



General Assembly

Raised Bill No. 1098

January Session, 2009

LCO No. 4528

04528_____JUD

Referred to Committee on Judiciary

Introduced by:

(JUD)

AN ACT MODIFYING CORPORATE LAWS RELATING TO CERTAIN RELIGIOUS CORPORATIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 33-279 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2009):

(a) A corporation may be organized in connection with any Roman Catholic Church or congregation in this state, by filing in the office of the Secretary of the State a certificate signed by the archbishop or bishop and the vicar-general of the archdiocese or of the diocese in which such congregation is located and the pastor and two laymen belonging to such congregation, stating that they have so organized for the purposes hereinafter mentioned. **[Such archbishop or bishop, vicar-general and pastor of such congregation and, in case of the death or other disability of the archbishop or bishop, the administrator of the archdiocese or diocese for the time being, the chancellor of the archdiocese or diocese and the pastor of such congregation shall be members, ex officio, of such corporation, and, upon their death, resignation, removal or preferment, their successors in office shall become such members in their stead. The two lay members shall be appointed annually, in writing, during the month of January from the lay members of the congregation by a majority of the ex-officio members of the corporation; and three members of the corporation, of whom one shall be a layman, shall constitute a quorum for the transaction of business.]**

(b) **The corporation shall have a board of directors consisting of not less than seven nor more than thirteen lay members. The archbishop or bishop of the diocese or his designee shall serve as an ex-officio**

member of the board of directors without the right to vote.

(c) The members of the board of directors shall be elected from among the lay members of the congregation at an annual meeting of the corporation. The members of the board of directors shall serve for staggered terms of not more than three years. The members of the board of directors shall owe a fiduciary duty to the corporation and the members of the congregation.

(d) The board of directors shall meet at least quarterly. A majority of the members of the board of directors shall constitute a quorum for the transaction of business. Notice of the meetings of the board of directors shall be sent by mail or electronic mail to each member of the board of directors and be delivered or published in a manner likely to come to the attention of a majority of the members of the congregation.

(e) The general administrative and financial powers of the corporation shall be exercised by or under the authority of the board of directors. Such powers shall include, but are not limited to:

(1) Establishing and approving budgets;

(2) Managing the financial affairs of the corporation;

(3) Providing for the auditing of the financial records of the corporation;

(4) Developing and implementing strategic plans and capital projects;

(5) Developing outreach programs and other services to be provided to the community; and

(6) Any of the powers enumerated in section 33-1036.

(f) The pastor of the congregation shall report to the board of directors with respect to administrative and financial matters.

(g) Any member of the corporation is entitled to inspect and copy, during regular business hours at the corporation's principal office, any of the business records of the corporation including accounting records and financial statements of the corporation if such member gives the corporation written notice of his demand at least five business days before the date on which he wishes to inspect and copy.

(h) Nothing in this section shall be construed to limit, restrict or derogate from any power, right, authority, duty or responsibility of the bishop or pastor in matters pertaining exclusively to religious tenets and practices.

Sec. 2. (NEW) (*Effective October 1, 2009*) The provisions of section 33-279 of the general statutes, as amended by this act, shall apply to all corporations in existence on January 1, 2010, that were organized under subpart D of part II of chapter 598 of the general statutes prior to said date.

Sec. 3. (NEW) (*Effective October 1, 2009*) Any person having reason to believe that monetary contributions to a corporation organized under chapter 598 of the general statutes are being misappropriated and not being used for the purpose for which they were given may report that belief to the Attorney General. The Attorney General shall, pursuant to his authority under section 3-125 of the general statutes to represent the public interest in the protection of any gifts, legacies or devises intended for public or charitable purposes, investigate such report and take such action as he deems necessary.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2009</i>	33-279
Sec. 2	<i>October 1, 2009</i>	New section
Sec. 3	<i>October 1, 2009</i>	New section

Statement of Purpose:

To revise the corporate governance provisions applicable to the Roman Catholic Church and provide for the investigation of the misappropriation of funds by religious corporations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]