

By: Representatives Moody, Holland, Barnett
(92nd), Capps, Flaggs, Ford, McCoy, Peranich,
Watson

To: Public Health and
Welfare; Appropriations

HOUSE BILL NO. 825

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,
2 TO DIRECT THE STATE TREASURER TO DEPOSIT THE FULL AMOUNT OF THE
3 2003 TOBACCO SETTLEMENT INSTALLMENT PAYMENT RECEIVED BY THE STATE
4 INTO THE HEALTH CARE EXPENDABLE FUND; AND FOR RELATED PURPOSES.

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

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

8 43-13-407. (1) In accordance with the purposes of this
9 article, there is established in the State Treasury the Health
10 Care Expendable Fund, into which shall be transferred from the
11 Health Care Trust Fund the following sums:

12 (a) In fiscal year 2000, Fifty Million Dollars
13 (\$50,000,000.00);

14 (b) In fiscal year 2001, Fifty-five Million Dollars
15 (\$55,000,000.00);

16 (c) In fiscal year 2002, Sixty Million Five Hundred
17 Thousand Dollars (\$60,500,000.00);

18 (d) In fiscal year 2003, Sixty-six Million Five Hundred
19 Fifty Thousand Dollars (\$66,550,000.00);

20 (e) In fiscal year 2004 and each subsequent fiscal
21 year, a sum equal to the average annual amount of the income from
22 the investment of the funds in the Health Care Trust Fund since
23 July 1, 1999.

24 (2) In any fiscal year in which interest and dividends from
25 the investment of the funds in the Health Care Trust Fund are not
26 sufficient to fund the full amount of the annual transfer into the
27 Health Care Expendable Fund as required in subsection (1) of this
28 section, the State Treasurer shall transfer from tobacco



29 settlement installment payments an amount that is sufficient to
30 fully fund the amount of the annual transfer.

31 (3) (a) On March 6, 2002, the State Treasurer shall
32 transfer the sum of Eighty-seven Million Dollars (\$87,000,000.00)
33 from the Health Care Trust Fund into the Health Care Expendable
34 Fund. In addition, at the time the State of Mississippi receives
35 the 2002 calendar year tobacco settlement installment payment, the
36 State Treasurer shall deposit the full amount of that installment
37 payment into the Health Care Expendable Fund, and at the time the
38 State of Mississippi receives the 2003 calendar year tobacco
39 settlement installment payment, the State Treasurer shall deposit
40 the full amount of that installment payment into the Health Care
41 Expendable Fund.

42 (b) If during any fiscal year after March 6, 2002, the
43 general fund revenues received by the state exceed the general
44 fund revenues received during the previous fiscal year by more
45 than five percent (5%), the Legislature shall repay to the Health
46 Care Trust Fund one-third (1/3) of the amount of the general fund
47 revenues that exceed the five percent (5%) growth in general fund
48 revenues. The repayment required by this paragraph shall continue
49 in each fiscal year in which there is more than five percent (5%)
50 growth in general fund revenues, until the full amount of the
51 funds that were transferred and deposited into the Health Care
52 Expendable Fund under the provisions of paragraph (a) of this
53 subsection have been repaid to the Health Care Trust Fund.

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

59 (5) The funds in the Health Care Expendable Fund shall be
60 available for expenditure under specific appropriation by the



61 Legislature beginning in fiscal year 2000, and shall be expended
62 exclusively for health care purposes.

63 (6) Subsections (1), (2), (4) and (5) of this section shall
64 stand repealed on July 1, 2004.

65 **SECTION 2.** This act shall take effect and be in force from
66 and after July 1, 2003.

