

**H-112**

**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
1971**

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Wednesday, May 5, 1971

12

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Extension of Time for the Organization of the Constitution State Equity Life Insurance Company, File 439.

Calendar 664, Senate Bill No. 0783 - An Act Concerning the Duties of the Public Utilities Commission to Make Reports and Records on the Causes, Facts and Circumstances of Each Accident, File 438.

Calendar 665, Substitute for Senate Bill No. 0822 - An Act Concerning the Activities of Certain Charitable Corporations, File 466.

Calendar 666, Substitute for Senate Bill No. 0824 - An Act Concerning the Administration of Charitable Trusts, File 461.

Calendar 667, Substitute for Senate Bill No. 0861 - An Act Requiring Notice to the Family Relations Division of the Circuit Court of Address Changes on all Support Cases, File 475.

Calendar 668, Substitute for Senate Bill No. 0863 - An Act Concerning Support Executions, File 493.

Calendar 669, Senate Bill No. 0870 - An Act Concerning the Payment of Fees by the State Under the Uniform Commercial Code, File 436.

Calendar 670, Substitute for Senate Bill No. 0876 - An Act Concerning Service of Process on Foreign Corporations, File 430.

Calendar 672, Senate Bill No. 1107 - An Act Concerning Conformity of Subdivision Plans to Regulation Changes, File 471.

Calendar 673, Substitute for Senate Bill No. 1158 - An Act Concerning Members of the Policeman and Fireman's Survivors' Benefit Fund Naming Beneficiaries, File 496.

Wednesday, May 5, 1971

13

Calendar 674, Senate Bill No. 1326 - An Act Concerning the Bond Required of a Person Appointed as Guardian of a Minor, File 504.

Calendar 676, Senate Bill No. 1594 - An Act Amending the Charter of the Hartford Hospital, File 373.

Calendar 677, Senate Bill No. 1713 - An Act Concerning Limitation of Action for Damages by Employees of Municipalities, File 503.

Calendar 678, Senate Bill No. 0471 - An Act Concerning Branch Offices of State Banks and Trust Companies, File 426.

I move the adoption of these items on the Consent Calendar.

MR. SPEAKER:

You heard the motion and the items enumerated by the gentleman of the 95th, is there objection on the part of any individual member at this time considering under Rule 48, the Consent Calendar on the items in the motion.

Gentleman from the 163rd.

REPRESENTATIVE CAMP:

Item on Page 2, 657, Senate Bill 0043, File No. 499, I object.

MR. SPEAKER:

Your objection is noted under Rule 48, so ordered, the matter is removed from Consent. It is not contained in the motion. I'll try your minds on the motion. All those in favor will indicate by saying "Aye". Those opposed. The bills are passed.

**S-78  
CONNECTICUT  
GENERAL ASSEMBLY**

**SENATE**

**PROCEEDINGS  
1971**

**VOL. 14  
PART 3  
957-1456**

April 28, 1971

91.

creating instruments for local law specifically prohibits certain transactions. Included in the ban is self dealing retention of excess business holdings, certain investments and taxable expenditures. All of which are spelled out in detail, in the Code. In many instances, it would be either impractical or impossible to change the creating instrument. Accordingly, it is urged that these, that this Bill be adopted in order to oppose required bans by local law.

THE CHAIR:

Further remarks? Questions on passage of the Bill. Those in favor indicate by saying aye. Opposed, nay. The Ayes have it, the Bill is passed.

THE CLERK:

Calendar No. 352, File No. 461, Favorable Report Joint Standing Committee on Judiciary, Substitute Senate Bill 824, An Act concerning the administration of charitable trusts.

THE CHAIR:

Senator Jackson.

SENATOR JACKSON:

Mr. President, I move acceptance of the Joint Committee's Favorable Report and passage of the Bill.

THE CHAIR:

Will you remark?

SENATOR JACKSON:

Mr. President, may my remarks on the preceding File be incorporated by reference?

THE CHAIR:

April 28, 1971

92.

Questions on passage of the Bill. Those in favor, indicate by saying aye. Opposed, nay. Ayes have it, the Bill is passed.

THE CLERK:

Calendar No. 353, File No. 475, Favorable Report, Joint Standing Committee on Judiciary, Substitute Senate Bill 861, An Act requiring notice to the Family Relations Division of the Circuit Court of address changes on all support cases.

THE CHAIR:

Senator Jackson.

SENATOR JACKSON:

Mr. President, I move acceptance of the Joint Committee's Favorable Report and passage of the Bill.

THE CHAIR:

Will you remark?

SENATOR JACKSON:

The purpose of this Bill is to provide notice to the Family Relations Division of the Circuit Court on change of address within ten days by legally liable persons paying support for wife, child or parent, to the Family Relations Division of the Circuit Court. The present section applies to the State Welfare payments only.

THE CHAIR:

Further remarks. Question is on passage of the Bill. All those in favor indicate by saying aye. Opposed, nay, Ayes have it. The Bill is passed.

**JOINT  
STANDING  
COMMITTEE  
HEARINGS**

**JUDICIARY**

**PART 2  
393-688**

**1971**

56  
BC  
THURSDAY

JUDICIARY COMMITTEE

FEBRUARY 25, 1971

S.B. #824 - AN ACT CONCERNING THE ADMINISTRATION OF CHARITABLE TRUSTS.

