

# HOUSE BILL No. 4804

June 4, 2003, Introduced by Rep. Shulman and referred to the Committee on Appropriations.

A bill to amend 1984 PA 431, entitled  
"The management and budget act,"  
by amending sections 353c, 353e, and 358 (MCL 18.1353c, 18.1353e,  
and 18.1358), sections 353c and 358 as amended by 2002 PA 504 and  
section 353e as amended by 1999 PA 8.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 353c. (1) For the fiscal year ending September 30,  
2 1995 only, there is appropriated from the fund to the general  
3 fund the sum of \$59,500,000.00 to be used to pay the court  
4 settlement amount for the department of natural resources in the  
5 matter of Miller Brothers, et al v State of Michigan, et al  
6 (Court of Claims docket no. 88-11848-CM).

7       (2) For the fiscal year ending September 30, 1995 only, there  
8 is appropriated from the fund to the general fund the sum of  
9 \$875,000.00 to be used to pay the court settlement liquidated

1 damages for the department of natural resources in the matter of  
2 Miller Brothers, et al v State of Michigan, et al (Court of  
3 Claims docket no. 88-11848-CM).

4 (3) For the fiscal year ending September 30, 1995 only, there  
5 is appropriated from the fund to the general fund the sum of  
6 \$30,000,000.00 to be used to pay the court settlement and  
7 purchase mineral rights for the department of natural resources  
8 in the matter of Carnagel Oil Associates, et al v State of  
9 Michigan, et al (Court of Claims docket no. 88-11848-CC).

10 (4) For the fiscal year ending September 30, 1995 only, there  
11 is appropriated to the department of natural resources from the  
12 general fund \$59,500,000.00. This appropriation may only be used  
13 to pay the court settlement associated with the matter of Miller  
14 Brothers, et al v State of Michigan, et al (Court of Claims  
15 docket no. 88-11848-CM).

16 (5) For the fiscal year ending September 30, 1995 only, there  
17 is appropriated to the department of natural resources from the  
18 general fund \$875,000.00. This appropriation may only be used to  
19 pay the court settlement liquidated damages associated with the  
20 matter of Miller Brothers, et al v State of Michigan, et al  
21 (Court of Claims docket no. 88-11848-CM).

22 (6) For the fiscal year ending September 30, 1995 only, there  
23 is appropriated to the department of natural resources from the  
24 general fund \$30,000,000.00. This appropriation may only be used  
25 to pay the court settlement and purchase mineral rights  
26 associated with the matter of Carnagel Oil Associates, et al v  
27 State of Michigan, et al (Court of Claims docket

1 no. 88-11848-CC). The payment authorized under this subsection  
2 shall be made on or before November 30, 1995.

3 (7) It is the intent of the legislature that money  
4 appropriated from the fund to pay the court settlement and  
5 liquidated damages associated with the matter of Miller Brothers,  
6 et al v State of Michigan, et al (Court of Claims docket  
7 no. 88-11848-CM) be repaid to the fund from the Michigan  
8 strategic fund created in the Michigan strategic fund act, 1984  
9 PA 270, MCL 125.2001 to 125.2093.

10 (8) It is the intent of the legislature that money  
11 appropriated from the fund to pay the court settlement and  
12 purchase mineral rights associated with the matter of Carnagel  
13 Oil Associates, et al v State of Michigan, et al (Court of Claims  
14 docket no. 88-11848-CC) be repaid to the fund from the Michigan  
15 strategic fund created in the Michigan strategic fund act, 1984  
16 PA 270, MCL 125.2001 to 125.2093.

17 (9) Following November 13, 1995, if the recipient of the  
18 \$59,500,000.00 appropriation pursuant to subsections (1) and (4)  
19 obtains, by lease, purchase, or otherwise, the mineral rights for  
20 the real property that was the subject of the court settlement  
21 referenced in this section, the state shall seek repayment of  
22 that portion of the \$59,500,000.00 settlement that was not  
23 attributed to the cost of the initial lease or to lawfully  
24 accrued interest.

25 (10) For the fiscal year ending September 30, 2001 only,  
26 there is appropriated from the fund to the general fund the sum  
27 of \$77,000,000.00.

1       (11) For the fiscal year ending September 30, 2001 only, the  
2 state budget director, before the final accounting of state  
3 revenues and expenditures is completed, shall calculate the  
4 amount of funds that will be necessary to ensure a zero balance  
5 in the general fund/general purpose state budget at bookclosing.  
6 This calculation shall be made excluding any net general  
7 fund/general purpose appropriation lapses that occur when the  
8 final accounting of state expenditures is completed. For  
9 purposes of this calculation, the closure or reduction of prior  
10 year work projects shall not be considered appropriation lapses.  
11 The state budget director shall provide a report to the house and  
12 senate appropriations committees and the house and senate fiscal  
13 agencies of this calculation as soon as it is completed. Based  
14 on this calculation, there is appropriated from the fund to the  
15 general fund the amount calculated by the state budget director,  
16 not to exceed \$200,000,000.00.

17       (12) For the fiscal year ending September 30, 2002 only,  
18 there is appropriated from the fund to the general fund the sum  
19 of \$335,000,000.00.

20       (13) In addition to subsection (12), for the fiscal year  
21 ending September 30, 2002 only, there is appropriated from the  
22 fund to the school aid fund the sum of \$350,000,000.00.

