

STAND. COM. REP. NO. 1034

Honolulu, Hawaii

March 20, 2009

RE: S.B. No. 121  
S.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred S.B. No. 121, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE UNIFORM PRUDENT MANAGEMENT OF INSTITUTIONAL FUNDS ACT,"

begs leave to report as follows:

The purpose of this measure is to replace the Uniform Management of Institutional Funds Act with the Uniform Prudent Management of Institutional Funds Act.

Your Committee received testimony in support of the measure from the University of Hawaii Foundation, the Commission to Promote Uniform Legislation, the Hawaii Alliance of Nonprofit Organizations, and the Hawaii Community Foundation.

Your Committee finds that the Uniform Prudent Management of Institutional Funds Act, like its predecessor, will continue to provide statutory guidelines for the management, investment, and expenditure of endowment funds held by charitable institutions. The Uniform Prudent Management of Institutional Funds Act also provides additional and more detailed standards to be followed by charities in the investment and management of their endowment funds including providing for diversification of assets, pooling of assets, and total return investment, to implement whole portfolio management. Laws substantially similar to the Uniform Prudent Management of Institutional Funds Act have been adopted by twenty-six states and the District of Columbia.

SB121 SD1 HSCR LRB 09-2992.doc



As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 121, S.D. 1, and recommends that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,



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ROBERT N. HERKES, Chair



