

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 795

FINAL READING

Introduced by Flood, 19; Wayne, 13.

Read first time January 06, 2022

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to the Nebraska Uniform Prudent Management of
- 2 Institutional Funds Act; to amend section 58-615, Reissue Revised
- 3 Statutes of Nebraska; to change provisions relating to the release
- 4 or modification of restrictions on the management, investment, or
- 5 purpose of an institutional fund; and to repeal the original
- 6 section.
- 7 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 58-615, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 58-615 (a) If the donor consents in a record, an institution may
4 release or modify, in whole or in part, a restriction contained in a gift
5 instrument on the management, investment, or purpose of an institutional
6 fund. A release or modification may not allow a fund to be used for a
7 purpose other than a charitable purpose of the institution.

8 (b) The court, upon application of an institution, may modify a
9 restriction contained in a gift instrument regarding the management or
10 investment of an institutional fund if the restriction has become
11 impracticable or wasteful, if it impairs the management or investment of
12 the fund, or if, because of circumstances not anticipated by the donor, a
13 modification of a restriction will further the purposes of the fund. The
14 institution shall notify the Attorney General of the application, and the
15 Attorney General must be given an opportunity to be heard. To the extent
16 practicable, any modification must be made in accordance with the donor's
17 probable intention.

18 (c) If a particular charitable purpose or a restriction contained in
19 a gift instrument on the use of an institutional fund becomes unlawful,
20 impracticable, impossible to achieve, or wasteful, the court, upon
21 application of an institution, may modify the purpose of the fund or the
22 restriction on the use of the fund in a manner consistent with the
23 charitable purposes expressed in the gift instrument. The institution
24 shall notify the Attorney General of the application, and the Attorney
25 General must be given an opportunity to be heard.

26 (d) If an institution determines that a restriction contained in a
27 gift instrument on the management, investment, or purpose of an
28 institutional fund is unlawful, impracticable, impossible to achieve, or
29 wasteful, the institution, sixty days after notification to the Attorney
30 General, may release or modify the restriction, in whole or part, if:

31 (1) the institutional fund subject to the restriction has a total

1 value of less than one hundred ~~twenty-five~~ thousand dollars;

2 (2) more than twenty years have elapsed since the fund was
3 established; and

4 (3) the institution uses the property in a manner consistent with
5 the charitable purposes expressed in the gift instrument.

6 Sec. 2. Original section 58-615, Reissue Revised Statutes of
7 Nebraska, is repealed.