23       (14) For the fiscal year ending September 30, 2002 only, the  
24 state budget director, before the final accounting of state  
25 revenues and expenditures is completed, shall calculate the  
26 amount of funds that will be necessary to ensure a zero balance  
27 in the general fund state budget at bookclosing. This

1 calculation shall be made excluding \$114,500,000.00. The state  
2 budget director shall provide a report to the house and senate  
3 appropriations committees and the house and senate fiscal  
4 agencies of this calculation as soon as it is completed. Based  
5 on this calculation, there is appropriated from the fund to the  
6 general fund the amount calculated by the state budget director.

7 (15) For the fiscal year ending September 30, 2003 only,  
8 there is appropriated from the fund to the general fund the sum  
9 of \$207,000,000.00.

10 (16) For the fiscal year ending September 30, 2003 only, the  
11 state budget director, before the final accounting of state  
12 revenues and expenditures is completed, shall calculate the  
13 amount of funds that will be necessary to ensure a zero balance  
14 in the state school aid fund at bookclosing. This calculation  
15 shall take into account and shall not affect any proration that  
16 occurred for 2002-2003 under section 11(3) of the state school  
17 aid act of 1979, 1979 PA 94, MCL 388.1611, as a result of the  
18 January 2003 consensus revenue estimating conference. The state  
19 budget director shall provide a report to the house and senate  
20 appropriations committees and the house and senate fiscal  
21 agencies of this calculation as soon as it is completed. Based  
22 on this calculation, there is appropriated from the fund to the  
23 state school aid fund the amount calculated by the state budget  
24 director. This appropriation is made to avoid any further  
25 proration under section 11(3) of the state school aid act of  
26 1979, 1979 PA 94, MCL 388.1611, that would otherwise be required  
27 due to the shortfall in the state school aid fund for the fiscal

1 year ending September 30, 2003 that was identified by the May  
2 2003 consensus revenue estimating conference.

3 Sec. 353e. (1) Notwithstanding section 353, for the fiscal  
4 year ending September 30, 1998, there is appropriated and  
5 transferred from the fund to the state school aid fund the sum of  
6 \$212,000,000.00 for the purpose of paying money damages to school  
7 districts and intermediate school districts who were plaintiffs  
8 in the consolidated cases known as Durant v State of Michigan,  
9 456 Mich 175, (1997).

10 (2) Notwithstanding section 353, for the fiscal year ending  
11 September 30, 1999, there is appropriated and transferred from  
12 the fund to the state school aid fund the sum of \$73,700,000.00  
13 for the purpose of making appropriations to school districts and  
14 intermediate school districts other than those described in  
15 subsection (1).

16 ~~(3) Notwithstanding section 353, for the fiscal year ending~~  
17 ~~September 30, 2000, for the fiscal year ending September 30,~~  
18 ~~2001, for the fiscal year ending September 30, 2002, for the~~  
19 ~~fiscal year ending September 30, 2003, for the fiscal year ending~~  
20 ~~September 30, 2004, for the fiscal year ending September 30,~~  
21 ~~2005, for the fiscal year ending September 30, 2006, for the~~  
22 ~~fiscal year ending September 30, 2007, and for the fiscal year~~  
23 ~~ending September 30, 2008, there is appropriated and transferred~~  
24 ~~from the fund to the state school aid fund the sum of~~  
25 ~~\$32,000,000.00 for the purpose of making appropriations to school~~  
26 ~~districts and intermediate school districts other than those~~  
27 ~~described in subsection (1).~~

1       Sec. 358. (1) Except as otherwise provided in this section,  
2 the legislature may make an emergency appropriation from the fund  
3 subject to all of the following conditions:

4       (a) The maximum appropriation from the fund for budget  
5 stabilization as provided in section 352(2) has already been made  
6 for the current fiscal year.

7       (b) The legislature has approved the emergency appropriations  
8 bill by a 2/3 majority vote of the members elected to and serving  
9 in each house.

10       (c) The emergency appropriations bill becomes law.

11       (2) The additional transfer from the fund may be made only  
12 for the current fiscal year.

13       ~~(3) For the fiscal year ending September 30, 2001, the~~  
14 ~~fiscal year ending September 30, 2002 and for each fiscal year~~  
15 ~~beginning with the fiscal year ending September 30, 2004 and~~  
16 ~~ending with the fiscal year ending September 30, 2016, there is~~  
17 ~~appropriated and transferred from the fund to the state trunk~~  
18 ~~line fund established under section 11 of 1951 PA 51,~~  
19 ~~MCL 247.661, the sum of \$35,000,000.00.~~

20       ~~—— (4) For the fiscal year ending September 30, 2000, there is~~  
21 ~~appropriated and transferred from the fund to the state trunk~~  
22 ~~line fund established under section 11 of 1951 PA 51,~~  
23 ~~MCL 247.661, the sum of \$37,100,000.00.~~

24       ~~—— (5) For the fiscal year ending September 30, 2000, an amount~~  
25 ~~equal to the unreserved general fund/general purpose balance~~  
26 ~~transferred to the fund for the fiscal year ending September 30,~~  
27 ~~2000, but not to exceed \$62,900,000.00, is appropriated and~~

- 1 ~~transferred from the fund to the state trunk line fund~~
- 2 ~~established under section 11 of 1951 PA 51, MCL 247.661.~~