

No. 1990-173

## AN ACT

SB 1135

Appropriating funds bequeathed to the Commonwealth by Benjamin Franklin and John Scott to the Franklin Institute of Philadelphia to support educational and employment training programs and to Commonwealth Community Foundations (PA) to finance recognized community foundations.

WHEREAS, Pursuant to the Will of Benjamin Franklin dated July 17, 1788, and the codicil thereto dated June 23, 1789, the Commonwealth of Pennsylvania and the City of Philadelphia were bequeathed the remainder of certain trust funds, to be distributed 200 years after his death, which occurred on April 17, 1790; and

WHEREAS, While Benjamin Franklin had wide and varied interests in science, literature, government, journalism and business, one of his greatest interests, as expressed in his Will, was to assist young artisans in learning trades and to encourage young people to advance themselves in life by furthering their education; and

WHEREAS, Benjamin Franklin expressed his everlasting gratitude to those who gave him a start in life by making funds for training and education available; and

WHEREAS, It would be appropriate and in keeping with Benjamin Franklin's beliefs and wishes to use the money which he bequeathed to the Commonwealth for the Franklin Institute of Philadelphia and for recognized community foundations as additions to their capital funds; and

WHEREAS, Pursuant to the Will of John Scott, a chemist from Edinburgh, Scotland, and the Power of Attorney to carry out Certain Provisions in the Will of John Scott dated April 2, 1816, the Commonwealth of Pennsylvania and the City of Philadelphia were bequeathed the remainder of certain trust funds, to be distributed in the same manner as in the Franklin legacy.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

**Section 1. Appropriation of bequest.**

The sum of money which the Commonwealth receives as a bequest from the Will of Benjamin Franklin and the Will of John Scott is hereby appropriated one-half to the Franklin Institute of Philadelphia to support educational and employment training programs and one-half to Commonwealth Community Foundations (PA) for use in behalf of all of the Commonwealth's community foundations.

**Section 2. Program for redistribution of moneys.**

Commonwealth Community Foundations (PA) shall establish a program to redistribute the moneys appropriated in section 1 as permanent endowments for the Commonwealth's community foundations. Funds granted by

Commonwealth Community Foundations (PA) shall be used to establish perpetual trust funds within individual community foundations and the income of which shall be used according to the purposes of such community foundations.

**Section 3. Elements of the program.**

At a minimum, the program established by Commonwealth Community Foundations (PA) to establish local trust funds shall include the following elements:

(1) All community foundations within this Commonwealth are eligible for a portion of the endowment.

(2) Areas not served by a community foundation shall be assigned to an existing community foundation, so that they may also have access to the benefits of the trust funds being established. Community foundations which are requested to expand their normal jurisdictional areas will be expected to take all necessary steps to inform these areas of the existence of the funds and the procedures to be followed in applying for a grant.

(3) Community foundation boards of directors in their capacities as community representatives shall be encouraged to annually determine local needs and to base their funding decisions upon these assessments.

(4) Community foundations are expected to add value to the sums being appropriated. Through prudent investment, fundraising efforts and the contribution of substantive in-kind services, the Commonwealth expects its investment to grow at a minimum of 5% per year.

(5) The net annual earnings of each local trust fund shall be used to support recognized community foundations as additions to their capital funds.

(6) Every community foundation shall be eligible to receive a minimum of \$20,000; no more than \$100,000 shall be granted to any single community foundation.

(7) Endowment funds created by the Commonwealth Community Foundations (PA) grants shall be named "The Ben Franklin Trust of (the respective foundations)."

**Section 4. Annual report.**

Commonwealth Community Foundations (PA) shall be required to prepare an annual report to be submitted to the Bureau of Charitable Organizations of the Department of State. At a minimum, the report shall provide an accounting of the growth of the funds and a listing of projects supported with their earnings.

**Section 5. Service of mortgages held in trusts.**

(a) Sale or service.—The Commonwealth may sell, service or contract for the servicing of any mortgages presently held in the Trusts of Benjamin Franklin and John Scott.

(b) Distribution of proceeds.—The proceeds from any mortgage serviced by the Commonwealth or its agent shall be distributed as provided in this act.

Section 6. Effective date.

This act shall take effect immediately.

APPROVED—The 17th day of December, A. D. 1990.

ROBERT P. CASEY