

By: Senator(s) Gordon

To: Appropriations

SENATE BILL NO. 2777

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE FOR AN ANNUAL TRANSFER OF \$20,000,000.00 FROM THE
3 HEALTH CARE TRUST FUND INTO THE HEALTH CARE EXPENDABLE FUND TO
4 REFLECT THE DEPOSIT OF TOBACCO SETTLEMENT INSTALLMENT PAYMENTS
5 FORMERLY MADE TO THE PARTNERSHIP FOR A HEALTHY MISSISSIPPI, INC.;
6 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 2005, Four Hundred Fifty-six Million
15 Dollars (\$456,000,000.00);

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

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

20 (d) In fiscal year 2008, One Hundred Twenty-six Million
21 Dollars (\$126,000,000.00);

22 (e) In fiscal year 2009, Eighty-six Million Dollars
23 (\$86,000,000.00);

24 (f) In fiscal year 2010 and each fiscal year
25 thereafter, a sum equal to Twenty Million Dollars (\$20,000,000.00)
26 plus the average annual amount of the dividends, interest and
27 other income, including increases in value of the principal,
28 earned on the funds in the Health Care Trust Fund during the
29 preceding four (4) fiscal years.

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

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

46 (4) The total sum of Two Hundred Forty Million Dollars
47 (\$240,000,000.00) plus interest at the rate of five percent (5%)
48 per annum shall be transferred into the Health Care Trust Fund
49 from the State General Fund during fiscal years 2008 through 2015
50 to repay the trust fund for Two Hundred Forty Million Dollars
51 (\$240,000,000.00) of the total sum that is transferred from the
52 trust fund to the Health Care Expendable Fund during fiscal year
53 2005 under subsection (1)(a) of this section. The repayment shall
54 be made according to the following schedule: During each of
55 fiscal years 2008 through 2014, the State Fiscal Officer shall
56 transfer from the General Fund to the Health Care Trust Fund the
57 sum of Thirty-eight Million Dollars (\$38,000,000.00), and during
58 fiscal year 2015 the State Fiscal Officer shall transfer from the
59 State General Fund to the Health Care Trust Fund a sum in the
60 amount certified by the State Treasurer as necessary to fully
61 repay the balance of the Two Hundred Forty Million Dollars

62 (\$240,000,000.00) plus interest at the rate of five percent (5%)
63 per annum.

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

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

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

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

80 **SECTION 2.** This act shall take effect and be in force from
81 and after July 1, 2007.