MISSISSIPPI LEGISLATURE
REGULAR SESSION 2002
By: Representative Moody
To: Appropriations

HOUSE BILL NO. 1208

AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972, TO DIRECT THE STATE TREASURER TO TRANSFER $87,000,000.00 FROM THE HEALTH CARE TRUST FUND INTO THE HEALTH CARE EXPENDABLE FUND; TO DIRECT THE TREASURER TO DEPOSIT THE FULL AMOUNT OF THE 2002 TOBACCO SETTLEMENT INSTALLMENT PAYMENT RECEIVED BY THE STATE INTO THE HEALTH CARE EXPENDABLE FUND; TO PROVIDE THAT IF DURING ANY FISCAL YEAR AFTER THE EFFECTIVE DATE OF THIS ACT, THE GENERAL FUND REVENUES RECEIVED BY THE STATE EXCEED THE GENERAL FUND REVENUES RECEIVED DURING THE PREVIOUS FISCAL YEAR BY FIVE PERCENT OR MORE, THE LEGISLATURE SHALL REPAY TO THE HEALTH CARE TRUST FUND THE FULL AMOUNT OF THE FUNDS THAT WERE TRANSFERRED AND DEPOSITED INTO THE HEALTH CARE EXPENDABLE FUND UNDER THE PROVISIONS OF THIS ACT; TO AMEND SECTION 43-13-405, MISSISSIPPI CODE OF 1972, TO CONFORM TO THE PRECEDING PROVISION; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 43-13-407, Mississippi Code of 1972, is amended as follows:

43-13-407. (1) In accordance with the purposes of this article, there is established in the State Treasury the Health Care Expendable Fund, into which shall be transferred from the Health Care Trust Fund the following sums:

(a) In fiscal year 2000, Fifty Million Dollars ($50,000,000.00);
(b) In fiscal year 2001, Fifty-five Million Dollars ($55,000,000.00);
(c) In fiscal year 2002, Sixty Million Five Hundred Thousand Dollars ($60,500,000.00);
(d) In fiscal year 2003, Sixty-six Million Five Hundred Fifty Thousand Dollars ($66,550,000.00);
(e) In fiscal year 2004 and each subsequent fiscal year, a sum equal to the average annual amount of the income from the investment of the funds in the Health Care Trust Fund since July 1, 1999.
(2) In any fiscal year in which interest and dividends from the investment of the funds in the Health Care Trust Fund are not sufficient to fund the full amount of the annual transfer into the Health Care Expendable Fund as required in subsection (1) of this section, the State Treasurer shall transfer from tobacco settlement installment payments an amount that is sufficient to fully fund the amount of the annual transfer.

(3) (a) On the effective date of House Bill No. 1208, 2002 Regular Session, the State Treasurer shall transfer the sum of Eighty-seven Million Dollars ($87,000,000.00) from the Health Care Trust Fund into the Health Care Expendable Fund. In addition, at the time the State of Mississippi receives the 2002 calendar year tobacco settlement installment payment, the State Treasurer shall deposit the full amount of that installment payment into the Health Care Expendable Fund.

(b) If during any fiscal year after the effective date of House Bill No. 1208, 2002 Regular Session, the general fund revenues received by the state exceed the general fund revenues received during the previous fiscal year by five percent (5%) or more, the Legislature shall repay to the Health Care Trust Fund the full amount of the funds that were transferred and deposited into the Health Care Expendable Fund under the provisions of paragraph (a) of this subsection.

(4) All income from the investment of the funds in the Health Care Expendable Fund shall be credited to the account of the Health Care Expendable Fund. Any funds in the Health Care Expendable Fund at the end of a fiscal year shall not lapse into the State General Fund.

(5) The funds in the Health Care Expendable Fund shall be available for expenditure under specific appropriation by the Legislature beginning in fiscal year 2000, and shall be expended exclusively for health care purposes.
SECTION 2. Section 43-13-405, Mississippi Code of 1972, is amended as follows:

43-13-405. (1) In accordance with the purposes of this article, there is established in the State Treasury the Health Care Trust Fund, into which shall be deposited Two Hundred Eighty Million Dollars ($280,000,000.00) of the funds received by the State of Mississippi as a result of the tobacco settlement as of the end of fiscal year 1999, and all tobacco settlement installment payments made in subsequent years for which the use or purpose for expenditure is not restricted by the terms of the settlement, except as otherwise provided in Section 43-13-407(2) and (3). All income from the investment of the funds in the Health Care Trust Fund shall be credited to the account of the Health Care Trust Fund. The funds in the Health Care Trust Fund at the end of a fiscal year shall not lapse into the State General Fund.

(2) The Health Care Trust Fund shall remain inviolate and shall never be expended, except as provided in this article. The Legislature shall appropriate from the Health Care Trust Fund such sums as are necessary to recoup any funds lost as a result of any of the following actions:

(a) The federal Centers for Medicare and Medicaid Services, or other agency of the federal government, is successful in recouping tobacco settlement funds from the State of Mississippi;

(b) The federal share of funds for the support of the Mississippi Medicaid Program is reduced directly or indirectly as a result of the tobacco settlement;

(c) Federal funding for any other program is reduced as a result of the tobacco settlement; or

(d) Tobacco cessation programs are mandated by the federal government or court order.
SECTION 3. This act shall take effect and be in force from and after its passage.