

By: Representative Moody

To: Appropriations

HOUSE BILL NO. 697

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 2004 TOBACCO SETTLEMENT INSTALLMENT PAYMENT RECEIVED BY THE STATE
4 INTO THE HEALTH CARE EXPENDABLE FUND; TO EXTEND THE REPEALER ON
5 CERTAIN PROVISIONS OF THAT SECTION; AND FOR RELATED PURPOSES.

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

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

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

13 (a) In fiscal year 2000, Fifty Million Dollars
14 (\$50,000,000.00);

15 (b) In fiscal year 2001, Fifty-five Million Dollars
16 (\$55,000,000.00);

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

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

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

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

29 section, the State Treasurer shall transfer from tobacco
30 settlement installment payments an amount that is sufficient to
31 fully fund the amount of the annual transfer.

32 (3) (a) On March 6, 2002, the State Treasurer shall
33 transfer the sum of Eighty-seven Million Dollars (\$87,000,000.00)
34 from the Health Care Trust Fund into the Health Care Expendable
35 Fund. In addition, at the time the State of Mississippi receives
36 the * * * tobacco settlement installment payments for each of the
37 calendar years 2002, 2003 and 2004, the State Treasurer shall
38 deposit the full amount of each of those installment payments into
39 the Health Care Expendable Fund * * *.

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

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

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

61 (6) Subsections (1), (2), (4) and (5) of this section shall
62 stand repealed on July 1, 2005.

63 **SECTION 2.** This act shall take effect and be in force from
64 and after July 1, 2004.