

AN ACT concerning government.

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

Section 5. The State Treasurer Act is amended by changing Section 17 and by adding Section 30 as follows:

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

Sec. 17. The State Treasurer may establish and administer both a Public Treasurers' Investment Pool and an E-Pay program to supplement and enhance both the investment opportunities and the secure electronic payment options otherwise available to other custodians of public funds for public agencies in this State.

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

The Treasurer may invest the public funds constituting the Public Treasurers' Investment Pool in the same manner, in the same types of investments and subject to the same limitations provided for the investment of funds in the State Treasury. The Treasurer shall develop, publish, and implement an investment policy covering the management of funds in the Public

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

The Treasurer shall promulgate such rules and regulations as he deems necessary for the efficient administration of the Public Treasurers' Investment Pool and the E-Pay program, including specification of minimum amounts which may be deposited in the Pool and minimum periods of time for which deposits shall be retained in the Pool. The rules shall provide for the administration expenses of the Pool to be paid from its earnings and for the interest earnings in excess of such expenses to be credited or paid monthly to the several custodians of public funds participating in the Pool in a manner which equitably reflects the differing amounts of their respective investments in the Pool and the differing periods of time for which such amounts were in the custody of the Pool.

Upon creating a Public Treasurers' Investment Pool the

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

"Public agency", as used in this Section, means the State of Illinois or any political subdivision, or any agency, board, or department thereof, any special district, any municipality, or any unit of local government.

"Public funds", as used in this Section, means current operating funds, special funds, and funds of any kind or character belonging to or in the custody of any public agency.

~~"Public funds" and "public agency", as used in this Section have the meanings ascribed to them in Section 1 of "An Act relating to certain investments of public funds by public agencies", approved July 23, 1943, as amended.~~

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

After the effective date of this amendatory Act of the 99th General Assembly, participation in the Public Treasurers' Investment Pool shall not be a prerequisite for participation in the Treasurer's E-Pay program.

(Source: P.A. 99-856, eff. 8-19-16.)

Sec. 30. Preferences for veterans, minorities, women, and persons with disabilities.

(a) As used in this Section:

(1) the terms "minority person", "woman", "person with a disability", "minority-owned business", "women-owned business", "business owned by a person with a disability", and "control" have the meanings provided in Section 1 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act; and

(2) the terms "veteran", "qualified veteran-owned small business", "qualified service-disabled veteran-owned small business", "qualified service-disabled veteran", and "armed forces of the United States" have the meanings provided in Article 1 of the Illinois Procurement Code.

(b) It is hereby declared to be the policy of the State Treasurer to promote and encourage the use of businesses owned by or under the control of qualified veterans of the armed forces of the United States, qualified service-disabled veterans, minority persons, women, or persons with a disability in the area of goods and services. Furthermore, the State Treasurer shall utilize such businesses to the greatest extent feasible within the bounds of financial and fiduciary prudence, and take affirmative steps to remove any barriers to the full participation of such firms in the procurement and contracting opportunities afforded.

(c) It shall be an aspirational goal of the State Treasurer

to use businesses owned by or under the control of qualified veterans of the armed forces of the United States, qualified service-disabled veterans, minority persons, women, or persons with a disability for not less than 25% of the total dollar amount of funds under management, purchases of investment securities, and other contracts, including, but not limited to, the use of broker-dealers. The State Treasurer is authorized to establish additional aspirational goals.

(d) When the State Treasurer procures goods and services, whether through a request for proposal or otherwise, he or she is authorized to incorporate preferences in the scoring process for: (1) a minority-owned business, a women-owned business, a business owned by a person with a disability, a qualified veteran-owned small business, or a qualified service-disabled veteran-owned small business; and (2) businesses having a record of support for increasing diversity and inclusion in board membership, management, employment, philanthropy, and supplier diversity, including investment professionals and investment sourcing.

When the State Treasurer utilizes a financial institution or determines the eligibility of a financial institution to participate in a banking contract, investment contract, investment activity, or other financial program of the State Treasurer, he or she shall review the financial institution's Community Reinvestment Act rating, record, and current level of financial commitment to the community prior to making a

decision to utilize or determine the eligibility of such financial institution.

(e) Beginning with fiscal year 2019, and at least annually thereafter, the State Treasurer shall report on his or her utilization of minority-owned businesses, women-owned businesses, businesses owned by a person with a disability, qualified veteran-owned small businesses, or qualified service-disabled veteran-owned small businesses. The report shall be published on the State Treasurer's official website.

(f) The provisions of this Section take precedence over any goals established under the Business Enterprise for Minorities, Women, and Persons with Disabilities Act.

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