

By: Representative Chism

To: Appropriations

HOUSE BILL NO. 1010

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,
 2 TO REQUIRE ANY COURT-ORDERED TOBACCO LITIGATION SETTLEMENT PAYMENT
 3 TO BE PAID INTO THE STATE TREASURY TO THE CREDIT OF THE HEALTH
 4 CARE EXPENDABLE FUND CREATED BY THE LEGISLATURE; TO AMEND SECTIONS
 5 27-103-103, 27-104-13 AND 31-17-123, MISSISSIPPI CODE OF 1972, TO
 6 CLARIFY THAT COURT-ORDERED PAYMENTS TO ANY STATE AGENCY SHALL BE
 7 CONSIDERED "STATE-SOURCE SPECIAL FUNDS" AND SUBJECT TO BUDGETING
 8 AND LEGISLATIVE APPROPRIATION; AND FOR RELATED PURPOSES.

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

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

12 43-13-407. (1) In accordance with the purposes of this
 13 article, there is established in the State Treasury the Health
 14 Care Expendable Fund, into which shall be transferred from the
 15 Health Care Trust Fund the following sums:

16 (a) In fiscal year 2000, Fifty Million Dollars
 17 (\$50,000,000.00);

18 (b) In fiscal year 2001, Fifty-five Million Dollars
 19 (\$55,000,000.00);

20 (c) In fiscal year 2002, Sixty Million Five Hundred
 21 Thousand Dollars (\$60,500,000.00);

22 (d) In fiscal year 2003, Sixty-six Million Five Hundred
 23 Fifty Thousand Dollars (\$66,550,000.00);

24 (e) In fiscal year 2004 and each subsequent fiscal
 25 year, a sum equal to the average annual amount of the income from
 26 the investment of the funds in the Health Care Trust Fund since
 27 July 1, 1999.

28 (2) In any fiscal year in which interest and dividends from
 29 the investment of the funds in the Health Care Trust Fund are not

30 sufficient to fund the full amount of the annual transfer into the
31 Health Care Expendable Fund as required in subsection (1) of this
32 section, the State Treasurer shall transfer from tobacco
33 settlement installment payments an amount that is sufficient to
34 fully fund the amount of the annual transfer.

35 (3) All income from the investment of the funds in the
36 Health Care Expendable Fund shall be credited to the account of
37 the Health Care Expendable Fund. Any funds in the Health Care
38 Expendable Fund at the end of a fiscal year shall not lapse into
39 the State General Fund.

40 (4) The funds in the Health Care Expendable Fund shall be
41 available for expenditure pursuant to specific appropriation by
42 the Legislature beginning in fiscal year 2000, and shall be
43 expended exclusively for health care purposes.

44 (5) The Attorney General of the State of Mississippi shall
45 not petition any court or other agency to order any portion of the
46 tobacco settlement monies to be diverted or deposited into any
47 account, person, agency or corporation other than into the State
48 Treasury to the credit of the Health Care Expendable Fund
49 established under this section. From and after December 20, 2000,
50 no chancellor or judge of this state shall order any portion of
51 the tobacco settlement monies to be diverted or deposited into any
52 account, person, agency or corporation other than into the State
53 Treasury to the credit of the Health Care Expendable Fund
54 established under this section.

55 SECTION 2. Section 27-103-103, Mississippi Code of 1972, is
56 amended as follows:

57 27-103-103. (1) For the purpose of Sections 27-103-101
58 through 27-103-139 and 27-104-1 through 27-104-27, the term "state
59 general-fund agency" or "general-fund agency" shall mean any
60 agency, department, institution, board or commission of the State
61 of Mississippi which is supported in whole or in part by

62 appropriations from the General Fund; but such term shall not
63 include the Legislature.

64 (2) For the purposes of Sections 27-103-101 through
65 27-103-139 and 27-104-1 through 27-104-27, the term "state
66 special-fund agency" or "special-fund agency" shall mean any
67 agency, department, institution, board or commission of the State
68 of Mississippi which receives no appropriation from the General
69 Fund, but which is supported entirely from special fund sources,
70 by appropriation, or otherwise, but such term shall not include
71 the State Highway Department; nor shall such term include the
72 Mississippi Industries for the Blind.

