

By: Senator(s) Browning, Lee

To: Appropriations

SENATE BILL NO. 2129

1 AN ACT TO AMEND SECTION 43-13-407, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT BEGINNING WITH FISCAL YEAR 2004 THE LEGISLATURE
3 SHALL APPROPRIATE AN ANNUAL AMOUNT FROM THE TOBACCO LITIGATION
4 HEALTH CARE EXPENDABLE FUND EQUAL TO ANY INCREASE IN PREMIUM COST
5 FOR COVERAGE UNDER THE STATE AND SCHOOL EMPLOYEES HEALTH INSURANCE
6 PLAN; AND FOR RELATED PURPOSES.

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

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

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

14 (a) In fiscal year 2000, Fifty Million Dollars
15 (\$50,000,000.00);

16 (b) In fiscal year 2001, Fifty-five Million Dollars
17 (\$55,000,000.00);

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

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

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

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



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

33 (3) (a) On March 6, 2002, the State Treasurer shall
34 transfer the sum of Eighty-seven Million Dollars (\$87,000,000.00)
35 from the Health Care Trust Fund into the Health Care Expendable
36 Fund. In addition, at the time the State of Mississippi receives
37 the 2002 calendar year tobacco settlement installment payment, the
38 State Treasurer shall deposit the full amount of that installment
39 payment into the Health Care Expendable Fund.

40 (b) If during any fiscal year after March 6, 2002, the
41 general fund revenues received by the state exceed the general
42 fund revenues received during the previous fiscal year by more
43 than five percent (5%), the Legislature shall repay to the Health
44 Care Trust Fund one-third (1/3) of the amount of the general fund
45 revenues that exceed the five percent (5%) growth in general fund
46 revenues. The repayment required by this paragraph shall continue
47 in each fiscal year in which there is more than five percent (5%)
48 growth in general fund revenues, until the full amount of the
49 funds that were transferred and deposited into the Health Care
50 Expendable Fund under the provisions of paragraph (a) of this
51 subsection have been repaid to the Health Care Trust Fund.

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 under specific appropriation by the
59 Legislature beginning in fiscal year 2000, and shall be expended
60 exclusively for health care purposes.

61 (6) Subsections (1), (2), (4) and (5) of this section shall
62 stand repealed on July 1, 2004.



63 (7) Beginning with fiscal year 2004, the Legislature shall
64 annually appropriate from the Health Care Expendable Fund an
65 amount necessary to pay for the cost of any increase in premiums
66 to be paid by employees or by the state under the State and School
67 Employees Health Insurance Plan, as certified to the Legislative
68 Budget Office by the State and School Employees Health Insurance
69 Management Board.

70 **SECTION 2.** This act shall take effect and be in force from
71 and after its passage.

