



General Assembly

January Session, 2009

Raised Bill No. 1098

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:

- 1 Section 1. Section 33-279 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2009*):
- 3 (a) A corporation may be organized in connection with any Roman
4 Catholic Church or congregation in this state, by filing in the office of
5 the Secretary of the State a certificate signed by the archbishop or
6 bishop and the vicar-general of the archdiocese or of the diocese in
7 which such congregation is located and the pastor and two laymen
8 belonging to such congregation, stating that they have so organized for
9 the purposes hereinafter mentioned. [Such archbishop or bishop, vicar-
10 general and pastor of such congregation and, in case of the death or
11 other disability of the archbishop or bishop, the administrator of the
12 archdiocese or diocese for the time being, the chancellor of the
13 archdiocese or diocese and the pastor of such congregation shall be
14 members, ex officio, of such corporation, and, upon their death,
15 resignation, removal or preferment, their successors in office shall
16 become such members in their stead. The two lay members shall be

17 appointed annually, in writing, during the month of January from the
18 lay members of the congregation by a majority of the ex-officio
19 members of the corporation; and three members of the corporation, of
20 whom one shall be a layman, shall constitute a quorum for the
21 transaction of business.]

22 (b) The corporation shall have a board of directors consisting of not
23 less than seven nor more than thirteen lay members. The archbishop or
24 bishop of the diocese or his designee shall serve as an ex-officio
25 member of the board of directors without the right to vote.

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

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

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

41 (1) Establishing and approving budgets;

42 (2) Managing the financial affairs of the corporation;

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

45 (4) Developing and implementing strategic plans and capital

46 projects;

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

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

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

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

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

62 Sec. 2. (NEW) (*Effective October 1, 2009*) The provisions of section 33-
63 279 of the general statutes, as amended by this act, shall apply to all
64 corporations in existence on January 1, 2010, that were organized
65 under subpart D of part II of chapter 598 of the general statutes prior to
66 said date.

67 Sec. 3. (NEW) (*Effective October 1, 2009*) Any person having reason to
68 believe that monetary contributions to a corporation organized under
69 chapter 598 of the general statutes are being misappropriated and not
70 being used for the purpose for which they were given may report that
71 belief to the Attorney General. The Attorney General shall, pursuant to
72 his authority under section 3-125 of the general statutes to represent
73 the public interest in the protection of any gifts, legacies or devises
74 intended for public or charitable purposes, investigate such report and
75 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.]