

By: Senator(s) Browning

To: Public Health and
Welfare; Appropriations

SENATE BILL NO. 2310

1 AN ACT TO AMEND SECTIONS 43-13-407 AND 43-13-405, MISSISSIPPI
2 CODE OF 1972, TO DIRECT THE STATE TREASURER TO TRANSFER \$144
3 MILLION OF THE 2002 TOBACCO SETTLEMENT INSTALLMENT PAYMENT INTO
4 THE HEALTH CARE EXPENDABLE FUND TO BE APPROPRIATED FOR THE
5 MISSISSIPPI MEDICAID ASSISTANCE PROGRAM; AND FOR RELATED PURPOSES.

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

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

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

13 (a) In fiscal year 2000, Fifty Million Dollars
14 (\$50,000,000.00);

15 (b) In fiscal year 2001, Fifty-five Million Dollars
16 (\$55,000,000.00);

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

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

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

25 (2) In any fiscal year in which interest and dividends from
26 the investment of the funds in the Health Care Trust Fund are not
27 sufficient to fund the full amount of the annual transfer into the
28 Health Care Expendable Fund as required in subsection (1) of this



29 section, the State Treasurer shall transfer from tobacco
30 settlement installment payments an amount that is sufficient to
31 fully fund the amount of the annual transfer.

32 (3) The State Treasurer shall transfer One Hundred
33 Forty-four Million Dollars (\$144,000,000.00) of the 2002 tobacco
34 settlement installment payment into the Health Care Expendable
35 Fund, and said monies shall be appropriated by the Legislature to
36 fund the state's portion of the Medicaid assistance program.

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

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

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

48 43-13-405. (1) In accordance with the purposes of this
49 article, there is established in the State Treasury the Health
50 Care Trust Fund, into which shall be deposited Two Hundred Eighty
51 Million Dollars (\$280,000,000.00) of the funds received by the
52 State of Mississippi as a result of the tobacco settlement as of
53 the end of fiscal year 1999, and all tobacco settlement
54 installment payments made in subsequent years for which the use or
55 purpose for expenditure is not restricted by the terms of the
56 settlement, except as otherwise provided in Sections 43-13-407(2)
57 and 43-13-407(3). All income from the investment of the funds in
58 the Health Care Trust Fund shall be credited to the account of the
59 Health Care Trust Fund. The funds in the Health Care Trust Fund
60 at the end of a fiscal year shall not lapse into the State General
61 Fund.



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

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

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

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

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

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

