



General Assembly

February Session, 2008

**Substitute Bill No. 5049**

\*           HB05049HEDF IN030508           \*

**AN ACT ESTABLISHING A CONNECTICUT HIGHER EDUCATION  
PERPETUAL TRUST FUND.**

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

1       Section 1. Subsection (c) of section 4-30a of the general statutes is  
2       repealed and the following is substituted in lieu thereof (*Effective July*  
3       *1, 2008*):

4       (c) The Treasurer is authorized to invest all or any part of said fund  
5       in accordance with the provisions of section 3-31a. The interest derived  
6       from the investment of said fund shall be credited to the [General  
7       Fund] Higher Education Perpetual Trust Fund established under  
8       section 3 of this act.

9       Sec. 2. Section 3-27a of the general statutes is repealed and the  
10       following is substituted in lieu thereof (*Effective July 1, 2008*):

11       There is hereby created a Short Term Investment Fund to be  
12       administered by the State Treasurer. The State Treasurer may sell  
13       participation certificates of the Short Term Investment Fund for  
14       investment to the General Fund, bond funds, the Special  
15       Transportation Fund, the Local Bridge Revolving Fund, the  
16       Educational Excellence Trust Fund, the Residential Property Tax  
17       Revaluation Relief Fund, the Higher Education Perpetual Trust Fund  
18       established under section 3 of this act, the Municipal Abandoned

19 Vehicle Trust Fund, the Special Abandoned Property Fund, trust funds  
20 administered by the Treasurer and all such other funds the moneys of  
21 which by law the Treasurer is responsible for investing. Said  
22 participation certificates shall bear and pay such interest and be issued  
23 subject to such terms and conditions as shall be determined and  
24 established by the State Treasurer. The interest derived from the  
25 investment or reinvestment of funds of The University of Connecticut  
26 Operating Fund and The University of Connecticut Health Center  
27 Operating Fund, The University of Connecticut Research Foundation,  
28 The University of Connecticut Health Center Research Foundation, the  
29 Connecticut State University System Operating Fund, the Connecticut  
30 State University System Research Foundation, and the Regional  
31 Community-Technical Colleges Operating Fund, as authorized by  
32 sections 10a-105, 10a-110a, 10a-130, 10a-99 and 10a-77, respectively,  
33 and the Board for State Academic Awards educational services  
34 account, as authorized by section 10a-143, shall be paid to each board  
35 or board of trustees respectively.

36 Sec. 3. (NEW) (*Effective July 1, 2008*) (a) There is established a fund to  
37 be known as the "Higher Education Perpetual Trust Fund". Moneys  
38 deposited in the fund shall be held by the Treasurer separate and apart  
39 from all other moneys, funds and accounts. Investment earnings  
40 credited to the fund shall become part of the fund. Amounts in the  
41 fund shall be expended only pursuant to appropriations by the  
42 General Assembly and shall be in accordance with the provisions of  
43 subsection (b) of this section.

44 (b) For the fiscal year ending June 30, 2010, and each fiscal year  
45 thereafter, the General Assembly shall appropriate sixty-two and one-  
46 half per cent of the annual investment earnings credited to the Higher  
47 Education Perpetual Trust Fund to the Connecticut aid to public  
48 college students grant program pursuant to subsections (a) and (c) of  
49 section 10a-164a of the general statutes. For any fiscal year in which  
50 there are no investment earnings credited to the fund or the amount of  
51 such investment earnings is not sufficient to cover the amount of the

52 requested appropriation under subsections (a) and (c) of said section  
53 10a-164a, the General Assembly may appropriate investment earnings  
54 that were credited to the fund in any previous fiscal year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008</i>	4-30a(c)
Sec. 2	<i>July 1, 2008</i>	3-27a
Sec. 3	<i>July 1, 2008</i>	New section

**HED**

*Joint Favorable Subst. C/R*

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