

By: Senator(s) Stogner

To: Business and
Financial
Institutions

SENATE BILL NO. 2181

1 AN ACT TO PROVIDE THAT ALL MONIES OF A RURAL WATERWORKS
2 CORPORATION SHALL BE DEPOSITED IN ONE OR MORE BANKS OR TRUST
3 COMPANIES AND, IF THE CORPORATION SHALL SO REQUIRE, EACH ACCOUNT
4 SHALL BE CONTINUOUSLY SECURED BY A PLEDGE OF DIRECT OBLIGATIONS OF
5 THE UNITED STATES OF AMERICA OR OF THE STATE OF MISSISSIPPI; AND
6 FOR RELATED PURPOSES. BE IT ENACTED BY THE LEGISLATURE OF THE
7 STATE OF MISSISSIPPI:

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9 SECTION 1. All monies, from whatever source derived, of a
10 nonprofit, nonshare corporation chartered under Section 79-11-101
11 et seq. for the purpose of owning and operating rural waterworks
12 shall be deposited in one or more banks or trust companies, and,
13 if the corporation shall so require, each account shall be
14 continuously secured by a pledge of direct obligations of the
15 United States of America or of the State of Mississippi having an
16 aggregate market value, exclusive of accrued interest, at all
17 times at least equal to the balance on deposit in the account or
18 accounts.

19 Such securities shall either be deposited with the
20 corporation or held by a trustee or agent satisfactory to the
21 corporation. In lieu of any pledge of such securities, the
22 deposits may be secured by a surety bond or bonds which shall be
23 in form, sufficiency and substance satisfactory to the
24 corporation.

25 SECTION 2. This act shall take effect and be in force from
26 and after July 1, 1999.