MISSISSIPPI LEGISLATURE REGULAR SESSION 2025

By: Representative Aguirre

To: Banking and Financial Services; County Affairs

HOUSE BILL NO. 1325

AN ACT TO AMEND SECTION 27-105-305, MISSISSIPPI CODE OF 1972, TO REVISE THE INTERVAL OF TIME FOR PUBLISHING NOTICE OF THE ACCEPTANCE OF BIDS FROM FINANCIAL INSTITUTIONS TO SERVE AS THE COUNTY DEPOSITORY WHENEVER THE BOARD OF SUPERVISORS DESIGNATES A DEPOSITORY DURING THE BOARD MEMBERS' LAST YEAR OF THEIR TERM OF OFFICE; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 27-105-305, Mississippi Code of 1972, is amended as follows:

27-105-305. The board of supervisors at the regular December 1997 meeting, and annually thereafter or, in the discretion of the board of supervisors, thereafter at such other interval of time as determined by the board of supervisors, up to every four (4) years, shall give notice to all financial institutions in its county whose accounts are insured by the Federal Deposit Insurance Corporation (or any successor thereto), by publication, that bids will be received from financial institutions at the following January meeting, or some subsequent meeting, for the privilege of keeping the county funds, or any part thereof *** * *** <u>; however, the interval of time for giving notice shall be less than four (4)</u>

years when the board of supervisors designates a depository during the last year of the board members' four-year term of office. The notice shall refer by name to this article, and it shall not be necessary to incorporate in the notice the provisions of this article *** * *** . At the January meeting, or a subsequent meeting as may be designated in the notice, as the case may be, the board of supervisors shall receive such bids or proposals as the financial institutions may make for the privilege of keeping the county funds, or any part thereof. The bids or proposals shall designate the kind of security as authorized by law which the financial institutions propose to give as security for funds, and the board shall cause the county funds and all other funds in the hands of the county treasurer to be deposited in the qualified financial institution or qualified institutions proposing the best terms, taking into consideration all material aspects of the proposal, including, but not limited to, net earnings, account costs, costs of transfer of accounts from existing depositories, banking services provided and other service considerations, and meeting the requirements provided in Section 27-105-315, having in view the safety of such funds. However, if a bank submits a bid or offer to the board of supervisors to act as a depository for the county and the bid or offer, if accepted, would result in a contract in which a member of the board of supervisors would have a direct or indirect interest, the board of supervisors may elect to not open or consider any bids received and submit the matter to the State Treasurer. Upon receipt of the bids received from the board of supervisors, the State Treasurer shall open and consider the bids received, select a depository or depositories, make all decisions and take any action within the authority of the board of supervisors under this section relating to the selection of a depository or depositories, including:

(a) The selecting and opening of accounts;

(b) Approval of securities;

(c) The transfer and deposit of funds between depositories; and

(d) All other related functions.

If the board of supervisors elects to open and consider the bids or offers, it shall not open or consider any bid which, if accepted, would result in a contract in which a member of the board of supervisors would have a direct or indirect interest. The board is prohibited from designating a depository during the last year of a four-year term.

SECTION 2. This act shall take effect and be in force from and after July 1, 2025.