

SB0537



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB0537

Introduced 1/24/2017, by Sen. John J. Cullerton

SYNOPSIS AS INTRODUCED:

30 ILCS 225/1

from Ch. 102, par. 34

Amends the Public Funds Deposit Act. Makes a technical change in a Section concerning deposits.

LRB100 04931 MLM 14941 b

A BILL FOR

1 AN ACT concerning finance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Public Funds Deposit Act is amended by
5 changing Section 1 as follows:

6 (30 ILCS 225/1) (from Ch. 102, par. 34)

7 Sec. 1. Deposits. Any treasurer or other custodian of
8 public funds may deposit such funds in a savings and ~~and~~ loan
9 association, savings bank, or State or national bank in this
10 State, or deposit those funds into demand deposit accounts in
11 accordance with Section 6.5 of the Public Funds Investment Act.
12 When such deposits become collected funds and are not needed
13 for immediate disbursement, they shall be invested within 2
14 working days at prevailing rates or better. The treasurer or
15 other custodian of public funds may require such bank, savings
16 bank, or savings and loan association to deposit with him or
17 her securities guaranteed by agencies and instrumentalities of
18 the federal government equal in market value to the amount by
19 which the funds deposited exceed the federally insured amount.
20 Any treasurer or other custodian of public funds may accept as
21 security for public funds deposited in such bank, savings bank,
22 or savings and loan association any securities or other
23 eligible collateral authorized by Sections 11 and 11.1 of the

1 Deposit of State Moneys Act (15 ILCS 520/11 and 11.1) or
2 Section 6 of the Public Funds Investment Act (30 ILCS 235/6).
3 Such treasurer or other custodian is authorized to enter into
4 an agreement with any such bank, savings bank, or savings and
5 loan association, with any federally insured financial
6 institution or trust company, or with any agency of the U.S.
7 government relating to the deposit of such securities. Any such
8 treasurer or other custodian shall be discharged from
9 responsibility for any funds for which securities are so
10 deposited with him or her, and the funds for which securities
11 are so deposited shall not be subject to any otherwise
12 applicable limitation as to amount.

13 No bank, savings bank, or savings and loan association
14 shall receive public funds as permitted by this Section, unless
15 it has complied with the requirements established pursuant to
16 Section 6 of the Public Funds Investment Act or is otherwise
17 exempt from compliance as authorized by Section 6.5 of that
18 Act.

19 (Source: P.A. 98-703, eff. 7-7-14.)