

By: Senator(s) Rayborn

To: Finance

SENATE BILL NO. 2792

1 AN ACT TO CREATE A TRUST FUND IN THE STATE TREASURY
2 DESIGNATED AS THE "TOBACCO LITIGATION SETTLEMENT TRUST FUND" INTO
3 WHICH SHALL BE DEPOSITED SUCH MONEY AS MAY BE RECEIVED BY THE
4 STATE OF MISSISSIPPI AS SETTLEMENT OF ANY LITIGATION IN WHICH THE
5 STATE OF MISSISSIPPI IS A PLAINTIFF OR CLAIMANT FOR DAMAGES
6 SUFFERED BY THE STATE AS A RESULT OF THE USE OF TOBACCO PRODUCTS
7 BY RESIDENTS OF THE STATE; TO PROVIDE THAT INTEREST AND INCOME
8 DERIVED FROM INVESTMENT OF THE PRINCIPAL OF THE TRUST FUND SHALL
9 BE UTILIZED TO MAKE UP FOR ANY TAX REVENUE LOST AS A RESULT OF ANY
10 REDUCTION IN THE STATE INCOME TAX; AND FOR RELATED PURPOSES.

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

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13 SECTION 1. There is hereby created in the State Treasury a
14 trust fund designated as the "Tobacco Litigation Settlement Trust
15 Fund" into which shall be deposited such money as may be received
16 by the state as settlement of any litigation in which the State of
17 Mississippi is a plaintiff or claimant for damages suffered by the
18 state as a result of the use of tobacco or tobacco products by the
19 residents of the State of Mississippi. The principal of the trust
20 fund shall remain inviolate and shall be invested as provided by
21 law. Interest and income derived from investment of the principal
22 of the trust fund shall be utilized to make up for any tax revenue
23 lost as a result of any reduction in the state income tax. The
24 amount necessary to fund any such reduction shall be transferred
25 by the State Treasurer to the General Fund in the amount estimated
26 by the State Tax Commission as necessary.

27 SECTION 2. This act shall take effect and be in force from
28 and after July 1, 1999.