



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

**HB4116**

by Rep. Jim Durkin - Darlene J. Senger - Chad Hays - Patricia R. Bellock - Sandra M. Pihos

#### SYNOPSIS AS INTRODUCED:

30 ILCS 235/1  
110 ILCS 979/20

from Ch. 85, par. 901

Amends the Public Funds Investment Act. Deletes language providing that the Act does not apply to the Illinois Prepaid Tuition Trust Fund. Amends the Illinois Prepaid Tuition Act. Provides that the Illinois prepaid tuition program shall be bound by the terms of the Public Funds Investment Act. Effective immediately.

LRB097 15595 PJG 60735 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

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

4 Section 5. The Public Funds Investment Act is amended by  
5 changing Section 1 as follows:

6 (30 ILCS 235/1) (from Ch. 85, par. 901)

7 Sec. 1. The words "public funds", as used in this Act, mean  
8 current operating funds, special funds, interest and sinking  
9 funds, and funds of any kind or character belonging to or in  
10 the custody of any public agency.

11 The words "public agency", as used in this Act, mean the  
12 State of Illinois, the various counties, townships, cities,  
13 towns, villages, school districts, educational service  
14 regions, special road districts, public water supply  
15 districts, fire protection districts, drainage districts,  
16 levee districts, sewer districts, housing authorities, the  
17 Illinois Bank Examiners' Education Foundation, the Chicago  
18 Park District, and all other political corporations or  
19 subdivisions of the State of Illinois, now or hereafter  
20 created, whether herein specifically mentioned or not. This Act  
21 does not apply to: (i) ~~the Illinois Prepaid Tuition Trust Fund,~~  
22 private funds collected by the Illinois Conservation  
23 Foundation, or (ii) pension funds or retirement systems

1 established under the Illinois Pension Code, except as  
2 otherwise provided in that Code.

3 (Source: P.A. 91-669, eff. 1-1-00; 92-797, eff. 8-15-02.)

4 Section 10. The Illinois Prepaid Tuition Act is amended by  
5 changing Section 20 as follows:

6 (110 ILCS 979/20)

7 Sec. 20. Investment Advisory Panel. The Illinois prepaid  
8 tuition program shall be administered by the Illinois Student  
9 Assistance Commission, with advice and counsel from an  
10 investment advisory panel appointed by the Commission. The  
11 Illinois prepaid tuition program shall be administratively  
12 housed within the Commission, and the investment advisory panel  
13 shall have such duties as are specified in this Act. The  
14 Illinois prepaid tuition program shall be bound by the terms of  
15 the Public Funds Investment Act.

16 The investment advisory panel shall consist of 7 members  
17 who are appointed by the Commission, including one recommended  
18 by the State Treasurer, one recommended by the State  
19 Comptroller, one recommended by the Director of the Governor's  
20 Office of Management and Budget, and one recommended by the  
21 Executive Director of the Board of Higher Education. Each panel  
22 member shall possess knowledge, skill, and experience in at  
23 least one of the following areas of expertise: accounting,  
24 actuarial practice, risk management, or investment management.

1 Members shall serve 3-year terms except that, in making the  
2 initial appointments, the Commission shall appoint 2 members to  
3 serve for 2 years, 2 members to serve for 3 years, and 3  
4 members to serve for 4 years. Any person appointed to fill a  
5 vacancy on the panel shall be appointed in a like manner and  
6 shall serve for only the unexpired term. Investment advisory  
7 panel members shall be eligible for reappointment and shall  
8 serve until a successor is appointed and confirmed. Panel  
9 members shall serve without compensation but shall be  
10 reimbursed for expenses. Before being installed as a member of  
11 the investment advisory panel, each nominee shall file verified  
12 written statements of economic interest with the Secretary of  
13 State as required by the Illinois Governmental Ethics Act and  
14 with the Board of Ethics as required by Executive Order of the  
15 Governor.

16 The investment advisory panel shall meet at least twice  
17 annually. At least once each year the Commission Chairman shall  
18 designate a time and place at which the investment advisory  
19 panel shall meet publicly with the Illinois Student Assistance  
20 Commission to discuss issues and concerns relating to the  
21 Illinois prepaid tuition program.

22 (Source: P.A. 94-793, eff. 5-19-06.)

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