

## House Amendments to Senate Bill No. 2777

TO THE SECRETARY OF THE SENATE:

THIS IS TO INFORM YOU THAT THE HOUSE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

### AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

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

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

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

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

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

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

26                   (e) In fiscal year 2009, Sixty-six Million Dollars  
27 (\$66,000,000.00);

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

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

38 transfer from tobacco settlement installment payments an amount  
39 that is sufficient to fully fund the amount of the annual  
40 transfer.

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

49 (4) The total sum of Two Hundred Forty Million Dollars  
50 (\$240,000,000.00) plus interest at the rate of five percent (5%)  
51 per annum shall be transferred into the Health Care Trust Fund  
52 from the State General Fund during fiscal years 2009 through 2016  
53 to repay the trust fund for Two Hundred Forty Million Dollars  
54 (\$240,000,000.00) of the total sum that is transferred from the  
55 trust fund to the Health Care Expendable Fund during fiscal year  
56 2005 under subsection (1)(a) of this section. The repayment shall  
57 be made according to the following schedule: During each of  
58 fiscal years 2009 through 2015, the State Fiscal Officer shall  
59 transfer from the General Fund to the Health Care Trust Fund the  
60 sum of Thirty-eight Million Dollars (\$38,000,000.00), and during  
61 fiscal year 2016 the State Fiscal Officer shall transfer from the  
62 State General Fund to the Health Care Trust Fund a sum in the  
63 amount certified by the State Treasurer as necessary to fully  
64 repay the balance of the Two Hundred Forty Million Dollars  
65 (\$240,000,000.00) plus interest at the rate of five percent (5%)  
66 per annum.

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

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

76 (7) In addition to the transfers made to the Health Care  
77 Expendable Fund under subsection (1) of this section, during  
78 fiscal year 2008 and each fiscal year thereafter, the sum of  
79 Twenty Million Dollars (\$20,000,000.00) shall be transferred from  
80 the Health Care Trust Fund to the Tobacco Control Commission Fund  
81 established in Section 2 of this act.

82 (8) The provisions of subsection (1) of this section may not  
83 be changed in any manner except upon amendment to that subsection  
84 by a bill enacted by the Legislature with a vote of not less than  
85 three-fifths (3/5) of the members of each house present and  
86 voting.

87 (9) Subsections (1), (2), (5) and (6) of this section shall  
88 stand repealed on July 1, 2009.

89 **SECTION 2.** (1) There is established in the State Treasury a  
90 special fund to be known as the Tobacco Control Commission Fund,  
91 which shall be comprised of the funds transferred from the Health  
92 Care Trust Fund under Section 43-13-407(7) and any other funds  
93 that are authorized or required to be deposited into the special  
94 fund.

95 (2) The Legislature shall annually appropriate the funds in  
96 the special fund to the Mississippi Tobacco Control Commission,  
97 which shall expend the funds solely for the purposes specified in  
98 Sections 13 through 17 of Senate Bill No. 2764, 2007 Regular  
99 Session. None of the funds in the special fund may be transferred  
100 to any other fund or appropriated or expended for any other  
101 purpose.

102 (3) All income from the investment of the funds in the  
103 special fund shall be credited to the account of the special fund.  
104 Any funds in the special fund at the end of a fiscal year shall  
105 not lapse into the State General Fund.

106           **SECTION 3.** During fiscal year 2008, the State Fiscal Officer  
107 shall transfer to the Budget Contingency Fund created in Section  
108 27-103-301 from the State General Fund an amount equal to  
109 Thirty-seven Million Two Hundred Forty Thousand Dollars  
110 (\$37,240,000.00).

111           **SECTION 4.** This act shall take effect and be in force from  
112 and after July 1, 2007.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1           AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,  
2 TO REVISE THE SCHEDULE FOR REPAYMENT OF THE HEALTH CARE TRUST FUND  
3 FOR A CERTAIN AMOUNT THAT WAS TRANSFERRED TO THE HEALTH CARE  
4 EXPENDABLE FUND DURING FISCAL YEAR 2005; TO PROVIDE FOR AN ANNUAL  
5 TRANSFER OF \$20,000,000.00 FROM THE HEALTH CARE TRUST FUND INTO  
6 THE TOBACCO CONTROL COMMISSION FUND; TO ESTABLISH IN THE STATE  
7 TREASURY A SPECIAL FUND TO BE KNOWN AS THE TOBACCO CONTROL  
8 COMMISSION FUND; TO DIRECT THE STATE FISCAL OFFICER TO TRANSFER A  
9 CERTAIN AMOUNT TO THE BUDGET CONTINGENCY FUND FROM THE STATE  
10 GENERAL FUND DURING FISCAL YEAR 2008; AND FOR RELATED PURPOSES.

HR03\SB2777A.J

Don Richardson  
Clerk of the House of Representatives