

By: Senator(s) Gordon

To: Appropriations

SENATE BILL NO. 2475

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,
2 TO DELETE CERTAIN PAY-BACK PROVISIONS IN THE TOBACCO SETTLEMENT
3 HEALTH CARE TRUST FUND ACT; AND FOR RELATED PURPOSES.

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

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

7 43-13-407. (1) In accordance with the purposes of this
8 article, there is established in the State Treasury the Health
9 Care Expendable Fund, into which shall be transferred from the
10 Health Care Trust Fund the following sums:

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

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

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

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

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

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

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

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

34 (3) * * * 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 tobacco settlement installment payments for each of the
39 calendar years 2002 and 2003, the State Treasurer shall deposit
40 the full amount of each of those installment payments into the
41 Health Care Expendable Fund.

42 * * *

43 (4) The total sum of Two Hundred Forty Million Dollars
44 (\$240,000,000.00) plus interest at the rate of five percent (5%)
45 per annum shall be transferred into the Health Care Trust Fund
46 from the State General Fund during fiscal years 2007 through 2013
47 to repay the trust fund for Two Hundred Forty Million Dollars
48 (\$240,000,000.00) of the total sum that is transferred from the
49 trust fund to the Health Care Expendable Fund during fiscal year
50 2005 under subsection (1)(a) of this section. The repayment shall
51 be made according to the following schedule: During each of
52 fiscal years 2007 through 2012, the State Fiscal Officer shall
53 transfer from the General Fund to the Health Care Trust Fund the
54 sum of Thirty-eight Million Dollars (\$38,000,000.00), and during
55 fiscal year 2013 the State Fiscal Officer shall transfer from the
56 State General Fund to the Health Care Trust Fund a sum in the
57 amount certified by the State Treasurer as necessary to fully
58 repay the balance of the Two Hundred Forty Million Dollars
59 (\$240,000,000.00) plus interest at the rate of five percent (5%)
60 per annum.

61 (5) All income from the investment of the funds in the
62 Health Care Expendable Fund shall be credited to the account of
63 the Health Care Expendable Fund. Any funds in the Health Care
64 Expendable Fund at the end of a fiscal year shall not lapse into
65 the State General Fund.

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

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

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

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