

SB2761



94TH GENERAL ASSEMBLY
State of Illinois
2005 and 2006
SB2761

Introduced 1/20/2006, by Sen. Adeline Jay Geo-Karis

SYNOPSIS AS INTRODUCED:

15 ILCS 505/17

from Ch. 130, par. 17

Amends the State Treasurer Act concerning the Public Treasurers' Investment Pool. Provides that a "public agency" for purposes of the Pool includes (i) any not-for-profit corporation exempt under the Internal Revenue Code that is created by a public agency for the private fundraising activities of that agency and (ii) associations of public agencies. Effective immediately.

LRB094 18671 RCE 54031 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 5. The State Treasurer Act is amended by changing
5 Section 17 as follows:

6 (15 ILCS 505/17) (from Ch. 130, par. 17)

7 Sec. 17. The State Treasurer may establish and administer a
8 Public Treasurers' Investment Pool to supplement and enhance
9 the investment opportunities otherwise available to other
10 custodians of public funds for public agencies in this State.

11 The Treasurer, in administering the Public Treasurers'
12 Investment Pool, may receive public funds paid into the pool by
13 any other custodian of such funds and may serve as the fiscal
14 agent of that custodian of public funds for the purpose of
15 holding and investing those funds.

16 The Treasurer may invest the public funds constituting the
17 Public Treasurers' Investment Pool in the same manner, in the
18 same types of investments and subject to the same limitations
19 provided for the investment of funds in the State Treasury. The
20 Treasurer shall develop, publish, and implement an investment
21 policy covering the management of funds in the Public
22 Treasurers' Investment Pool. The policy shall be published at
23 least once each year in at least one newspaper of general
24 circulation in both Springfield and Chicago, and each year as
25 part of the audit of the Public Treasurers' Investment Pool by
26 the Auditor General, which shall be distributed to all
27 participants. The Treasurer shall notify all Public
28 Treasurers' Investment Pool participants in writing, and the
29 Treasurer shall publish in at least one newspaper of general
30 circulation in both Springfield and Chicago any changes to a
31 previously published investment policy at least 30 calendar
32 days before implementing the policy. Any such investment policy

1 adopted by the Treasurer shall be reviewed, and updated if
2 necessary, within 90 days following the installation of a new
3 Treasurer.

4 The Treasurer shall promulgate such rules and regulations
5 as he deems necessary for the efficient administration of the
6 Public Treasurers' Investment Pool, including specification of
7 minimum amounts which may be deposited in the Pool and minimum
8 periods of time for which deposits shall be retained in the
9 Pool. The rules shall provide for the administration expenses
10 of the Pool to be paid from its earnings and for the interest
11 earnings in excess of such expenses to be credited or paid
12 monthly to the several custodians of public funds participating
13 in the Pool in a manner which equitably reflects the differing
14 amounts of their respective investments in the Pool and the
15 differing periods of time for which such amounts were in the
16 custody of the Pool.

17 Upon creating a Public Treasurers' Investment Pool the
18 State Treasurer shall give bond with 2 or more sufficient
19 sureties, payable to custodians of public funds who participate
20 in the Pool for the benefit of the public agencies whose funds
21 are paid into the Pool for investment, in the penal sum of
22 \$150,000, conditioned for the faithful discharge of his duties
23 in relation to the Public Treasurers' Investment Pool.

24 "Public funds" and "public agency", as used in this Section
25 have the meanings ascribed to them in Section 1 of the Public
26 Funds Investment Act. For the purposes of this Section only,
27 the term "public agency" also includes (i) any not-for-profit
28 organization exempt from federal income taxation under Section
29 501 (c) (3) of the Internal Revenue Code of 1986 that is created
30 by a public agency for the private fundraising activities of
31 that agency and (ii) associations of public agencies ~~"An Act~~
32 ~~relating to certain investments of public funds by public~~
33 ~~agencies", approved July 23, 1943, as amended.~~

34 This amendatory Act of 1975 is not a limit on any home rule
35 unit.

36 (Source: P.A. 89-350, eff. 8-17-95.)

1 Section 99. Effective date. This Act takes effect upon
2 becoming law.