

**Adopted
COMMITTEE AMENDMENT NO 1 PROPOSED TO**

House Bill No. 1577

BY: Committee

**Amend by striking all after the enacting clause and inserting
in lieu thereof the following:**

9 **SECTION 1.** Section 27-105-305, Mississippi Code of 1972, is
10 amended as follows:
11 27-105-305. The board of supervisors at the regular December
12 1997 meeting, and annually thereafter or, in the discretion of the
13 board of supervisors, thereafter at such other interval of time as
14 determined by the board of supervisors, * * * up to every four (4)
15 years, shall give notice to all financial institutions in its
16 county whose accounts are insured by the Federal Deposit Insurance
17 Corporation (or any successor thereto), by publication, that bids
18 will be received from financial institutions at the following



19 January meeting, or some subsequent meeting, for the privilege of
20 keeping the county funds, or any part thereof, which notice shall
21 refer by name to this article and it shall not be necessary to
22 incorporate in the notice the provisions of this article; and at
23 the January meeting, or a subsequent meeting as may be designated
24 in the notice, as the case may be, the board of supervisors shall
25 receive such bids or proposals as the financial institutions may
26 make for the privilege of keeping the county funds, or any part
27 thereof. The bids or proposals shall designate the kind of
28 security as authorized by law which the financial institutions
29 propose to give as security for funds, and the board shall cause
30 the county funds and all other funds in the hands of the county
31 treasurer to be deposited in the qualified financial institution
32 or qualified institutions proposing the best terms, taking into
33 consideration all material aspects of the proposal, including, but
34 not limited to, net earnings, account costs, costs of transfer of
35 accounts from existing depositories, banking services provided and
36 other service considerations, and meeting the requirements
37 provided in Section 27-105-315, having in view the safety of such
38 funds. However, if a bank submits a bid or offer to the board of
39 supervisors to act as a depository for the county and the bid or
40 offer, if accepted, would result in a contract in which a member
41 of the board of supervisors would have a direct or indirect
42 interest, the board of supervisors may elect to not open or
43 consider any bids received and submit the matter to the State



44 Treasurer. Upon receipt of the bids received from the board of
45 supervisors, the State Treasurer shall open and consider the bids
46 received, select a depository or depositories, make all decisions
47 and take any action within the authority of the board of
48 supervisors under this section relating to the selection of a
49 depository or depositories, including:

- 50 (a) The selecting and opening of accounts;
- 51 (b) Approval of securities;
- 52 (c) The transfer and deposit of funds between
53 depositories; and
- 54 (d) All other related functions.

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

61 **SECTION 2.** Section 27-105-353, Mississippi Code of 1972, is
62 amended as follows:

63 27-105-353. The board of mayor and aldermen or other
64 municipal authorities of each and every city, town or village in
65 the state are required to select a depository in the manner
66 provided by law for the selection of county depositories,
67 including the same intervals of time as counties for receiving
68 bids from financial institutions for the privilege of holding



69 public funds. Before being selected, a depository must be
70 certified by the State Treasurer as meeting the capital ratio
71 requirement specified in Section 27-105-5 or 27-105-6. An
72 institution shall not be a qualified depository and shall not
73 receive any municipal funds unless its ratio has been certified
74 annually by the State Treasurer as meeting the prescribed
75 requirement. Notwithstanding the foregoing, any financial
76 institution whether or not meeting the prescribed ratio
77 requirement whose accounts are insured by the Federal Deposit
78 Insurance Corporation or any successors to that insurance
79 corporation may receive municipal funds in an amount not exceeding
80 the amount that is insured by that insurance corporation and may
81 qualify as a municipal depository to the extent of that insurance
82 as prescribed in Section 27-105-315.

83 **SECTION 3.** Section 27-105-363, Mississippi Code of 1972,
84 which allows for counties and municipalities to follow an
85 identical process for selecting public depositories, is hereby
86 repealed.

87 **SECTION 4.** This act shall take effect and be in force from
88 and after its passage.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO AMEND SECTIONS 27-105-305 AND 27-105-353,
2 MISSISSIPPI CODE OF 1972, TO PROVIDE NECESSARY UPDATES AND TO
3 HARMONIZE BIDDING TERMS FOR PUBLIC DEPOSITS BETWEEN COUNTIES AND
4 MUNICIPALITIES; TO REPEAL SECTION 27-105-363, MISSISSIPPI CODE OF



5 1972, WHICH ALLOWS FOR COUNTIES AND MUNICIPALITIES TO FOLLOW AN
6 IDENTICAL PROCESS FOR SELECTING PUBLIC DEPOSITORIES; AND FOR
7 RELATED PURPOSES.

