



General Assembly

January Session, 2011

Governor's Bill No. 6395

LCO No. 3486

*03486 _____ *

Referred to Committee on Select Committee on Veterans' Affairs

Introduced by:

REP. DONOVAN, 84th Dist.

REP. SHARKEY, 88th Dist.

SEN. WILLIAMS, 29th Dist.

SEN. LOONEY, 11th Dist.

***AN ACT CONCERNING INTEREST EARNED ON THE SOLDIERS,
SAILORS AND MARINES FUND.***

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

1 Section 1. Section 27-138 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2011*):

3 (a) The Soldiers, Sailors and Marines Fund shall remain as
4 established and shall be in the custody of the Treasurer as trustee of
5 the fund and shall be administered by the treasurer of the American
6 Legion. The Treasurer shall invest the fund and shall reinvest as much
7 of the fund as is not required for current disbursement in accordance
8 with the provisions of part I of chapter 32. The interest accumulations
9 of the fund so held in trust or so much thereof as is found necessary to
10 carry out the purposes hereinafter stated shall be paid, upon the order
11 of the Comptroller, upon such statements as the Comptroller may
12 require, to the treasurer of the American Legion, who shall disburse

13 the same, and the balance of said accumulations, except for a reserve of
14 one hundred thousand dollars held in custody of the trustee for
15 contingent purposes, shall at the end of each fiscal year be added to the
16 principal of the fund. If the interest accumulations of the fund,
17 together with available appropriations, if any, of other funds, are
18 insufficient to carry out the purposes of this part, the Finance Advisory
19 Committee, upon recommendation of the Governor, shall make
20 appropriations therefor from the state General Fund, limited, however,
21 for any fiscal year to amounts which, together with said interest
22 accumulations for such year, shall not exceed the annual interest on
23 thirty-five million dollars at the average rate of the investment yield
24 earned during the preceding fiscal year on the Soldiers, Sailors and
25 Marines Fund, provided, in case of disaster constituting an emergency,
26 as declared by the Governor, the Finance Advisory Committee may
27 make additional appropriations to the fund without regard to such
28 limitation. Any amounts appropriated from the General Fund under
29 the provisions of this subsection shall be repaid to said fund in
30 accordance with the provisions of subsection (b) of this section.
31 Payments to the treasurer of the American Legion shall be made at
32 such definite and stated periods as are necessary to meet the
33 convenience of the American Legion and said trustee; but each
34 payment shall be made upon the order of the treasurer of the
35 American Legion, approved by at least two of its executive officers or
36 of a special committee thereof thereunto specially authorized. No part
37 of the interest accumulation of the fund shall be expended for the
38 purpose of maintaining the American Legion.

39 (b) If in any fiscal year the interest earned on the principal of the
40 Soldiers, Sailors and Marines Fund exceeds the expenditure level of
41 said fund and there remains an outstanding balance in the cumulative
42 amount to be repaid to the General Fund by the Soldiers, Sailors and
43 Marines Fund under the provisions of subsection (a) of this section, the
44 Comptroller may transfer any interest earned in excess of expenditure
45 to the General Fund. Except as provided for in this section, the
46 Comptroller may not transfer interest earned on the principal of the

47 Soldiers, Sailors and Marines Fund to the General Fund.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2011</i>	27-138

Statement of Purpose:

To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]