COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 200

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; 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, 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
adequate 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 adequate 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, 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 adequate education
program funds.

SECTION 3. This act shall take effect and be in force from
and after July 1, 2003.