1	TO THE HONORABLE SENATE:
2	The Committee on Government Operations to which was referred Senate
3	Bill No. 182 entitled "An act relating to investment authority of municipal
4	trustees of public funds" respectfully reports that it has considered the same
5	and recommends that the bill be amended by striking out all after the enacting
6	clause and inserting in lieu thereof the following:
7	Sec. 1. 24 V.S.A. § 2432 is amended to read:
8	§ 2432. POWERS AND DUTIES; INVESTMENTS
9	(a)(1) The trustees shall apply the estate income of such estate to the
10	purpose for which it is held, and deeds or contracts made by them shall be in
11	the name of the town. They
12	(2) The trustees may:
13	(A) lease, sell, or convey real estate so held, and invest the funds
14	received therefrom-; and
15	(B) They may loan lend estate money belonging to such estate, at
16	annual or semi-annual interest, and as security for such loans each loan shall
17	take deeds or mortgages of real estate in this State.
18	(b) The trustees may invest in:
19	(1) any security, including a revenue obligation, issued, insured, or
20	guaranteed by the United States;

1	(2) such municipal bonds or other bonds that are rated at the time of the
2	transaction by a nationally recognized statistical rating organization, as defined
3	in 15 U.S.C. § 78c(a)(62) as may be amended, in one of its four highest
4	categories;
5	(3) repurchase agreements or debt securities of any federally insured
6	financial institution as defined in 8 V.S.A. § 11101(32);
7	(4) the shares of an investment company, or an investment trust, such as
8	a mutual fund, closed-end fund, or a unit investment trust, which that is
9	registered under the federal Investment Company Act of 1940, as amended, if
10	such the mutual investment fund has been in operation for at least ten five
11	years and has net assets of at least \$500,000,000.00 \$100,000,000.00; or
12	(5) deposits in federally insured financial institutions as defined in
13	8 V.S.A. § 11101(32).
14	(c)(1) The trustees shall have full power to hold, purchase, sell, assign,
15	transfer, and dispose of any of the securities and investments in which any of
16	the funds shall have been invested, as well as the proceeds of such the
17	investments.
18	(2) The trustees are encouraged to invest in financial institutions
19	operating in the State and in investments within the State that will result in
20	reinvestment in Vermont.

1	(3) The provisions of this section as to future investments shall not
2	require the liquidation or disposition of securities legally acquired and held.
3	(4) If the municipality has adopted an investment policy, the trustees
4	shall invest in accordance with the provisions of the municipal policy that do
5	not conflict with this section.
6	(d) The trustees may delegate management and investment of funds under
7	their charge to the extent that is prudent under the terms of the trust or
8	endowment, and in accordance with the Uniform Prudent Management of
9	Institutional Funds Act, 14 V.S.A. § 3415 (delegation of investment functions).
10	Notwithstanding the limitations on investments set forth in subsection (b) of
11	this section, an agent exercising a delegated management or investment
12	function may invest the funds in any security or investment that is prudent
13	under the Uniform Prudent Management of Institutional Funds Act.
14	Sec. 2. 24 V.S.A. § 4345 is amended to read:
15	§ 4345. OPTIONAL POWERS AND DUTIES OF REGIONAL PLANNING
16	COMMISSIONS
17	Any regional planning commission created under this chapter may:
18	* * *
19	(16) Include in its charter and bylaws adopted pursuant to section 4343
20	of this chapter the power to:
21	* * *

1	(D) Enter into contracts with public and private entities, including the
2	State of Vermont and the federal government to provide regional planning
3	services and fulfill its duties pursuant to this section and section 4345a of this
4	title.
5	(E) Invest funds held in reserve in any security or investment that is
6	prudent under the Uniform Prudent Management of Institutional Funds Act.
7	This subdivision (E) shall only apply to funds whose investment is not
8	otherwise restricted by State or federal law; the terms of a grant, gift, or devise;
9	or the terms of a contract or service agreement formed under this chapter.
10	* * *
11	
12	Sec. 3. EFFECTIVE DATE
13	This act shall take effect on July 1, 2018.
14	
15	(Committee vote:)
16	
17	Senator
18	FOR THE COMMITTEE