



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3769

by Rep. André M. Thapedi

SYNOPSIS AS INTRODUCED:

40 ILCS 5/1-110.16 new
30 ILCS 805/8.38 new

Amends the Illinois Pension Code. Provides that a retirement system or pension fund may not invest in any funds that trade derivatives in off markets or non-open markets, and if a retirement system or pension fund is investing in such a fund on the effective date, then the retirement system or pension fund must divest the retirement system's interest in the fund within one year after the effective date. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB098 15318 AMC 50345 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 Section 1-110.16 as follows:

6 (40 ILCS 5/1-110.16 new)

7 Sec. 1-110.16. Prohibited transactions; funds that trade
8 derivatives in off markets or non-open markets. A retirement
9 system or pension fund created under this Code may not invest
10 in any funds that trade derivatives in off markets or non-open
11 markets. If a retirement system or pension fund created under
12 this Code is investing in such a fund on the effective date of
13 this Section, then the retirement system or pension fund must
14 divest the retirement system's interest in the fund within one
15 year after the effective date of this Section.

16 Section 90. The State Mandates Act is amended by adding
17 Section 8.38 as follows:

18 (30 ILCS 805/8.38 new)

19 Sec. 8.38. Exempt mandate. Notwithstanding Sections 6 and 8
20 of this Act, no reimbursement by the State is required for the
21 implementation of any mandate created by this amendatory Act of

1 the 98th General Assembly.

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