AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972, TO DIRECT THE STATE TREASURER TO DEPOSIT THE FULL AMOUNT OF THE 2003 TOBACCO SETTLEMENT INSTALLMENT PAYMENT RECEIVED BY THE STATE INTO THE HEALTH CARE EXPENDABLE FUND; 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 March 6, 2002, 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, and at the time the
State of Mississippi receives the 2003 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 March 6, 2002, the
general fund revenues received by the state exceed the general
fund revenues received during the previous fiscal year by more
than five percent (5%), the Legislature shall repay to the Health
Care Trust Fund one-third (1/3) of the amount of the general fund
revenues that exceed the five percent (5%) growth in general fund
revenues. The repayment required by this paragraph shall continue
in each fiscal year in which there is more than five percent (5%)
growth in general fund revenues, until 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 have been repaid to the Health Care Trust Fund.

(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.

(6) Subsections (1), (2), (4) and (5) of this section shall stand repealed on July 1, 2004.

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