

By: Representative Shows (By Request)

To: Public Health and Welfare; Appropriations

HOUSE BILL NO. 827

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,
2 TO DIRECT THE STATE TREASURER TO DEPOSIT TEN MILLION DOLLARS OF
3 THE 2003 TOBACCO SETTLEMENT INSTALLMENT PAYMENT RECEIVED BY THE
4 STATE INTO A SPECIAL FUND IN THE STATE TREASURY, WHICH SHALL BE
5 USED BY THE DIVISION OF MEDICAID TO PAY THE EXPENSES OF MEDICAID
6 RECIPIENTS WHO RECEIVE HEART AND/OR LUNG TRANSPLANTS; AND FOR
7 RELATED PURPOSES.

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

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

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

15 (a) In fiscal year 2000, Fifty Million Dollars
16 (\$50,000,000.00);

17 (b) In fiscal year 2001, Fifty-five Million Dollars
18 (\$55,000,000.00);

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

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

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

27 (2) In any fiscal year in which interest and dividends from
28 the investment of the funds in the Health Care Trust Fund are not
29 sufficient to fund the full amount of the annual transfer into the



30 Health Care Expendable Fund as required in subsection (1) of this
31 section, the State Treasurer shall transfer from tobacco
32 settlement installment payments an amount that is sufficient to
33 fully fund the amount of the annual transfer.

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

41 (b) At the time the State of Mississippi receives the
42 2003 calendar year tobacco settlement installment payment, the
43 State Treasurer shall deposit Ten Million Dollars (\$10,000,000.00)
44 of that installment into a special fund that is created in the
45 State Treasury, which shall be used by the Division of Medicaid,
46 upon appropriation by the Legislature, to pay the expenses of
47 Medicaid recipients who receive heart and/or lung transplants.

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

60 (4) All income from the investment of the funds in the
61 Health Care Expendable Fund shall be credited to the account of
62 the Health Care Expendable Fund. Any funds in the Health Care



63 Expendable Fund at the end of a fiscal year shall not lapse into
64 the State General Fund.

65 (5) The funds in the Health Care Expendable Fund shall be
66 available for expenditure under specific appropriation by the
67 Legislature beginning in fiscal year 2000, and shall be expended
68 exclusively for health care purposes.

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

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

