



**94TH GENERAL ASSEMBLY**  
**State of Illinois**  
**2005 and 2006**  
**HB5254**

Introduced 01/24/06, by Rep. Lovana Jones

**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 18670 RCE 54030 b

FISCAL NOTE ACT  
MAY APPLY

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.