

Department of Planning and Budget 2008 Fiscal Impact Statement

1. Bill Number: HB951

House of Origin ☐ Introduced ☐ Substitute ☒ Engrossed

Second House ☒ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Iaquinto

3. Committee: General Laws and Technology

4. Title: Uniform Prudent Management of Institutional Funds Act; creation.

5. Summary: Replaces current provisions in the Virginia Code with this Uniform Act which was adopted by the National Conference of Commissioners on Uniform State Laws (NCCUSL) in 2006. The original Uniform Management of Institutional Funds Act was adopted by NCCUSL in 1972 and enacted in Virginia in 1973.

6. Fiscal Impact Estimates: Not available. See item 8, below.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: The intent of this bill is to replace the current provisions in the Virginia Code with this Uniform act which was proposed and adopted by the National Conference of Commissioners on Uniform State Laws in 2006. The Act clarifies and expands the duties and obligations concerning the conduct of investment and expenditures of institutional funds as they apply to all charitable institutions. According to the Department of the Treasury, the bill will not have an impact on its policies or operations. The proposed legislation may have an impact on the workload of the court system and the Office of the Attorney General. However, the court system has indicated that any impact could be accommodated with current resources, as similar actions are already permitted in circuit court for a release of conditions upon a certain showing. It is anticipated that the proposed bill will not have a fiscal impact to the Office of the Attorney General.

9. Specific Agency or Political Subdivisions Affected: Department of the Treasury, court system, and the Attorney General.

10. Technical Amendment Necessary: No.

11. Other Comments: Over ten states have adopted the Uniform Prudent Management of Institutional Funds Act and in 2007 eight additional states introduced legislation to enact the Act.

Date: 2/8/2008 dpbtmw

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cc: Secretary of Finance