

HOUSE JOINT RESOLUTION B

January 13, 2011, Introduced by Reps. Agema, Yonker, Hooker, Pscholka and Damrow and referred to the Committee on Natural Resources, Tourism, and Outdoor Recreation.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 35 of article IX, to reduce the proportion of certain lease revenue required to be deposited in 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 reduce the proportion of certain lease revenue required to be deposited in 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

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1 resources trust fund. The trust fund shall consist of **ALL REVENUE**
2 **IN THE TRUST FUND IMMEDIATELY PRIOR TO THE EFFECTIVE DATE OF THE**
3 **2012 AMENDMENT TO THIS SECTION AND 20 PERCENT OF** all bonuses,
4 rentals, delayed rentals, and royalties collected or reserved by
5 the state under provisions of leases for the extraction of
6 nonrenewable resources from state owned lands **ON OR AFTER THE**
7 **EFFECTIVE DATE OF THAT AMENDMENT**, except such revenues accruing
8 under leases of state owned lands acquired with money from state or
9 federal game and fish protection funds or revenues accruing from
10 lands purchased with such revenues. The trust fund may receive
11 appropriations, money, or other things of value. The assets of the
12 trust fund shall be invested as provided by law.

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

25 The amount accumulated in the trust fund in any state fiscal
26 year shall not exceed \$500,000,000.00, exclusive of interest and
27 earnings and amounts authorized for expenditure pursuant to this

1 section. When the accumulated principal of the trust fund reaches
2 \$500,000,000.00, all revenue from bonuses, rentals, delayed
3 rentals, and royalties described in this section that would be
4 received by the trust fund but for this limitation shall be
5 deposited into the Michigan state parks endowment fund until the
6 Michigan state parks endowment fund reaches an accumulated
7 principal of \$800,000,000.00. When the Michigan state parks
8 endowment fund reaches an accumulated principal of \$800,000,000.00,
9 all revenues from bonuses, rentals, delayed rentals, and royalties
10 described in this section shall be distributed as provided by law.

11 The interest and earnings of the trust fund shall be expended
12 for the acquisition of land or rights in land for recreational uses
13 or protection of the land because of its environmental importance
14 or its scenic beauty, for the development of public recreation
15 facilities, and for the administration of the trust fund, which may
16 include payments in lieu of taxes on state owned land purchased
17 through the trust fund. The trust fund may provide grants to units
18 of local government or public authorities which shall be used for
19 the purposes of this section. The legislature shall provide that a
20 portion of the cost of a project funded by such grants be provided
21 by the local unit of government or public authority.

22 Until the trust fund reaches an accumulated principal of
23 \$500,000,000.00, the legislature may provide, in addition to the
24 expenditure of interest and earnings authorized by this section,
25 that a portion, not to exceed 33-1/3 percent, of the revenues from
26 bonuses, rentals, delayed rentals, and royalties described in this
27 section received by the trust fund during each state fiscal year

1 may be expended during subsequent state fiscal years for the
2 purposes of this section.

3 Not less than 25 percent of the total amounts made available
4 for expenditure from the trust fund from any state fiscal year
5 shall be expended for acquisition of land and rights in land and
6 not more than 25 percent of the total amounts made available for
7 expenditure from the trust fund from any state fiscal year shall be
8 expended for development of public recreation facilities.

9 The legislature shall provide by law for the establishment of
10 a trust fund board. **THE TRUST FUND BOARD SHALL EXIST** within the
11 department of natural resources **AND ENVIRONMENT OR A SUCCESSOR**
12 **DEPARTMENT**. The trust fund board shall recommend the projects to be
13 funded. The board shall submit its recommendations to the governor
14 who shall submit the board's recommendations to the legislature in
15 an appropriations bill.

16 The legislature shall provide by law for the implementation of
17 this section.

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