

By: Representative Taylor

To: Education;
Appropriations

HOUSE BILL NO. 385
(As Passed the House)

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, 2001.