

SB3729



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

SB3729

Introduced 2/11/2010, by Sen. Michael W. Frerichs

SYNOPSIS AS INTRODUCED:

15 ILCS 505/17

from Ch. 130, par. 17

Amends the State Treasurer Act. Includes within the definition of a "public agency" that may participate in the Public Treasurers' Investment Pool (i) a public agency's non-profit, tax-exempt organization established to invest and manage public funds and further the agency's mission and (ii) an association established by one or more public agencies to invest and manage public funds and further the mission of its founders. Effective immediately.

LRB096 18295 JAM 33670 b

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

1 circulation in both Springfield and Chicago, and each year as
2 part of the audit of the Public Treasurers' Investment Pool by
3 the Auditor General, which shall be distributed to all
4 participants. The Treasurer shall notify all Public
5 Treasurers' Investment Pool participants in writing, and the
6 Treasurer shall publish in at least one newspaper of general
7 circulation in both Springfield and Chicago any changes to a
8 previously published investment policy at least 30 calendar
9 days before implementing the policy. Any such investment policy
10 adopted by the Treasurer shall be reviewed, and updated if
11 necessary, within 90 days following the installation of a new
12 Treasurer.

13 The Treasurer shall promulgate such rules and regulations
14 as he deems necessary for the efficient administration of the
15 Public Treasurers' Investment Pool, including specification of
16 minimum amounts which may be deposited in the Pool and minimum
17 periods of time for which deposits shall be retained in the
18 Pool. The rules shall provide for the administration expenses
19 of the Pool to be paid from its earnings and for the interest
20 earnings in excess of such expenses to be credited or paid
21 monthly to the several custodians of public funds participating
22 in the Pool in a manner which equitably reflects the differing
23 amounts of their respective investments in the Pool and the
24 differing periods of time for which such amounts were in the
25 custody of the Pool.

26 Upon creating a Public Treasurers' Investment Pool the

1 State Treasurer shall give bond with 2 or more sufficient
2 sureties, payable to custodians of public funds who participate
3 in the Pool for the benefit of the public agencies whose funds
4 are paid into the Pool for investment, in the penal sum of
5 \$150,000, conditioned for the faithful discharge of his or her
6 duties in relation to the Public Treasurers' Investment Pool.

7 "Public funds" and "public agency", as used in this Section
8 have the meanings ascribed to them in Section 1 of the Public
9 Funds Investment Act. For the purposes of this Section only,
10 the term "public agency" also includes (i) any non-profit
11 organization exempt from federal income taxation under Section
12 501(c)(3) of the Internal Revenue Code of 1986 that is created
13 by a public agency to invest and manage public funds and
14 further the mission of that agency and (ii) associations of
15 public agencies created to invest and manage public funds and
16 further the mission of the public agency or agencies that
17 established the association ~~"An Act relating to certain~~
18 ~~investments of public funds by public agencies", approved July~~
19 ~~23, 1943, as amended.~~

20 This amendatory Act of 1975 is not a limit on any home rule
21 unit.

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

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.