



House of Representatives

File No. 849

General Assembly

January Session, 2011

(Reprint of File No. 87)

Substitute House Bill No. 6318
As Amended by House
Amendment Schedule "A"

Approved by the Legislative Commissioner
May 26, 2011

**AN ACT CONCERNING DONATIONS OF EQUIPMENT TO THE
REGIONAL VOCATIONAL-TECHNICAL SCHOOL SYSTEM.**

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

1 Section 1. (NEW) (*Effective from passage*) The Commissioner of
2 Education may indemnify and hold harmless any person, as defined in
3 section 1-79 of the general statutes, who makes a gift of tangible
4 property or properties with a fair market value in excess of one
5 thousand dollars to the Department of Education or the regional
6 vocational-technical school system for instructional purposes. Any
7 indemnification under this section shall be solely for any damages
8 caused as a result of the use of such tangible property, provided there
9 shall be no indemnification for any liability resulting from (1)
10 intentional or wilful misconduct by the person providing such tangible
11 property to the department or the regional vocational-technical school
12 system, or (2) hidden defects in such tangible property that are known
13 to and not disclosed by the person providing such tangible property to
14 the department or the regional vocational-technical school system at
15 the time the gift is made.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 12 \$	FY 13 \$
Attorney General	GF - Cost Adjudicated Claims	Potential Significant	Potential Significant

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which indemnifies any person who makes a gift in excess of one thousand dollars to the State Department of Education or the technical high school system, could result in a significant cost to the state. Under the bill, if any of the covered entities makes a donation of property, and the entity is then sued, the state then becomes responsible for any costs brought about by the law suit. Any costs would be paid through the Adjudicated Claims account. The Adjudicated Claims account expended \$9.5 million on average over the last 5 years.

House "A" (LCO 6660) made limitations on the indemnification and reduced potential state liability.

The Out Years

The fiscal impact stated above would continue into the out years subject to any lawsuits.

OLR Bill Analysis**sHB 6318 (as amended by House "A")******AN ACT CONCERNING DONATIONS OF EQUIPMENT TO THE REGIONAL VOCATIONAL-TECHNICAL SCHOOL SYSTEM.*****SUMMARY:**

This bill allows the education commissioner to indemnify those who donate certain tangible personal property to the State Department of Education (SDE) or regional vocational-technical (V-T) schools for instructional purposes. The donated property must have a fair market value of more than \$1,000.

The bill covers donations by individuals, sole proprietorships, trusts, corporations, limited liability companies, unions, associations, firms, partnerships, committees, clubs, and other organizations or groups. Indemnification covers only damages arising from the property's use. It does not extend to any liability for (1) a donor's deliberate misconduct or (2) hidden defects the donor knew about but failed to disclose to SDE or the V-T system when making the gift.

*House Amendment "A" adds the exclusion for known but undisclosed hidden defects.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute

Yea 30 Nay 0 (03/02/2011)

Judiciary Committee

Joint Favorable

Yea 44 Nay 0 (04/12/2011)

Appropriations Committee

Joint Favorable

Yea 53 Nay 0 (05/09/2011)