

1 HOUSE BILL NO. 463

2 INTRODUCED BY J. TREBAS

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE UNIFORM PRUDENT MANAGEMENT OF
5 INSTITUTIONAL FUNDS ACT; DECREASING THE AMOUNT OF TIME BEFORE AN INSTITUTION MAY
6 RELEASE OR MODIFY A RESTRICTION ON A GIFT INSTRUMENT OR INSTRUMENT OF DONOR INTENT
7 FROM 20 YEARS TO 12 YEARS; AND AMENDING SECTION 72-30-207, MCA."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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11 **Section 1.** Section 72-30-207, MCA, is amended to read:

12 **"72-30-207. Release or modification of restrictions on management, investment, or purpose. (1)**

13 If the donor consents in a record, an institution may release or modify, in whole or in part, a restriction
14 contained in a gift instrument or instrument of donor intent on the management, investment, or purpose of an
15 institutional fund. A release or modification may not allow a fund to be used for a purpose other than a
16 charitable purpose of the institution.

17 (2) The court, upon application of an institution, may modify a restriction contained in a gift instrument
18 or instrument of donor intent regarding the management or investment of an institutional fund if the restriction
19 has become impracticable or wasteful, if it impairs the management or investment of the fund, or if, because of
20 circumstances not anticipated by the donor, a modification of a restriction will further the purposes of the fund.
21 The institution shall notify the attorney general of the application, and the attorney general must be given an
22 opportunity to be heard. To the extent practicable, any modification must be made in accordance with the
23 donor's probable intention.

24 (3) If a particular charitable purpose or a restriction contained in a gift instrument or instrument of
25 donor intent on the use of an institutional fund becomes unlawful, impracticable, impossible to achieve, or
26 wasteful, the court, upon application of an institution, may modify the purpose of the fund or the restriction on
27 the use of the fund in a manner consistent with the charitable purposes expressed in the gift instrument or
28 instrument of donor intent. The institution shall notify the attorney general of the application, and the attorney

1 general must be given an opportunity to be heard.

2 (4) If an institution determines that a restriction contained in a gift instrument or instrument of donor
3 intent on the management, investment, or purpose of an institutional fund is unlawful, impracticable, impossible
4 to achieve, or wasteful, the institution, 60 days after notification to the attorney general, may release or modify
5 the restriction, in whole or part, if the institution uses the property in a manner consistent with the charitable
6 purposes expressed in the gift instrument or instrument of donor intent and:

7 (a) the institutional fund subject to the restriction has a total value of less than \$25,000; or

8 (b) more than ~~20~~12 years have elapsed since the fund was established; ~~and~~

9 ~~(c) the institution uses the property in a manner consistent with the charitable purposes expressed in~~
10 ~~the gift instrument or instrument of donor intent."~~

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