House Engrossed Senate Bill

FILED
JANICE K. BREWER
SECRETARY OF STATE

State of Arizona
Senate
Forty-seventh Legislature
Second Regular Session
2006

CHAPTER 99

SENATE BILL 1022

AN ACT

AMENDING SECTION 35-325, ARIZONA REVISED STATUTES; RELATING TO PUBLIC FINANCES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 35-325, Arizona Revised Statutes, is amended to read:

35-325. Servicing bank of public monies

A. Any bank that qualifies to become an eligible depository of the deposits of public monies, that has a total capital structure of ten million dollars or more, resources of one hundred million dollars or more and that is otherwise in a sound condition~~,~~ is eligible to be the servicing bank for the deposits of state and county monies.

B. No later than the first Monday in March of each year of award, the county boards of deposit shall in writing notify each of the banks qualified to be a servicing bank of the time and place at which servicing bids will be received. Notification of bids shall clearly specify all services required to be performed by the servicing bank. The servicing bid solicited shall be the sum of dollars for which the qualified bank will agree to perform the required services as a servicing bank for the ensuing period of designation as established by the board of deposit. The award shall be made for an initial period of not more than three years with the option to renew for two years on the mutual consent of the parties and may be paid from general fund interest earnings according to rules adopted by the board of deposit.

C. No later than the fourth Monday in April of the year of the award, county boards of deposit shall meet and receive the servicing bids in writing. Only those bids which conform to the specifications set forth in the notification of bids shall be considered. BIDS SHALL BE EVALUATED BASED ON RESPONSE, PRICE, SERVICES, QUALIFICATIONS AND OTHER SCOPE OF WORK FACTORS THAT ARE DETAILED IN THE BID DOCUMENTS. The qualified bank representing the ~~lowest~~ HIGHEST RATED bid shall be designated as the servicing bank. Designations shall be evidenced by the signing of the notification of bid by the treasurer and the designee bank. ~~If there are identical low bids the board of deposit shall determine by lot which of the identical low bidders shall be the designee.~~

D. A treasurer or servicing bank may terminate a servicing bank contract at any time after one hundred eighty days' prior written notice is given.

E. This section does not require any treasurer to utilize a servicing bank.

F. This section or the specifications set forth in the notification of bids shall not be construed to require the servicing bank to purchase warrants.

APPROVED BY THE GOVERNOR APRIL 11, 2006.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 11, 2006.