§ 219-p. Administration. 1. Service award programs shall be centrally administered by the state comptroller, or the comptroller may enter into one or more of the following contracts:

(a) a contract with an administrative service agency or financial organization to serve as program administrator and to perform all or any portion of the functions required to establish and administer such programs including, but not limited to, preparation of a plan document, record keeping, reporting, payment of service awards, and having custody of program moneys and assets;

(b) contracts with one or more financial organizations to invest program moneys; or

(c) a contract with an actuary for the performance of all actuarial calculations required by the program.

If the comptroller contracts for the performance of any function as provided in this subdivision, the comptroller shall be liable only for the exercise of due care in the selection of the administrative service agency, financial organization or actuary performing the function.

2. The state comptroller shall promulgate rules and regulations, as appropriate, for the service award programs. Such rules shall include, but not be limited to, standards for the selection of service providers, the method and timing of the payments required to be made by the sponsor, reporting requirements, matters relating to the preparation of a plan document, and any other matter relating to the service award programs.

3. (a) The state comptroller, or an administrative service agency or financial organization serving as program administrator, shall prepare and may amend a single plan document setting forth the obligations of sponsors, the rights of the volunteer ambulance workers, and standards and procedures for the administration of all service award programs. The plan document and any amendments thereto shall be consistent with the provisions of this article, the rules and regulations promulgated by the comptroller and any amendments thereto. If the plan document or any amendment thereto is prepared by an administrative service agency or financial organization, it shall not take effect until approved by the comptroller.

(b) The program administrator shall cause a summary of the plan document to be provided to each participant within six months from the date that program participation commences. The program administrator shall also cause a summary of any material amendment of the plan document to be provided to each participant within six months of the date the amendment takes effect.

(c) The plan document and the summary of the plan document shall be made available for public inspection and copying.

4. All program assets shall be held in trust for the exclusive purpose of providing service awards to participants and their beneficiaries or for the purpose of defraying the reasonable expenses of the operation and administration of the program. The trust shall be established and may be amended by the state comptroller. The comptroller may designate him or herself, an administrative service agency or a financial organization as trustee, and may substitute trustees. If the service award programs and the trust are not tax qualified within the meaning of section 401 and 501 of the Internal Revenue Code of 1954 (68A Stat. 3.26 U.S.C. 401 and 501), the trust may provide that assets apportioned to an individual sponsor may be subject to the claims of general creditors, if any, of the sponsor or may contain such other terms and provisions as are necessary to ensure that participation in a service award program does not result in taxable income under any provision of the Internal Revenue Code of 1986, as amended.

5. There is hereby established in the custody of the state comptroller a special fund to be known as the volunteer ambulance service award fund. Such fund shall consist of any money of service award programs held by the comptroller. Moneys may be paid from such fund without an appropriation by law. All payments from such fund shall be made only in accordance with the provisions of this article, the rules and regulations promulgated thereto and the plan document.

6. The moneys held for the sponsor of each service award program shall be accounted for separately. The administrator shall cause a statement of contributions to be provided to sponsors at least once annually.

7. The administrator and every fiduciary of a service award program shall be required to act solely in the interest of the program's participants and beneficiaries. Notwithstanding the provisions of any general or special law restricting the power or duty of the state comptroller to invest moneys belonging to a fund which the comptroller is authorized to invest, a fiduciary may accept, hold, invest in and retain any investment if purchased or retained with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aim.

8. (a) All contracts or agreements with an administrative service agency, financial organization or actuary shall be awarded only after receiving competitive proposals. In addition to other statutory requirements, the state comptroller shall cause to be published in the state register and in the official newspaper or newspapers, if any, or otherwise in an appropriate newspaper designated for such purposes, at least sixty days prior to the date on which the contract or agreement will be awarded and shall request proposals within thirty days of publications.

(b) All contracts and agreements entered into with an administrative service agency, financial organization or actuary shall be in writing, shall not exceed five years in duration, and shall impose no penalties or surrender charges for the transfer of assets or responsibilities on termination of the contract or agreement such contracts and agreements shall be available for public inspection and copying.