

**SUBSTITUTE FOR  
HOUSE BILL NO. 4274**

A bill to amend 2000 PA 489, entitled  
"Michigan trust fund act,"  
by amending section 2 (MCL 12.252), as amended by 2023 PA 174, and  
by adding sections 11a and 11b.

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

1           Sec. 2. As used in this act:

2           (a) "Community district education trust fund" means the  
3 community district education trust fund created in section 12.

4           (b) "Flint settlement trust fund" means the Flint settlement  
5 trust fund created in section 11.

6           (c) "Local government reimbursement fund" means the local  
7 government reimbursement fund created in section 3a.

8           (d) "Medicaid benefits trust fund" means the Michigan Medicaid



1 benefits trust fund established in section 5.

2 (e) "Medicaid program" means a program for medical assistance  
3 established under title XIX of the social security act, 42 USC 1396  
4 to ~~1396w-6~~. **1396w-7**.

5 (f) "Medicaid special financing payments" means the Medicaid  
6 special adjustor payments each year authorized in the department of  
7 health and human services appropriations act.

8 (g) "Michigan merit award trust fund" means the Michigan merit  
9 award trust fund established in section 9.

10 (h) "Michigan opioid healing and recovery fund" means the  
11 Michigan opioid healing and recovery fund created in section 3.

12 **(i) "Revenue sharing trust fund" means the revenue sharing**  
13 **trust fund established in section 11a.**

14 **(j) ~~(i)~~**"Strategic outreach and attraction reserve fund" means  
15 the strategic outreach and attraction reserve fund created in  
16 section 4.

17 **(k) ~~(j)~~**"Tobacco settlement revenue" means money received by  
18 this state that is attributable to the master settlement agreement  
19 incorporated into a consent decree and final judgment entered into  
20 on December 7, 1998 in *Kelly Ex Rel. Michigan v Philip Morris*  
21 *Incorporated, et al.*, Ingham County Circuit Court, docket no. 96-  
22 84281CZ, including any rights to receive money attributable to the  
23 master settlement agreement that has been sold by this state.

24 **(l) ~~(k)~~**"21st century jobs trust fund" means the 21st century  
25 jobs trust fund established in section 7.

26 **Sec. 11a. (1) The revenue sharing trust fund is established in**  
27 **the department of treasury. The revenue sharing trust fund consists**  
28 **of 1 or more of the following:**

29 **(a) Money deposited in the revenue sharing trust fund as**



1 required by section 25 of the general sales tax act, 1933 PA 167,  
2 MCL 205.75.

3 (b) Donations of money made to the revenue sharing trust fund  
4 from any source.

5 (c) Interest and earnings from revenue sharing trust fund  
6 investments.

7 (2) The state treasurer shall direct the investment of the  
8 revenue sharing trust fund.

9 (3) Money in the revenue sharing trust fund at the close of a  
10 fiscal year remains in the revenue sharing trust fund and does not  
11 lapse to the general fund.

12 Sec. 11b. (1) Beginning on October 1, 2024, subject to  
13 subsection (2), and upon appropriation, the state treasurer shall  
14 transfer and disburse the money received by the revenue sharing  
15 trust fund as follows:

16 (a) To cities, villages, and townships that were eligible to  
17 receive funding under section 952(1) of article 5 of 2022 PA 166,  
18 in an amount equal to 52.87% of the disbursement, distributed to  
19 each city, village, or township in the same proportion that each  
20 was eligible to receive under section 952(1) of article 5 of 2022  
21 PA 166.

22 (b) To cities, villages, and townships that were not eligible  
23 to receive funding under section 952(1) of article 5 of 2022 PA  
24 166, in an amount equal to 1.00% of the disbursement, distributed  
25 to each city, village, or township on a per capita basis based on  
26 the most recent federal decennial census.

27 (c) To counties, in an amount equal to 46.13% of the  
28 disbursement, distributed to each county in the same proportion  
29 that each was eligible to receive under sections 952(2) and 955 of



1 article 5 of 2022 PA 166. If a county was eligible to receive  
2 payments under section 11 of the Glenn Steil state revenue sharing  
3 act of 1971, 1971 PA 140, MCL 141.911, for only a partial fiscal  
4 year, the amount distributed to the county under this subdivision  
5 must be adjusted to treat the county as if it were eligible to  
6 receive the revenue sharing payments for the entire fiscal year.

7 (2) If a city, village, township, or county is eligible to  
8 receive a distribution under subsection (1), the distribution must  
9 be made on the last business day of October, December, February,  
10 April, June, or August, as applicable.

11 (3) Money in the revenue sharing trust fund must not be  
12 transferred, expended, withdrawn, or otherwise disbursed from the  
13 revenue sharing trust fund except as authorized in this section.

14 (4) For each state fiscal period that begins after September  
15 30, 2024, the governor and the state budget director shall include  
16 in the annual budget for that fiscal period submitted to the  
17 legislature under section 18 of article V of the state constitution  
18 of 1963 an appropriation directing the state treasurer to transfer  
19 and disburse money from the revenue sharing trust fund as provided  
20 in this section.

21 Enacting section 1. This amendatory act does not take effect  
22 unless House Bill No. 4275 of the 102nd Legislature is enacted into  
23 law.

