



Senate

General Assembly

File No. 65

February Session, 2008

Substitute Senate Bill No. 219

Senate, March 20, 2008

The Committee on Banks reported through SEN. DUFF of the 25th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT REPEALING THE CONNECTICUT UNIFORM MANAGEMENT OF INSTITUTIONAL FUNDS ACT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (9) of section 4-37f of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage*)

4 (9) There shall be a written agreement between the state agency and
5 the foundation which (A) addresses any use by the foundation of the
6 agency's facilities and resources including, but not limited to, office
7 space, storage space, office furniture and equipment, utilities,
8 photocopying services, computer systems and the maintenance by the
9 state agency of the books and records of the foundation, provided any
10 such books and records maintained by the state agency shall not be
11 deemed to be public records and shall not be subject to disclosure
12 pursuant to the provisions of section 1-210 of the 2008 supplement to
13 the general statutes, (B) provides that the state agency shall have no
14 liability for the obligations, acts or omissions of the foundation, (C)

15 requires the foundation to reimburse the state agency for expenses the
16 agency incurs as a result of foundation operations, if the agency would
17 not have otherwise incurred such expenses, (D) in the case of
18 foundations established for a constituent unit of the state system of
19 higher education or for a public institution of higher education,
20 requires the foundation to establish and adhere to an investment
21 policy and a spending policy that are consistent with sections [45a-526
22 to 45a-534, inclusive] 45a-535 to 45a-535i, inclusive, and (E) provides
23 that if the foundation ceases to exist or ceases to be a foundation, as
24 defined in section 4-37e, (i) the foundation shall be prohibited from
25 using the name of the state agency, (ii) the records of the foundation,
26 or copies of such records, shall be made available to and may be
27 retained by the state agency, provided any such records or copies
28 which are retained by the state agency shall not be deemed to be public
29 records and shall not be subject to disclosure pursuant to the
30 provisions of section 1-210 of the 2008 supplement to the general
31 statutes, and (iii) there are procedures for the disposition of the
32 financial and other assets of the foundation. If the state agency is a
33 constituent unit, the board of trustees of the constituent unit shall
34 approve such agreement. If the state agency is a public institution of
35 higher education, the board of trustees of the constituent unit which
36 has jurisdiction over the institution shall approve such agreement.

37 Sec. 2. Section 45a-541l of the general statutes is repealed and the
38 following is substituted in lieu thereof (*Effective from passage*):

39 [Section 45a-532 and sections] Sections 45a-541 to 45a-541l,
40 inclusive, as amended by this act, apply to trusts existing on and
41 created after October 1, 1997. As applied to trusts existing on October
42 1, 1997, [section 45a-532 and] sections 45a-541 to 45a-541l, inclusive, as
43 amended by this act, govern only decisions or actions occurring after
44 that date.

45 Sec. 3. Subdivision (5) of section 45a-535a of the 2008 supplement to
46 the general statutes is repealed and the following is substituted in lieu
47 thereof (*Effective from passage*):

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

51 (A) Program-related assets;

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

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

58 Sec. 4. (*Effective from passage*) Sections 45a-526 to 45a-534, inclusive,
59 of the general statutes are repealed.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	4-37f(9)
Sec. 2	<i>from passage</i>	45a-541l
Sec. 3	<i>from passage</i>	45a-535a(5)
Sec. 4	<i>from passage</i>	Repealer section

BA Joint Favorable Subst.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sSB 219*****AN ACT REPEALING THE CONNECTICUT UNIFORM
MANAGEMENT OF INSTITUTIONAL FUNDS ACT.*****SUMMARY:**

This bill repeals the Uniform Management of Institutional Funds Act. In 2007, the legislature adopted the Uniform Prudent Management of Institutional Funds Act, which provides guidelines for the management, investment, and expenditure of institutional funds, but did not repeal the existing law on the same subject matter.

The bill also expands the definition of institutional funds under the more recent act to include not just funds held by an institution exclusively for charitable purposes, but also funds held by trustees for charitable community trusts.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Banks Committee

Joint Favorable Substitute

Yea 17 Nay 0 (03/04/2008)