



## 96TH GENERAL ASSEMBLY

### State of Illinois

2009 and 2010

HB5059

Introduced 1/25/2010, by Rep. Kevin Joyce

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/1-110.16 new  
30 ILCS 805/8.34 new

Amends the Illinois Pension Code. Provides that a retirement system or pension fund may not invest in any funds that trade derivatives in off markets or non-open markets, and if a retirement system or pension fund is investing in such a fund on the effective date, then the retirement system or pension fund must divest the retirement system's interest in the fund within one year after the effective date. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB096 18175 AMC 33550 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

1 AN ACT concerning public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by adding  
5 Section 1-110.16 as follows:

6 (40 ILCS 5/1-110.16 new)

7 Sec. 1-110.16. Prohibited transactions; funds that trade  
8 derivatives in off markets or non-open markets. A retirement  
9 system or pension fund created under this Code may not invest  
10 in any funds that trade derivatives in off markets or non-open  
11 markets. If a retirement system or pension fund created under  
12 this Code is investing in such a fund on the effective date of  
13 this Section, then the retirement system or pension fund must  
14 divest the retirement system's interest in the fund within one  
15 year after the effective date of this Section.

16 Section 90. The State Mandates Act is amended by adding  
17 Section 8.34 as follows:

18 (30 ILCS 805/8.34 new)

19 Sec. 8.34. Exempt mandate. Notwithstanding Sections 6 and 8  
20 of this Act, no reimbursement by the State is required for the  
21 implementation of any mandate created by this amendatory Act of

1 the 96th General Assembly.

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