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*TESTIMONY OF
ATTORNEY GENERAL RICHARD BLUMENTHAL
BEFORE THE BANKS COMMITTEE
FEBRUARY 28, 2008*

I appreciate the opportunity to support Senate Bill 219, An Act Repealing the Connecticut Uniform Management of Institutional Funds Act with a critical amendment that I have attached.

Last session, the General Assembly adopted the Uniform Prudent Management of Institutional Funds Act that clarifies the duties and responsibilities of individuals who invest or manage charitable funds. That law updates and replaces the Uniform Prudent Management of Institutional Funds Act that Connecticut adopted in 1973 and is codified at Conn. Gen. Stat. § 45a-526 through 45a-534, inclusive.

My responsibility is to protect and enforce donors' charitable interests and address issues such as clarifying and achieving the original donors' goal through a court cy pres action. My office worked with the drafters of the revised uniform act to ensure that donor interests are protected under the proposed legislation.

Senate Bill 219 addresses several technical issues, including repealing the uniform act that was substituted by last year's public act.

I urge the committee to favorably consider Senate Bill 219 with the attached amendment -- supported by the Connecticut uniform law drafters.

Thank you.

PROPOSED TEXT FOR TECHNICAL AMENDMENT TO UPMIFA

1. Section 29 of Public Act 2007-91 as hereby amended as follows (new text appears as underlined):

(5) "Institutional fund" means a fund held by an institution exclusively for charitable purposes or a fund held by trustee for a charitable community trust. The term does not include:

(A) Program-related assets;

(B) A fund held for an institution by a trustee that is not an institution, other than a fund which is held for a charitable community trust; or

(C) A fund in which a beneficiary that is not an institution has an interest other than an interest that could arise upon violation or failure of the purposes of the fund;...

2. Sections 45a-526 through 45a-534 are hereby repealed.

3. This Act shall take effect upon enactment.

Amendment to SB 219
(2-26-08)