



Sen. Suzy Glowiak Hilton

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10400SB0638sam001

LRB104 06916 TRT 36929 a

1 AMENDMENT TO SENATE BILL 638

2 AMENDMENT NO. _____. Amend Senate Bill 638 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Municipal Code is amended by
5 adding Section 10-4-1.5 as follows:

6 (65 ILCS 5/10-4-1.5 new)

7 Sec. 10-4-1.5. Other postemployment benefit trusts.

8 (a) As used in this Section, "OPEB trust" means an other
9 postemployment benefit trust established by a municipality for
10 the purpose of providing for the funding and payment of health
11 and other fringe benefits for retired or terminated employees
12 of the municipality or employees of the municipality with
13 disabilities or for their dependents and beneficiaries.

14 (b) If the moneys in the general fund of a municipality
15 exceed the municipality's operating expenses for the
16 immediately preceding calendar year, then the municipality may

1 establish an OPEB trust or deposit moneys into an existing
2 OPEB trust.

3 (c) Trusts created by a municipality under this Section
4 are in addition to pension benefits provided by the
5 municipality for its employees under the Illinois Pension
6 Code.

7 (d) The OPEB trusts may employ such personnel and enter
8 into investment, advisory, or professional services or similar
9 contracts as deemed appropriate by the corporate authorities
10 of the municipality and recommended by the Treasurer of the
11 municipality.

12 (e) The OPEB trusts may be established in a manner so as to
13 be exempt from taxation under the provisions of applicable
14 federal and State tax laws.

15 (f) The trustee of the OPEB trusts shall be the
16 municipality. The treasurer of the municipality and the
17 trustee shall be indemnified by the municipality to the
18 fullest extent permitted by law for their actions taken with
19 respect to the OPEB trust.

20 (g) The assets of an OPEB trust shall be managed by the
21 treasurer of the municipality in any manner, subject only to
22 the prudent investor standard and any requirements of
23 applicable federal law. The limitations of any other statute
24 affecting the investment of municipal funds shall not apply to
25 OPEB trusts. The trustee shall adopt an investment policy
26 consistent with the standards articulated in Section 2.5 of

1 the Public Funds Investment Act. The investment policy shall
2 also provide for the availability of training. Funds of the
3 OPEB trusts may be used to pay for costs of administering the
4 OPEB trusts and for the benefits for which the trusts have been
5 established in accordance with the terms of the OPEB trust
6 documents."