

By: Representative Aguirre

To: Banking and Financial
Services; County Affairs

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1325

1 AN ACT TO AMEND SECTION 27-105-305, MISSISSIPPI CODE OF 1972,
2 TO REVISE THE INTERVAL OF TIME FOR PUBLISHING NOTICE OF THE
3 ACCEPTANCE OF BIDS FROM FINANCIAL INSTITUTIONS TO SERVE AS THE
4 COUNTY DEPOSITORY WHENEVER THE BOARD OF SUPERVISORS DESIGNATES A
5 DEPOSITORY DURING THE BOARD MEMBERS' LAST YEAR OF THEIR TERM OF
6 OFFICE; TO DELETE THE PROHIBITION AGAINST A BOARD OF SUPERVISORS
7 DESIGNATING A COUNTY DEPOSITORY DURING THE LAST YEAR OF A
8 FOUR-YEAR TERM; AND FOR RELATED PURPOSES.

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

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

12 27-105-305. Beginning on July 1, 2024, the board of
13 supervisors at the regular December * * * meeting, and annually
14 thereafter or, in the discretion of the board of supervisors,
15 thereafter at such other interval of time as determined by the
16 board of supervisors, up to every four (4) years, shall give
17 notice to all financial institutions in its county whose accounts
18 are insured by the Federal Deposit Insurance Corporation (or any
19 successor thereto), by publication, that bids will be received
20 from financial institutions at the following January meeting, or
21 some subsequent meeting, for the privilege of keeping the county



22 funds, or any part thereof * * * ; however, the interval of time
23 for giving notice shall be less than four (4) years when the board
24 of supervisors designates a depository during the last year of the
25 board members' four-year term of office. The notice shall refer
26 by name to this article, and it shall not be necessary to
27 incorporate in the notice the provisions of this article * * * .
28 At the January meeting, or a subsequent meeting as may be
29 designated in the notice, as the case may be, the board of
30 supervisors shall receive such bids or proposals as the financial
31 institutions may make for the privilege of keeping the county
32 funds, or any part thereof. The bids or proposals shall designate
33 the kind of security as authorized by law which the financial
34 institutions propose to give as security for funds, and the board
35 shall cause the county funds and all other funds in the hands of
36 the county treasurer to be deposited in the qualified financial
37 institution or qualified institutions proposing the best terms,
38 taking into consideration all material aspects of the proposal,
39 including, but not limited to, net earnings, account costs, costs
40 of transfer of accounts from existing depositories, banking
41 services provided and other service considerations, and meeting
42 the requirements provided in Section 27-105-315, having in view
43 the safety of such funds. However, if a bank submits a bid or
44 offer to the board of supervisors to act as a depository for the
45 county and the bid or offer, if accepted, would result in a
46 contract in which a member of the board of supervisors would have



47 a direct or indirect interest, the board of supervisors may elect
48 to not open or consider any bids received and submit the matter to
49 the State Treasurer. Upon receipt of the bids received from the
50 board of supervisors, the State Treasurer shall open and consider
51 the bids received, select a depository or depositories, make all
52 decisions and take any action within the authority of the board of
53 supervisors under this section relating to the selection of a
54 depository or depositories, including:

- 55 (a) The selecting and opening of accounts;
- 56 (b) Approval of securities;
- 57 (c) The transfer and deposit of funds between
58 depositories; and
- 59 (d) All other related functions.

60 If the board of supervisors elects to open and consider the
61 bids or offers, it shall not open or consider any bid which, if
62 accepted, would result in a contract in which a member of the
63 board of supervisors would have a direct or indirect interest.

64 * * *

65 **SECTION 2.** This act shall take effect and be in force from
66 and after its passage.

