

By: Senator(s) Browning

To: Appropriations

SENATE BILL NO. 2477

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT BEGINNING WITH FISCAL YEAR 2005 THE LEGISLATURE
3 SHALL APPROPRIATE AN ANNUAL AMOUNT FROM THE TOBACCO LITIGATION
4 HEALTH CARE EXPENDABLE FUND EQUAL TO ANY INCREASE IN PREMIUM COST
5 FOR COVERAGE UNDER THE STATE AND SCHOOL EMPLOYEES HEALTH INSURANCE
6 PLAN; AND FOR RELATED PURPOSES.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

67 (7) Beginning with fiscal year 2005, the Legislature shall
68 annually appropriate from the Health Care Expendable Fund an
69 amount necessary to pay for the cost of any increase in premiums
70 to be paid by employees or by the state under the State and School
71 Employees Health Insurance Plan, as certified to the Legislative
72 Budget Office by the State and School Employees Health Insurance
73 Management Board.

74 **SECTION 2.** This act shall take effect and be in force from
75 and after its passage.