULAR SESSION SINE DIE \*\*\*\*\*

**141.475.amended Distribution from fund; amounts.**

Sec. 5. The state treasurer shall distribute from the health and safety fund the following amounts in each fiscal year:

(a) One-fourth of the collections deposited in the fund under section 3(2) shall be used for the Medicaid program.

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

(i) Except as provided in subparagraph (iii), to a county that received a loan authorized under section 3(2) or (3) of the emergency municipal loan act, 1980 PA 243, MCL 141.933, to pay outstanding obligations of the county; for the repayment of principal and interest on any loans made to the county under the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942; and for the payment of principal, premium, if any, and interest due during a fiscal year on bonds issued by that county under the fiscal stabilization act, 1981 PA 80, MCL 141.1001 to 141.1011. The distributions under this subparagraph must be made as necessary and only to the extent necessary to satisfy the obligations of the county.

(ii) Except as provided in subparagraph (iii), to the extent that \$16,000,000.00 is no longer necessary to satisfy the obligations under subparagraph (i), a portion of the amount not required for satisfaction of obligations must be distributed to each county that receives or has received a loan authorized under section 3(2) or (3) of the emergency municipal loan act, 1980 PA 243, MCL 141.933, in an amount determined by multiplying the amount available for distribution under this subparagraph by a fraction, the numerator of which is the population of the county receiving the distribution and the denominator of which is the total population of the state according to the most recent decennial census. The distribution under this subparagraph must be made at the same times and be used, subject to section 6, for the same purposes described in subdivision (c). The remaining amount available for distribution under this subparagraph must be used on a per capita basis to offset the cost to the state of the assumption of the financing of the state court system in the counties not receiving a distribution under this subparagraph.

(iii) If the transfer or lease of a qualified convention facility to a metropolitan authority takes place as provided in the regional convention facility authority act, 2008 PA 554, MCL 141.1351 to 141.1379, then in the 2015-2016 fiscal year through the 2038-2039 fiscal year, \$15,000,000.00 of the amount deposited in the fund under section 3(2) must be transferred to and deposited in the convention facility development fund created under the state convention facility development act, 1985 PA 106, MCL 207.621 to 207.640, for distribution and use only in the manner and for the purposes stated in that act and \$1,000,000.00 must be distributed under subparagraphs (i) and (ii). If the transfer and lease of a qualified convention facility to an authority is disapproved and the authority is dissolved under section 19(1) of the regional convention facility authority act, 2008 PA 554, MCL 141.1369, then in the 2015-2016 fiscal year through the 2029-2030 fiscal year, \$15,000,000.00 of the amount deposited in the fund under section 3(2) must be transferred to and deposited in the convention facility development fund created under the state convention facility development act, 1985 PA 106, MCL 207.621 to 207.640, for distribution and use only in the manner and for the purposes stated in that act and \$1,000,000.00 must be distributed under subparagraphs (i) and (ii).

(c) The remaining amount deposited in the fund under section 3(2) not distributed under subdivisions (a) and (b) must be distributed to each county that does not receive and has never received a loan authorized under section 3(2) or (3) of the emergency municipal loan act, 1980 PA 243, MCL 141.933, on a per capita basis according to the ratio that the population of the county receiving the distribution under this subdivision, according to the most recent decennial census, bears to the total population of all counties receiving distribution under this subdivision, according to the most recent decennial census. A distribution under this subdivision must be made each February, May, August, and November from the collections that were deposited in the fund under section 3(2) in the immediately preceding calendar quarter. Subject to section 6, 12/17 of the distribution under this subdivision must be distributed to each local health department, as that term is defined in section 1105 of the public health code, 1978 PA 368, MCL 333.1105, in the county receiving the distribution on a per capita basis, based on the most recent decennial census, to be used only for public health prevention programs and services. This distribution is in addition to and is not intended as a replacement for any other state or county payments to these health departments. This distribution satisfies the requirements of former section 7a(3) of 1947 PA 265. The remaining 5/17 of the distribution must be used

only for 1 or more of the following:

- (i) The operation, maintenance, or expansion of an existing county jail facility or juvenile facility.
- (ii) The acquisition, construction, and equipping of a new jail facility or juvenile facility.
- (iii) Court operations.

**History:** 1987, Act 264, Eff. Apr. 11, 1988;—Am. 1998, Act 529, Imd. Eff. Jan. 12, 1999;—Am. 2008, Act 586, Imd. Eff. Jan. 20, 2009;—Am. 2009, Act 60, Imd. Eff. July 2, 2009;—Am. 2024, Act 137, Eff. (sine die).

#### **141.476 Distribution under MCL 141.475(b)(ii) and 141.475(c).**

Sec. 6. A distribution to a county under section 5(b)(ii) and 5(c) shall be included for purposes of calculations required to be made by section 24e of the general property tax act, Act No. 206 of the Public Acts of 1893, being section 211.24e of the Michigan Compiled Laws. If the governing body of a county approves the additional millage rate under section 24e of the general property tax act, Act No. 206 of the Public Acts of 1893, that is due to distributions under section 5(b)(ii) and 5(c), then the distributions under section 5(b)(ii) and 5(c) shall be used for the purposes specified in that section.

**History:** 1987, Act 264, Eff. Apr. 11, 1988.

#### **141.477 Withholding or assignment of distribution.**

Sec. 7. The state treasurer may withhold from a county and a county may assign a distribution to offset what that county owes for outstanding obligations for services rendered before March 1, 1984 under the resident county hospitalization program, the community mental health shared management and state institutions programs, or the state ward charge-back program or for the repayment of principal and interest, if any, on a loan made to the county under the emergency municipal loan act, Act No. 243 of the Public Acts of 1980, being sections 141.931 to 141.942 of the Michigan Compiled Laws, or on a bond issue under the fiscal stabilization act, Act No. 80 of the Public Acts of 1981, being sections 141.1001 to 141.1011 of the Michigan Compiled Laws.

**History:** 1987, Act 264, Eff. Apr. 11, 1988.

#### **141.478 Appropriations.**

Sec. 8. (1) There is hereby appropriated from the health and safety fund an amount necessary to make the distributions under section 4.

(2) Beginning in the 1988-89 fiscal year and for each fiscal year thereafter, the legislative shall appropriate an amount necessary to make the distributions under this act.

**History:** 1987, Act 264, Eff. Apr. 11, 1988.

#### **141.479 Conditional effective date.**

Sec. 9. This act shall not take effect unless all of the following bills of the 84th Legislature are enacted into law:

- (a) Senate Bill No. 624.
- (b) Senate Bill No. 625.
- (c) Senate Bill No. 571.
- (d) House Bill No. 4452.

**History:** 1987, Act 264, Eff. Apr. 11, 1988.