

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 Sections 1-113.22 and 1-113.23 as follows:

6 (40 ILCS 5/1-113.22 new)

7 Sec. 1-113.22. Required disclosures from consultants;  
8 minority owned businesses, female owned businesses, and  
9 businesses owned by persons with a disability.

10 (a) No later than January 1, 2018 and each January 1  
11 thereafter, each consultant retained by the board of a  
12 retirement system, board of a pension fund, or investment board  
13 shall disclose to that board of the retirement system, board of  
14 the pension fund, or investment board:

15 (1) the total number of searches for investment  
16 services made by the consultant in the prior calendar year;

17 (2) the total number of searches for investment  
18 services made by the consultant in the prior calendar year  
19 that included (i) a minority owned business, (ii) a female  
20 owned business, or (iii) a business owned by a person with  
21 a disability;

22 (3) the total number of searches for investment  
23 services made by the consultant in the prior calendar year

1 in which the consultant recommended for selection (i) a  
2 minority owned business, (ii) a female owned business, or  
3 (iii) a business owned by a person with a disability;

4 (4) the total number of searches for investment  
5 services made by the consultant in the prior calendar year  
6 that resulted in the selection of (i) a minority owned  
7 business, (ii) a female owned business, or (iii) a business  
8 owned by a person with a disability; and

9 (5) the total dollar amount of investment made in the  
10 previous calendar year with (i) a minority owned business,  
11 (ii) a female owned business, or (iii) a business owned by  
12 a person with a disability that was selected after a search  
13 for investment services performed by the consultant.

14 (b) Beginning January 1, 2018, no contract, oral or  
15 written, for consulting services shall be awarded by a board of  
16 a retirement system, a board of a pension fund, or an  
17 investment board without first requiring the consultant to make  
18 the disclosures required in subsection (a) of this Section.

19 (c) The disclosures required by subsection (b) of this  
20 Section shall be considered, within the bounds of financial and  
21 fiduciary prudence, prior to the awarding of a contract, oral  
22 or written, for consulting services.

23 (d) As used in this Section, the terms "minority person",  
24 "female", "person with a disability", "minority owned  
25 business", "female owned business", and "business owned by a  
26 person with a disability" have the same meaning as those terms

1 have in the Business Enterprise for Minorities, Females, and  
2 Persons with Disabilities Act.

3 (40 ILCS 5/1-113.23 new)

4 Sec. 1-113.23. Required disclosures from consultants;  
5 compensation and economic opportunity received.

6 (a) As used in this Section:

7 "Compensation" means any money, thing of value, or economic  
8 benefit conferred on, or received by, a consultant in return  
9 for services rendered, or to be rendered, by himself, herself,  
10 or another.

11 "Economic opportunity" means any purchase, sale, lease,  
12 contract, option, or other transaction or arrangement  
13 involving property or services wherein a consultant may gain an  
14 economic benefit.

15 (b) No later than January 1, 2018 and each January 1  
16 thereafter, a consultant retained by the board of a retirement  
17 system, the board of a pension fund, or an investment board  
18 shall disclose to the board of the retirement system, the board  
19 of the pension fund, or the investment board all compensation  
20 and economic opportunity received in the last 24 months from  
21 investment advisors retained by the board of a retirement  
22 system, board of a pension fund, or investment board.

23 (c) Beginning January 1, 2018, a consultant shall disclose  
24 to the board of a retirement system, the board of a pension  
25 fund, or an investment board any compensation or economic

1 opportunity received in the last 24 months from an investment  
2 advisor that is recommended for selection by the consultant. A  
3 consultant shall make this disclosure prior to the board  
4 selecting an investment advisor for appointment.

5 (d) Beginning January 1, 2018, no contract, oral or  
6 written, for consulting services shall be awarded by a board of  
7 a retirement system, board of a pension fund, or an investment  
8 board without first requiring the consultant to make the  
9 disclosures required in subsection (c) of this Section.

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