

By: Representative Eads

To: Appropriations

HOUSE BILL NO. 1048

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,  
 2 TO DIRECT THE STATE TREASURER TO TRANSFER A CERTAIN SUM FROM THE  
 3 2002 TOBACCO SETTLEMENT INSTALLMENT PAYMENT INTO THE HEALTH CARE  
 4 EXPENDABLE FUND; TO PROVIDE THAT THE LEGISLATURE SHALL APPROPRIATE  
 5 THAT SUM TO THE UNIVERSITY OF MISSISSIPPI MEDICAL CENTER TO BE  
 6 USED FOR THE TRAINING OF HEALTH CARE PROFESSIONALS AND ALLIED  
 7 HEALTH PERSONNEL AND FOR THE OPERATION OF THE UNIVERSITY HOSPITAL;  
 8 TO REQUIRE THE UNIVERSITY OF MISSISSIPPI MEDICAL CENTER TO REPAY  
 9 THE FULL AMOUNT OF THAT SUM TO THE HEALTH CARE TRUST FUND WITHIN  
 10 TEN YEARS; TO AMEND SECTION 43-13-405, MISSISSIPPI CODE OF 1972,  
 11 TO CONFORM TO THE PRECEDING PROVISION; AND FOR RELATED PURPOSES.

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

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

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

19 (a) In fiscal year 2000, Fifty Million Dollars  
 20 (\$50,000,000.00);

21 (b) In fiscal year 2001, Fifty-five Million Dollars  
 22 (\$55,000,000.00);

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

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

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



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

38           (3) The State Treasurer shall transfer the sum of Sixteen  
39 Million Four Hundred Twenty-five Thousand Two Hundred Sixty-seven  
40 Dollars (\$16,425,267.00) from the 2002 tobacco settlement  
41 installment payment into the Health Care Expendable Fund. The  
42 Legislature shall appropriate that sum from the Health Care  
43 Expendable Fund to the University of Mississippi Medical Center to  
44 be used for (a) the training of physicians, dentists, nurses and  
45 other health care professionals and allied health personnel at the  
46 School of Medicine, the School of Dentistry, the School of Nursing  
47 and the School of Health Related Professions, and (b) the  
48 operation of the University Hospital. The University of  
49 Mississippi Medical Center shall repay the full amount of the sum  
50 received under the authority of this subsection to the Health Care  
51 Trust Fund not later than June 30, 2012.

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

57           (5) The funds in the Health Care Expendable Fund shall be  
58 available for expenditure pursuant to specific appropriation by  
59 the Legislature beginning in fiscal year 2000, and shall be  
60 expended exclusively for health care purposes.

61           **SECTION 2.** Section 43-13-405, Mississippi Code of 1972, is  
62 amended as follows:



63           43-13-405. (1) In accordance with the purposes of this  
64 article, there is established in the State Treasury the Health  
65 Care Trust Fund, into which shall be deposited Two Hundred Eighty  
66 Million Dollars (\$280,000,000.00) of the funds received by the  
67 State of Mississippi as a result of the tobacco settlement as of  
68 the end of fiscal year 1999, and all tobacco settlement  
69 installment payments made in subsequent years for which the use or  
70 purpose for expenditure is not restricted by the terms of the  
71 settlement, except as otherwise provided in Section 43-13-407(2)  
72 and (3). All income from the investment of the funds in the  
73 Health Care Trust Fund shall be credited to the account of the  
74 Health Care Trust Fund. The funds in the Health Care Trust Fund  
75 at the end of a fiscal year shall not lapse into the State General  
76 Fund.

77           (2) The Health Care Trust Fund shall remain inviolate and  
78 shall never be expended, except as provided in this article. The  
79 Legislature shall appropriate from the Health Care Trust Fund such  
80 sums as are necessary to recoup any funds lost as a result of any  
81 of the following actions:

82                   (a) The federal Health Care Finance Administration, or  
83 other agency of the federal government, is successful in recouping  
84 tobacco settlement funds from the State of Mississippi;

85                   (b) The federal share of funds for the support of the  
86 Mississippi Medicaid Program is reduced directly or indirectly as  
87 a result of the tobacco settlement;

88                   (c) Federal funding for any other program is reduced as  
89 a result of the tobacco settlement; or

90                   (d) Tobacco cessation programs are mandated by the  
91 federal government or court order.

92           **SECTION 3.** This act shall take effect and be in force from  
93 and after its passage.

