

By: Representatives Holland, Eaton, Brown, Dedeaux, Dickson, Ellis, Flaggs, Franks, Frierson, Malone, Mayo, Miles, Moak, Montgomery, Reynolds, Robinson (84th), Rogers (14th), Rotenberry, Stringer, Sullivan, Upshaw, Vince, Watson, Whittington

To: Appropriations

HOUSE BILL NO. 4

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,
 2 TO PROVIDE THAT IN FISCAL YEAR 2005 CERTAIN ADDITIONAL SUMS SHALL
 3 BE TRANSFERRED FROM THE HEALTH CARE TRUST FUND TO THE HEALTH CARE
 4 EXPENDABLE FUND; TO PROVIDE THAT THE TOTAL AMOUNT OF THE
 5 ADDITIONAL SUMS THAT WERE TRANSFERRED FROM THE TRUST FUND IN
 6 FISCAL YEAR 2005, PLUS INTEREST, SHALL BE TRANSFERRED FROM THE
 7 STATE GENERAL FUND INTO THE TRUST FUND DURING FISCAL YEARS 2007
 8 THROUGH 2013 TO REPAY THE TRUST FUND FOR THOSE ADDITIONAL SUMS
 9 TRANSFERRED IN FISCAL YEAR 2005; AND FOR RELATED PURPOSES.

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

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

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

17 (a) In fiscal year 2005, Four Hundred Fifty-six Million
 18 Dollars (\$456,000,000.00);

19 (b) In fiscal year 2006, One Hundred Eighty-six Million
 20 Dollars (\$186,000,000.00);

21 (c) In fiscal year 2007, One Hundred Forty-six Million
 22 Dollars (\$146,000,000.00);

23 (d) In fiscal year 2008, One Hundred Six Million
 24 Dollars (\$106,000,000.00);

25 (e) In fiscal year 2009, Sixty-six Million Dollars
 26 (\$66,000,000.00);

27 (f) In fiscal year 2010 and each fiscal year
 28 thereafter, a sum equal to the average annual amount of the
 29 dividends, interest and other income, including increases in value

30 of the principal, earned on the funds in the Health Care Trust
31 Fund during the preceding four (4) fiscal years.

32 (2) In any fiscal year in which interest, dividends and
33 other income from the investment of the funds in the Health Care
34 Trust Fund are not sufficient to fund the full amount of the
35 annual transfer into the Health Care Expendable Fund as required
36 in subsection (1)(f) of this section, the State Treasurer shall
37 transfer from tobacco settlement installment payments an amount
38 that is sufficient to fully fund the amount of the annual
39 transfer.

40 (3) (a) On March 6, 2002, the State Treasurer shall
41 transfer the sum of Eighty-seven Million Dollars (\$87,000,000.00)
42 from the Health Care Trust Fund into the Health Care Expendable
43 Fund. In addition, at the time the State of Mississippi receives
44 the tobacco settlement installment payments for each of the
45 calendar years 2002 and 2003, the State Treasurer shall deposit
46 the full amount of each of those installment payments into the
47 Health Care Expendable Fund.

48 (b) 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) The total sum of Two Hundred Forty Million Dollars
61 (\$240,000,000.00) plus interest at the rate of five percent (5%)
62 per annum shall be transferred into the Health Care Trust Fund

63 from the State General Fund during fiscal years 2007 through 2013
64 to repay the trust fund for Two Hundred Forty Million Dollars
65 (\$240,000,000.00) of the total sum that is transferred from the
66 trust fund to the Health Care Expendable Fund during fiscal year
67 2005 under subsection (1)(a) of this section. The repayment shall
68 be made according to the following schedule: During each of
69 fiscal years 2007 through 2012, the State Fiscal Officer shall
70 transfer from the General Fund to the Health Care Trust Fund the
71 sum of Thirty-eight Million Dollars (\$38,000,000.00), and during
72 fiscal year 2013 the State Fiscal Officer shall transfer from the
73 State General Fund to the Health Care Trust Fund a sum in the
74 amount certified by the State Treasurer as necessary to fully
75 repay the balance of the Two Hundred Forty Million Dollars
76 (\$240,000,000.00) plus interest at the rate of five percent (5%)
77 per annum.

78 (5) All income from the investment of the funds in the
79 Health Care Expendable Fund shall be credited to the account of
80 the Health Care Expendable Fund. Any funds in the Health Care
81 Expendable Fund at the end of a fiscal year shall not lapse into
82 the State General Fund.

83 (6) The funds in the Health Care Expendable Fund shall be
84 available for expenditure under specific appropriation by the
85 Legislature beginning in fiscal year 2000, and shall be expended
86 exclusively for health care purposes.

87 (7) The provisions of subsection (1) of this section may not
88 be changed in any manner except upon amendment to that subsection
89 by a bill enacted by the Legislature with a vote of not less than
90 three-fifths (3/5) of the members of each house present and
91 voting.

92 (8) Subsections (1), (2), (5) and (6) of this section shall
93 stand repealed on July 1, 2009.

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