HOUSE BILL NO. 385
(As Passed the House)

AN ACT TO AMEND SECTIONS 37-7-303 AND 37-7-319, MISSISSIPPI CODE OF 1972, TO REQUIRE SCHOOL DISTRICTS TO ISSUE REQUESTS FOR PROPOSALS FOR INSURANCE CONTRACTS OVER $10,000.00; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 37-7-303, Mississippi Code of 1972, is amended as follows:

37-7-303. (1) The school board of any school district may insure motor vehicles and shall insure the school buildings, equipment and other school property of the district against any and all hazards that the board may deem necessary to provide insurance against. Before entering any contract for such insurance which has a value of more than Ten Thousand Dollars ($10,000.00), the school board shall issue publicly a request for proposals. The request for proposals must include a clear description of the minimum coverage and services sought by the school district, the terms and conditions relating to submission of proposals, the criteria upon which an evaluation of the proposals will be based and any other matters that the school board determines to be appropriate for inclusion. Upon receiving responses to the request for proposals, the school board shall select the lowest and best bid or bids on the basis of price, coverage and any other relevant factors determined to be appropriate by the school board. The school board shall enter into its minutes the acceptance of a proposal and the determining factors supporting its decision. The cost of such insurance shall be paid out of any school funds of the district other than minimum
education program funds. Such school board shall be authorized to
contract for such insurance for a term of not exceeding five (5)
years and to obligate the district for the payment of the premiums
thereon. When necessary, the school board is authorized and
empowered, in its discretion, to borrow money payable in annual
installments for a period of not exceeding five (5) years at a
rate of interest not exceeding eight percent (8%) per annum to
provide funds to pay such insurance premiums. The money so
borrowed and the interest thereon shall be payable from any school
funds of the district other than minimum education program funds.
The school boards of school districts are further authorized and
empowered, in all cases where same may be necessary, to bring and
maintain suits and other actions in any court of competent
jurisdiction for the purpose of collecting the proceeds of
insurance policies issued upon the property of such school
district.

(2) Two (2) or more school districts, together with other
educational entities or agencies, may agree to pool their
liabilities to participate in a group workers' compensation
program. The governing authorities of any school board or other
educational entity or agency may authorize the organization and
operation of, or the participation in such a group self-insurance
program with other school boards and educational entities or
agencies, subject to the requirements of Section 71-3-5. The
Workers' Compensation Commission shall approve such group
self-insurance programs subject to uniform rules and regulations
as may be adopted by the commission applicable to all groups.

SECTION 2. Section 37-7-319, Mississippi Code of 1972, is
amended as follows:

37-7-319. All public school boards may purchase group
insurance coverage for the liability of all of its active
full-time instructional and noninstructional personnel. Before
entering any contract for such insurance which has a value of more
than Ten Thousand Dollars ($10,000.00), the school board shall
issue publicly a request for proposals. The request for proposals
must include a clear description of the minimum coverage and
services sought by the school district, the terms and conditions
relating to submission of proposals, the criteria upon which an
evaluation of the proposals will be based and any other matters
that the school board determines to be appropriate for inclusion.
Upon receiving responses to the request for proposals, the school
board shall select the lowest and best bid or bids on the basis of
price, coverage and any other relevant factors determined to be
appropriate by the school board. The school board shall enter
into its minutes the acceptance of a proposal and the determining
factors supporting its decision. Such policy shall be paid for
with any funds available other than state minimum education or
adequate education program funds.

SECTION 3. This act shall take effect and be in force from
and after July 1, 2001.