

By: Representative Taylor

To: Education

HOUSE BILL NO. 315

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

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

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

8 37-7-303. (1) The school board of any school district may  
9 insure motor vehicles and shall insure the school buildings,  
10 equipment and other school property of the district against any  
11 and all hazards that the board may deem necessary to provide  
12 insurance against. Before entering any contract for such  
13 insurance which has a value of more than Ten Thousand Dollars  
14 (\$10,000.00), the school board shall issue publicly a request for  
15 proposals. The request for proposals must include a clear  
16 description of the minimum coverage and services sought by the  
17 school district, the terms and conditions relating to submission  
18 of proposals, the criteria upon which an evaluation of the  
19 proposals will be based and any other matters that the school  
20 board determines to be appropriate for inclusion. Upon receiving  
21 responses to the request for proposals, the school board shall  
22 select the lowest and best bid or bids on the basis of price,  
23 coverage and any other relevant factors determined to be  
24 appropriate by the school board. The school board shall enter  
25 into its minutes the acceptance of a proposal and the determining  
26 factors supporting its decision. The cost of such insurance shall  
27 be paid out of any school funds of the district other than minimum  
28 education program funds. Such school board shall be authorized to



29 contract for such insurance for a term of not exceeding five (5)  
30 years and to obligate the district for the payment of the premiums  
31 thereon. When necessary, the school board is authorized and  
32 empowered, in its discretion, to borrow money payable in annual  
33 installments for a period of not exceeding five (5) years at a  
34 rate of interest not exceeding eight percent (8%) per annum to  
35 provide funds to pay such insurance premiums. The money so  
36 borrowed and the interest thereon shall be payable from any school  
37 funds of the district other than minimum education program funds.  
38 The school boards of school districts are further authorized and  
39 empowered, in all cases where same may be necessary, to bring and  
40 maintain suits and other actions in any court of competent  
41 jurisdiction for the purpose of collecting the proceeds of  
42 insurance policies issued upon the property of such school  
43 district.

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

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

57 37-7-319. All public school boards may purchase group  
58 insurance coverage for the liability of all of its active  
59 full-time instructional and noninstructional personnel. Before  
60 entering any contract for such insurance which has a value of more  
61 than Ten Thousand Dollars (\$10,000.00), the school board shall



62 issue publicly a request for proposals. The request for proposals  
63 must include a clear description of the minimum coverage and  
64 services sought by the school district, the terms and conditions  
65 relating to submission of proposals, the criteria upon which an  
66 evaluation of the proposals will be based and any other matters  
67 that the school board determines to be appropriate for inclusion.  
68 Upon receiving responses to the request for proposals, the school  
69 board shall select the lowest and best bid or bids on the basis of  
70 price, coverage and any other relevant factors determined to be  
71 appropriate by the school board. The school board shall enter  
72 into its minutes the acceptance of a proposal and the determining  
73 factors supporting its decision. Such policy shall be paid for  
74 with any funds available other than state minimum education or  
75 adequate education program funds.

76 **SECTION 3.** This act shall take effect and be in force from  
77 and after July 1, 2002.

