



General Assembly

January Session, 2011

**Governor's Bill No. 6395**

LCO No. 3486

\*        HB06395VA\_APP030811        \*

Referred to Committee on Select Committee on Veterans' Affairs

Introduced by:

REP. DONOVAN, 84<sup>th</sup> Dist.

REP. SHARKEY, 88<sup>th</sup> Dist.

SEN. WILLIAMS, 29<sup>th</sup> Dist.

SEN. LOONEY, 11<sup>th</sup> 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 Section 27-138 of the general statutes is repealed and the  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
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**VA**

*Joint Favorable C/R*

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