73 (3) For the purposes of Sections 27-103-101 through
74 27-103-139 and 27-104-1 through 27-104-27, the term "state agency"
75 shall mean any general fund agency or special fund agency as
76 defined in this section, or the State Highway Department, or the
77 Division of State Aid Road Construction of the State Highway
78 Department as is evident from the context wherein it is used.

79 (4) For the purposes of Sections 27-103-101 through
80 27-103-139 and 27-104-1 through 27-104-27, the term "special
81 funds" shall mean all revenues and/or income other than
82 appropriations from the State General Fund which are received,
83 collected by, or available for the support of or expenditure by
84 any state general-fund agency or special-fund agency or the State
85 Highway Department or the Division of State Aid Road Construction
86 of the State Highway Department, whether such funds be derived
87 from taxes or fees collected by or for such general-fund agency or
88 special-fund agency or the State Highway Department or the
89 Division of State Aid Road Construction of the State Highway
90 Department, as the case may be, or from any other types of revenue
91 from any other source.

92 (5) For the purposes of Sections 27-103-101 through
93 27-103-139 and 27-104-1 through 27-104-27, the term "special
94 funds" shall include revolving funds and all funds received from

95 the United States Government by any state general-fund agency or
96 special-fund agency, but shall not include any revolving fund
97 established prior to July 1, 1984, for the purpose of paying or
98 retiring any indebtedness as is authorized by statute.

99 (6) For the purposes of Sections 27-103-101 through
100 27-103-139 and 27-104-1 through 27-104-27, the term "special
101 funds" shall include any court-ordered settlement payments or
102 other payments received by any state general-fund agency or
103 special-fund agency as the result of litigation.

104 SECTION 3. Section 27-104-13, Mississippi Code of 1972, is
105 amended as follows:

106 27-104-13. The State Fiscal Officer shall have the right to
107 disapprove or reduce and revise such estimates of general funds
108 and state-source special funds for any general fund or special
109 fund agency, and for the "administration and other expenses"
110 budget of the State Highway Department, in an amount not to exceed
111 five percent (5%) if he finds that funds will not be available
112 within the period for which the budget is drawn, or if he finds
113 that the requested expenditures, or any part thereof, are not
114 authorized by law, and such action shall be reported to the
115 Legislative Budget Office. The State Fiscal Officer may, upon his
116 determination of need based upon a finding that funds will not be
117 available within the period for which the budget is drawn,
118 transfer funds as provided in Section 27-103-203, from the Working
119 Cash-Stabilization Reserve Fund to the General Fund to supplement
120 the general fund revenue. In the event that the estimates of
121 general funds and state-source special funds of all general fund
122 and special fund agencies, and of the "administration and other
123 expenses" budget of the State Highway Department, have been
124 reduced by five percent (5%), additional reductions may be made
125 but shall consist of a uniform percentage reduction of general
126 funds and state-source special funds to all general fund and
127 special fund agencies, and to the "administration and other

128 expenses" budget of the State Highway Department. Any
129 state-source special funds reduced under the provisions of this
130 section shall be transferred to the State General Fund upon
131 requisitions for warrants signed by the respective agency head and
132 said transfer shall be made within a reasonable period to be
133 determined by the State Fiscal Officer.

134 For the purpose of this section, "state-source special funds"
135 shall be construed to mean any special funds in any agency derived
136 from any source, including any court-ordered settlement or other
137 payments received by a state general-fund agency or special-fund
138 agency as the result of litigation, but shall not include the
139 following special funds: special funds derived from federal
140 sources, from local or regional political subdivisions, or from
141 donations; special funds held in a fiduciary capacity for the
142 benefit of specific persons or classes of persons; self-generated
143 special funds of the state institutions of higher learning or the
144 state junior colleges; special funds of Mississippi Industries for
145 the Blind, the State Port at Gulfport, Yellow Creek Inland Port,
146 Pat Harrison Waterway District, Pearl River Basin Development
147 District, Pearl River Valley Water Management District, Tombigbee
148 River Valley Water Management District, Yellow Creek Watershed
149 Authority, or Coast Coliseum Commission; special funds of the
150 Department of Wildlife, Fisheries and Parks derived from the
151 issuance of hunting or fishing licenses; and special funds
152 generated by agencies whose primary function includes the
153 establishment of standards and the issuance of licenses for the
154 practice of a profession within the State of Mississippi.