These two Bills which are brother-sister Bills if you will, one relating to charitable trusts and the other relating to charitable organizations appear to be rather technical perhaps, but their adoption may be critical to the continued existence of a number of charitable organizations in this State, including religious and educational organizations as well as other kinds of charitable organizations.

The Congress, in 1969 passed the Reform Act of 1969 which made a great number of changes applicable to charitable organizations. One of the key changes was the adoption of a new classification of organization that of a private foundation. Unfortunately, this is something of a misnomer because the organization that act classified now under the Internal Revenue Code are of much broader scope than he is usually associated with the term "private foundation".

Attentionally, any charitable organization exempt from Federal Income Tax, at this time, is a private foundation and a great number of new requirements are imposed upon these organizations. One of the requirements that is perhaps little known, is that the governing instruments of each one of these organizations, whether new or existing at the time this Act was passed by the Congress, must contain provisions requiring the corporation or the trust to do or refrain from doing those things that are required or prohibited by the Tax Reform Act with respect to these private foundations.

The penalty for failure to have these provisions in the governing instrument is loss of Federal Income Tax Exemption and more over the loss of the deduction for charitable contributions to the organization that would otherwise accrue to the various supporters of their organization.

The difficulty of amending the governing instrument of the trust instrument or the charter of every existing organization in the State of Connecticut subject to these requirements, is a rather overwhelming thought. Moreover, there is a general lack of awareness on the part of a great number of people who are responsible for organizations of this sort of the requirement.

The Internal Revenue Service accordingly, published regulations which say this requirement will be considered to be complied with if State Law is on the books that would effectively require or prohibit the actions that are to be required or prohibited by the governing instruments and this opens the way to a very simple solution to the problem that these charitable organizations face and legislatures across the land are being asked to enact legislation such as you have before you in these two Bills.

These particular Bills were drafted through the efforts of Members of the Connecticut Bar Association and we strongly urge their adoption. I will leave a statement if I may.

Rep. Bingham: You may leave a statement. Any questions of the Committee? Thank you. Jack Waltuck.

Mr. Waltuck: My name is Jack Waltuck, I live in Norwalk, Connecticut. I am the Executive Director in General Council of the Norwalk-Stamford - Danbury Regional Legal Services Inc.. And I am here to speak in behalf of the proposed revision of the Connecticut Divorce Act - particularly that provision which would allow divorces to be granted without a showing of fault. I might say that the program that I direct, which is a government funded program, paid for entirely from taxpayers money, Federal, State and Local taxes is probably fairly typical of most of the other programs in Connecticut. There are about ten of them.

We handled over 3,000 cases last year and over 1,000 of them were divorce cases and now the programs in Connecticut vary in size in the number of cases they take, but I think it is fairly typical that each of these programs handles at least a third of their cases load are divorce cases. As most of you know, I know many of you are attorneys, in order to make this showing on the issue of fault, at least two witnesses are required in addition to the plaintiff.

Those witnesses have to be interviewed in the office. Their testimony to be distilled down to a managable size so that they can testify in Court. Often more than two witnesses are interviewed in the office to get the two that would be best for the plaintiff in the divorce. And I am talking now only about uncontested divorce. After the witnesses are interviewed, of course, then the case has to be put on in Court. If the matter is a contested divorce, it may be tried in Court for 2, 3, or 4 days and some of them go for several weeks.

Now, when you calculate the amount of man-hours - the time that goes into such preparation, on this issue of fault, which for all of the reasons, presented by the Family Law Committee of the Connecticut Bar Association, should not be necessary at all. I might say that I agree with the recommendation of the Family Law Committee of the Bar Association but I do not want to reiterate all of those reasons.

When you consider the amount of work, the amount of time, the amount of public funds that are expended to prepare these matters on an issue which really should have no place in our system of law, I think you will conclude - and the question has been raised by many of you whether or not this will put a greater burden on public funds or a lesser burden and I think if you multiply this all out by the number of other cases that are handles by Legal Service Program, and

the number of hours that it takes to do this, you must conclude that there would be a great saving of public funds - the fault issue were taken out of our divorces procedures.

Rep. Bingham: I think there is a question, Mr. Waltuck.

Rep. Sullivan: Mr, Waltuck. Representative Sullivan, 130th District. Have you in these vast number of cases of this large number of cases that have gone through your office, seen many instances where reconciliation has been brought about by the fact that one party or the other realized that it would be impossible for them to get a divorce under the existing law by proving fault?

Mr. Waltuck: There have been a number of cases where there had been reconciliations but to the best of my knowledge, none has ever been effectuated for the reasons that you gave - that it would just be impossible. What normally happens in those situations is that the parties just continue to live apart and often take other partners without benefit of the legalization of the divorce.

Rep. Sullivan: Thank you.

Rep. Bingham: How are Sispunks making out?

Mr. Waltuck? Pardon?

Rep. Bingham: How are the Sispunks making out?

Mr. Waltuck: I hope well.

Sen Rome: Are you from Norwalk?

Mr. Waltuck: I am from Norwalk.

Rep. Bingham: Doctor and Mrs. Gregan.

Dr. Gregan: Mr. Chairman, Members of the Judiciary Committee, I am interested in Bill #447. The Bill is for the purpose of creation and designation of a band of paint around the tree to prohibit trespassers on property. We have been receiving a great deal of destruction from the motorcycle group. They just recently went into my property with a 75 acre area and outlined it with arrows all over and took the bars down, didn't take them out but pushed the old motorcycles in, brought them right down and abused it to a degree that it was shameful.