

By: Senator(s) Furniss

To: Finance

SENATE BILL NO. 2200

1 AN ACT TO ESTABLISH A HEALTH CARE TRUST FUND AND A STATE
2 VETERANS HOMES TRUST FUND IN THE STATE TREASURY INTO WHICH SHALL
3 BE DEPOSITED MONIES FROM THE SETTLEMENT OF THE LAWSUIT AGAINST
4 TOBACCO COMPANIES BY THE STATE OF MISSISSIPPI; TO PROVIDE THAT THE
5 PRINCIPAL IN EACH TRUST FUND SHALL REMAIN INVIOLETE AND SHALL
6 NEVER BE EXPENDED; TO PRESCRIBE THE PURPOSES FOR WHICH MONIES IN
7 THE TRUST FUNDS MAY BE EXPENDED; TO PROVIDE THAT MONIES IN THE
8 TRUST FUNDS SHALL BE INVESTED IN ANY OF THE INVESTMENTS AUTHORIZED
9 FOR THE MISSISSIPPI PREPAID AFFORDABLE COLLEGE TUITION PROGRAM;
10 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 and State Veterans Homes Trust Funds
14 Act of 1999."

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

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

28 (a) "Act" means the Mississippi Health Care and State
29 Veterans Homes Trust Funds Act of 1999.

30 (b) "Health Care Trust Fund" means the trust fund

31 established by Section 4 of this act.

32 (c) "State Veterans Homes Trust Fund" means the trust
33 fund established by Section 5 of this act.

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

39 SECTION 4. (1) In accordance with the purposes of this
40 article, there is established in the State Treasury the Health
41 Care Trust Fund, into which shall be deposited all monies with the
42 exception of the monies described in Section 5 of this act, that
43 are received by the State of Mississippi as a result of the
44 tobacco settlement for which the use or purpose for expenditure is
45 not restricted by the terms of the settlement, all interest
46 earnings on those monies, and any other monies as the state may
47 determine are appropriate. Monies in the Health Care Trust Fund
48 that are subject to expenditure shall be expended exclusively for
49 health issues.

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

56 SECTION 5. (1) In accordance with the purposes of this
57 article, there is established in the State Treasury the State
58 Veterans Homes Trust Fund, into which shall be deposited Sixty
59 Million Dollars (\$60,000,000.000) of the monies that are received
60 by the State of Mississippi as a result of the tobacco settlement
61 for which the use or purpose for expenditure is not restricted by
62 the terms of the settlement. Monies in the State Veterans Homes
63 Trust Fund that are subject to expenditure shall be expended

64 exclusively for the operation, management and upkeep of homes and
65 domiciliaries established by the State Veterans Affairs Board and
66 for the health care of eligible veterans of the state residing
67 therein.

68 (2) The principal of the State Veterans Homes Trust Fund
69 shall remain inviolate and shall never be expended. The
70 Legislature may appropriate all of the income from the State
71 Veterans Homes Trust Fund in furtherance of the purposes of this
72 article. Unexpended amounts remaining in the trust fund at the
73 end of a fiscal year shall not lapse into the State General Fund,
74 and any interest earned on amounts in the trust fund shall be
75 deposited to the credit of the trust fund.

76 SECTION 6. (1) The State Treasurer shall invest the monies
77 of the Health Care Trust Fund and the State Veterans Homes Trust
78 Fund in any of the investments authorized for the Mississippi
79 Prepaid Affordable College Tuition Program under Section 37-155-9,
80 and those investments shall be subject to the limitations
81 prescribed by Section 37-155-9.

82 (2) All interest derived from investments and any gains from
83 the sale or exchange of investments shall be credited to the
84 account of the Health Care Trust Fund or the State Veterans Homes
85 Trust Fund, as may be appropriate.

86 (3) In order to provide disbursements for funding the
87 purposes of this article and the costs and expenses of
88 administering the Health Care Trust Fund and the State Veterans
89 Homes Trust Fund, cash may be kept available, not exceeding the
90 requirements of the Health Care Trust Fund or the State Veterans
91 Homes Trust Fund for a period of ninety (90) days, on deposit in
92 one or more banks or trust companies organized under the laws of
93 the State of Mississippi or the laws of the United States,
94 provided that the sum on deposit in any one (1) bank or trust
95 company shall not exceed thirty-five percent (35%) of the paid-up
96 capital and regular surplus of the bank or trust company.

97 SECTION 7. Sections 1 through 5 of this act shall be
98 inserted as a new article in Title 43, Chapter 13, Mississippi
99 Code of 1972.

100 SECTION 8. This act shall take effect and be in force from
101 and after its passage.