155 SECTION 4. Section 31-17-123, Mississippi Code of 1972, is
156 amended as follows:

157 31-17-123. The intent of the Legislature is to authorize
158 borrowing funds under the provisions of Sections 31-17-101 through
159 31-17-123 to offset any temporary cash flow deficiencies and
160 should not be construed to authorize the borrowing of any funds in

161 an amount which cannot be repaid during the fiscal year in which
162 such funds are borrowed. The State Tax Commission and University
163 Research Center, utilizing all available revenue forecast data,
164 shall annually develop a general fund revenue estimate to be
165 adopted by the Legislative Budget Office as of the date of sine
166 die adjournment. If, at the end of October, or at the end of any
167 month thereafter of any fiscal year, the revenues received for the
168 fiscal year shall fall below ninety-eight percent (98%) of the
169 Legislative Budget Office general fund revenue estimate at the
170 date of sine die adjournment, the State Fiscal Officer shall
171 reduce allocations of general funds and state-source special funds
172 to general fund and special fund agencies and to the
173 "administration and other expenses" budget of the State Highway
174 Department in an amount necessary to keep expenditures within the
175 sum of actual general fund receipts including any transfers to the
176 General Fund from the Working Cash-Stabilization Reserve Fund for
177 the fiscal year. The State Fiscal Officer may, upon his
178 determination of need based on the revenue shortfall, transfer
179 funds as provided in Section 27-103-203, from the Working
180 Cash-Stabilization Reserve Fund to the General Fund to supplement
181 the general fund revenue. State-source special funds in an amount
182 equal to any reduction made under the provisions of this section
183 shall be transferred to the State General Fund upon requisitions
184 for warrants signed by the respective agency head and such
185 transfer shall be made within a reasonable period to be determined
186 by the State Fiscal Officer. No agency's allocation shall be
187 reduced in an amount to exceed five percent (5%); however, in the
188 event that the allocations of general funds and state-source
189 special funds to all general fund and special fund agencies and to
190 the "administration and other expenses" budget of the State
191 Highway Department have been reduced by five percent (5%), any
192 additional reductions required to be made hereunder shall consist
193 of a uniform percentage reduction of general funds and

194 state-source special funds to all general fund and special fund
195 agencies, and to the "administration and other expenses" budget of
196 the State Highway Department. Any receipt from loans authorized
197 by Sections 31-17-101 through 31-17-123 shall not be included as
198 revenue receipts. The State Fiscal Officer shall immediately send
199 notice of any action taken under authority of this section to the
200 Legislative Budget Office.

201 For the purpose of this section, "state-source special funds"
202 shall be construed to mean any special funds in any agency derived
203 from any source, including any court-ordered settlement or other
204 payments received by a state general-fund agency or special-fund
205 agency as the result of litigation, but shall not include the
206 following special funds: special funds derived from federal
207 sources, from local or regional political subdivisions, or from
208 donations; special funds held in a fiduciary capacity for the
209 benefit of specific persons or classes of persons; self-generated
210 special funds of the state institutions of higher learning or the
211 state junior colleges; special funds of Mississippi Industries for
212 the Blind, the State Port at Gulfport, Yellow Creek Inland Port,
213 Pat Harrison Waterway District, Pearl River Basin Development
214 District, Pearl River Valley Water Management District, Tombigbee
215 River Valley Water Management District, Yellow Creek Watershed
216 Authority, or Coast Coliseum Commission; special funds of the
217 Department of Wildlife, Fisheries and Parks derived from the
218 issuance of hunting or fishing licenses; and special funds
219 generated by agencies whose primary function includes the
220 establishment of standards and the issuance of licenses for the
221 practice of a profession within the State of Mississippi.

222 SECTION 5. This act shall take effect and be in force from
223 and after its passage.