

By: The Entire Membership

To: Public Health and  
Welfare;  
AppropriationsHOUSE BILL NO. 519  
(As Passed the House)

1 AN ACT TO ESTABLISH A HEALTH CARE TRUST FUND IN THE STATE  
2 TREASURY INTO WHICH SHALL BE DEPOSITED MONIES FROM THE SETTLEMENT  
3 OF THE LAWSUIT AGAINST TOBACCO COMPANIES BY THE STATE OF  
4 MISSISSIPPI; TO PROVIDE THAT THE PRINCIPAL OF THE TRUST FUND SHALL  
5 REMAIN INVIOLEATE AND SHALL NEVER BE EXPENDED; TO PROVIDE THAT  
6 MONIES IN THE TRUST FUND THAT ARE SUBJECT TO EXPENDITURE SHALL BE  
7 EXPENDED EXCLUSIVELY FOR HEALTH ISSUES; TO PROVIDE THAT MONIES IN  
8 THE TRUST FUND SHALL BE INVESTED IN ANY OF THE INVESTMENTS  
9 AUTHORIZED FOR THE MISSISSIPPI PREPAID AFFORDABLE COLLEGE TUITION  
10 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 Health Care Trust Fund Act of 1999."

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

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

25 (a) "Act" means the Mississippi Health Care Trust Fund  
26 Act of 1999.

27 (b) "Health Care Trust Fund" means the trust fund  
28 established by Section 4 of this act for the deposit of the monies  
29 received by the State of Mississippi as a result of the tobacco  
30 settlement and any other monies as the state may determine are

31 appropriate.

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

37 SECTION 4. (1) In accordance with the purposes of this  
38 article, there is established in the State Treasury the Health  
39 Care Trust Fund, into which shall be deposited all monies that are  
40 received by the State of Mississippi as a result of the tobacco  
41 settlement for which the use or purpose for expenditure is not  
42 restricted by the terms of the settlement, all interest earnings  
43 on those monies, and any other monies as the state may determine  
44 are appropriate. Monies in the Health Care Trust Fund that are  
45 subject to expenditure shall be expended exclusively for health  
46 issues.

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

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

58 (2) All interest derived from investments and any gains from  
59 the sale or exchange of investments shall be credited to the  
60 account of the Health Care Trust Fund.

61 (3) For the purpose of meeting disbursements for funding  
62 health issues and the costs and expenses of administering the  
63 Health Care Trust Fund, cash may be kept available, not exceeding  
64 the requirements of the Health Care Trust Fund for a period of  
65 ninety (90) days, on deposit in one or more banks or trust  
66 companies organized under the laws of the State of Mississippi or  
67 the laws of the United States, provided that the sum on deposit in

68 any one (1) bank or trust company shall not exceed thirty-five  
69 percent (35%) of the paid-up capital and regular surplus of the  
70 bank or trust company.

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

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