

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Government Operations to which was referred Senate
3 Bill No. 182 entitled “An act relating to the investment authority of municipal
4 trustees of public funds” respectfully reports that it has considered the same
5 and recommends that the House propose to the Senate that the bill be amended
6 as follows:

7 First: In Sec. 1, 24 V.S.A. § 2432, in subsection (d), by striking the
8 subsection in its entirety and inserting in lieu thereof the following:

9 (d) The trustees may delegate management and investment of funds under
10 their charge to the extent that is prudent under the terms of the trust or
11 endowment, and in accordance with 14 V.S.A. § 3415 (delegation of
12 management and investment functions) of the Uniform Prudent Management
13 of Institutional Funds Act. Notwithstanding the limitations on investments set
14 forth in subsection (b) of this section, an agent exercising a delegated
15 management or investment function may invest the funds in a publicly traded
16 security that is:

17 (1) registered with the Securities and Exchange Commission pursuant to
18 15 U.S.C. § 78l, and listed on a national securities exchange;

19 (2) issued by an investment company registered pursuant to 15 U.S.C.
20 § 80a-8;

1 (3) a corporate bond registered as an offering with the Securities and
2 Exchange Commission pursuant to 15 U.S.C. § 78l and issued by an entity
3 whose stock is a publicly traded security;

4 (4) a municipal security; or

5 (5) a long-term security issued, insured, or guaranteed by the United
6 States.

7 Second: In Sec. 3, 18 V.S.A. § 5384, in subsection (b), in subdivision (3),
8 by striking the subdivision in its entirety and inserting in lieu thereof the
9 following:

10 (3) The treasurer, selectboard, or trustees of public funds may delegate
11 management and investment of town cemetery funds to the extent that it is
12 prudent under the terms of the trust or endowment, and in accordance with ~~the~~
13 ~~Uniform Prudent Management of Institutional Funds Act~~, 14 V.S.A.

14 § 3415 (delegation of management and investment functions) of the Uniform
15 Prudent Management of Institutional Funds Act. ~~And~~ Notwithstanding the
16 limitations on investments set forth in this subsection, an agent exercising a
17 delegated management or investment function may invest cemetery funds ~~only~~
18 ~~in the securities enumerated in this section~~ in a publicly traded security that is:

19 (A) registered with the Securities and Exchange Commission
20 pursuant to 15 U.S.C. § 78l, and listed on a national securities exchange;

1 (B) issued by an investment company registered pursuant to
2 15 U.S.C. § 80a-8;

3 (C) a corporate bond registered as an offering with the Securities and
4 Exchange Commission pursuant to 15 U.S.C. § 78l and issued by an entity
5 whose stock is a publicly traded security;

6 (D) a municipal security; or

7 (E) a long-term security issued, insured, or guaranteed by the United
8 States.

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13 (Committee vote: _____)

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Representative _____

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FOR THE COMMITTEE