

By: Senator(s) Tollison

To: Public Health and  
Welfare; Appropriations

SENATE BILL NO. 2596

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 AMEND SECTION 43-13-405, MISSISSIPPI CODE OF 1972, TO CONFORM  
9 TO THE PRECEDING PROVISION; AND FOR RELATED PURPOSES.

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

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

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

17 (a) In fiscal year 2000, Fifty Million Dollars  
18 (\$50,000,000.00);

19 (b) In fiscal year 2001, Fifty-five Million Dollars  
20 (\$55,000,000.00);

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

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

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

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



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

36 (3) The State Treasurer shall transfer the sum of Sixteen  
37 Million Four Hundred Twenty-five Thousand Two Hundred Sixty-seven  
38 Dollars (\$16,425,267.00) from the 2002 tobacco settlement  
39 installment payment into the Health Care Expendable Fund. The  
40 Legislature shall appropriate that sum from the Health Care  
41 Expendable Fund to the University of Mississippi Medical Center to  
42 be used for (a) the training of physicians, dentists, nurses and  
43 other health care professionals and allied health personnel at the  
44 School of Medicine, the School of Dentistry, the School of Nursing  
45 and the School of Health Related Professions, and (b) the  
46 operation of the University Hospital.

47 (4) All income from the investment of the funds in the  
48 Health Care Expendable Fund shall be credited to the account of  
49 the Health Care Expendable Fund. Any funds in the Health Care  
50 Expendable Fund at the end of a fiscal year shall not lapse into  
51 the State General Fund.

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

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

58 43-13-405. (1) In accordance with the purposes of this  
59 article, there is established in the State Treasury the Health  
60 Care Trust Fund, into which shall be deposited Two Hundred Eighty  
61 Million Dollars (\$280,000,000.00) of the funds received by the  
62 State of Mississippi as a result of the tobacco settlement as of  
63 the end of fiscal year 1999, and all tobacco settlement



64 installment payments made in subsequent years for which the use or  
65 purpose for expenditure is not restricted by the terms of the  
66 settlement, except as otherwise provided in Section 43-13-407(2)  
67 and (3). All income from the investment of the funds in the  
68 Health Care Trust Fund shall be credited to the account of the  
69 Health Care Trust Fund. The funds in the Health Care Trust Fund  
70 at the end of a fiscal year shall not lapse into the State General  
71 Fund.

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

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

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

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

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

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

