

By: Representative Scott (80th) (By Request) To: Public Health and  
Welfare;  
Appropriations

## HOUSE BILL NO. 69

1 AN ACT TO ESTABLISH A CHILDREN'S HEALTH CARE TRUST FUND IN  
2 THE STATE TREASURY INTO WHICH SHALL BE DEPOSITED CERTAIN MONIES  
3 FROM THE SETTLEMENT OF THE LAWSUIT AGAINST TOBACCO COMPANIES BY  
4 THE STATE OF MISSISSIPPI; TO PROVIDE THAT THE PRINCIPAL OF THE  
5 TRUST FUND SHALL REMAIN INVIOLETE AND SHALL NEVER BE EXPENDED; TO  
6 PROVIDE THAT MONIES IN THE TRUST FUND THAT ARE SUBJECT TO  
7 EXPENDITURE SHALL BE EXPENDED EXCLUSIVELY FOR CHILDREN'S HEALTH  
8 ISSUES; TO PROVIDE THAT MONIES IN THE TRUST FUND SHALL BE INVESTED  
9 IN ANY OF THE INVESTMENTS AUTHORIZED FOR THE MISSISSIPPI PREPAID  
10 AFFORDABLE COLLEGE TUITION PROGRAM; AND FOR RELATED PURPOSES.

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

12 SECTION 1. This article shall be known and may be cited as  
13 the "Mississippi Children's Health Care Trust Fund Act of 1999."

14 SECTION 2. It is declared by the Legislature that Fifty  
15 Million Dollars (\$50,000,000.00) of the monies received by the  
16 State of Mississippi from tobacco companies in settlement of a  
17 certain lawsuit brought against those companies by the State of  
18 Mississippi, or as a result of the settlement of any lawsuit  
19 brought against tobacco companies by another state, should be  
20 applied toward improving the health and health care of the  
21 children of the state. It is the intent of the Legislature by  
22 this article to provide the manner and means necessary to carry  
23 out those purposes.

24 SECTION 3. When used in this article, the following  
25 definitions shall apply, unless the context requires otherwise:

26 (a) "Act" means the Mississippi Children's Health Care  
27 Trust Fund Act of 1999.

28 (b) "Children's Health Care Trust Fund" means the trust  
29 fund established by Section 4 of this act for the deposit of Fifty  
30 Million Dollars (\$50,000,000.00) of the monies received by the

31 State of Mississippi as a result of the tobacco settlement and any  
32 other monies as the state may determine are appropriate.

33 (c) "Tobacco settlement" means the settlement of the  
34 case of Mike Moore, Attorney General ex rel. State of Mississippi  
35 v. The American Tobacco Company et al. (Chancery Court of Jackson  
36 County, Mississippi, Cause No. 94-1429) and the settlement of any  
37 case brought against tobacco companies by another state.

38 SECTION 4. (1) In accordance with the purposes of this  
39 article, there is established in the State Treasury the Children's  
40 Health Care Trust Fund, into which shall be deposited Fifty  
41 Million Dollars (\$50,000,000.00) of the monies that are received  
42 by the State of Mississippi as a result of the tobacco settlement  
43 for which the use or purpose for expenditure is not restricted by  
44 the terms of the settlement, all interest earnings on those  
45 monies, and any other monies as the state may determine are  
46 appropriate. Monies in the Children's Health Care Trust Fund that  
47 are subject to expenditure shall be expended exclusively for  
48 children's health issues including the Children's Health Insurance  
49 Program (CHIP).

50 (2) The principal of the Children's Health Care Trust Fund  
51 shall remain inviolate and shall never be expended. The  
52 Legislature may appropriate all of the income from the Children's  
53 Health Care Trust Fund in furtherance of the purposes of this  
54 article, less six percent (6%) of the annual income of the  
55 Children's Health Care Trust Fund, which shall be added to the  
56 principal of the fund each year.

57 SECTION 5. (1) The State Treasurer shall invest the monies  
58 of the Children's Health Care Trust Fund in any of the investments  
59 authorized for the Mississippi Prepaid Affordable College Tuition  
60 Program under Section 37-155-9, and those investments shall be  
61 subject to the limitations prescribed by Section 37-155-9.

62 (2) All interest derived from investments and any gains from  
63 the sale or exchange of investments shall be credited to the  
64 account of the Children's Health Care Trust Fund.

65 (3) For the purpose of meeting disbursements for funding  
66 children's health issues and the costs and expenses of  
67 administering the Children's Health Care Trust Fund, cash may be

68 kept available, not exceeding the requirements of the Children's  
69 Health Care Trust Fund for a period of ninety (90) days, on  
70 deposit in one or more banks or trust companies organized under  
71 the laws of the State of Mississippi or the laws of the United  
72 States, provided that the sum on deposit in any one (1) bank or  
73 trust company shall not exceed thirty-five percent (35%) of the  
74 paid-up capital and regular surplus of the bank or trust company.

75 SECTION 6. Sections 1 through 5 of this act shall be  
76 inserted as a new article in Title 43, Chapter 13, Mississippi  
77 Code of 1972.

78 SECTION 7. This act shall take effect and be in force from  
79 and after its passage.