

By: Senator(s) Gordon

To: Appropriations

SENATE BILL NO. 2002

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; AND FOR RELATED PURPOSES.

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

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

8 43-13-407. (1) In accordance with the purposes of this
9 article, there is established in the State Treasury the Health
10 Care Expendable Fund, into which shall be transferred from the
11 Health Care Trust Fund the following sums:

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

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

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

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

20 (e) In fiscal year 2009, Sixty-six Million Dollars
21 (\$66,000,000.00);

22 (f) In fiscal year 2010 and each fiscal year
23 thereafter, a sum equal to the average annual amount of the
24 dividends, interest and other income, including increases in value
25 of the principal, earned on the funds in the Health Care Trust
26 Fund during the preceding four (4) fiscal years.

27 (2) In any fiscal year in which interest, dividends and
28 other income from the investment of the funds in the Health Care

29 Trust Fund are not sufficient to fund the full amount of the
30 annual transfer into the Health Care Expendable Fund as required
31 in subsection (1)(f) of this section, the State Treasurer shall
32 transfer from tobacco settlement installment payments an amount
33 that is sufficient to fully fund the amount of the annual
34 transfer.

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

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

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

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

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

64 (6) The provisions of subsection (1) of this section may not
65 be changed in any manner except upon amendment to that subsection
66 by a bill enacted by the Legislature with a vote of not less than
67 three-fifths (3/5) of the members of each house present and
68 voting.

69 (7) Subsections (1), (2), (4) and (5) of this section shall
70 stand repealed on July 1, 2009.

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