



Sen. Napoleon Harris, III

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10200SB0460sam001

LRB102 11534 RPS 24728 a

1 AMENDMENT TO SENATE BILL 460

2 AMENDMENT NO. _____. Amend Senate Bill 460 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by adding
5 Section 1-113.24 as follows:

6 (40 ILCS 5/1-113.24 new)

7 Sec. 1-113.24. Contracts for investment services with
8 emerging investment managers through a qualified manager of
9 emerging investment managers services.

10 (a) As used in this Section:

11 "Emerging investment manager" has the meaning given to
12 that term in subsection (4) of Section 1-109.1

13 "Investment services" has the meaning given to that term
14 in Section 1-113.14.

15 "Qualified manager of emerging investment managers
16 services" means the services of an investment adviser acting

1 in its capacity as an investment manager of a multimanager
2 portfolio made up of emerging investment managers.

3 (b) Consistent with the requirements of Section 1-113.14,
4 all contracts for investment services shall be awarded by the
5 board of a pension fund or retirement system or investment
6 board using a competitive process that is substantially
7 similar to the process required for the procurement of
8 professional and artistic services under Article 35 of the
9 Illinois Procurement Code; however, an exception to the
10 requirements of Section 1-113.14 shall be allowed for
11 contracts for investment services with an emerging investment
12 manager provided through a qualified manager of emerging
13 investment managers services. Based upon a written
14 recommendation from an investment adviser providing qualified
15 manager of emerging investment managers services for the
16 selection or appointment of an emerging investment manager
17 that has been providing investment services in the
18 multimanager portfolio for at least 24 months, the board of a
19 pension fund or retirement system or investment board may
20 select or appoint such emerging investment manager. All
21 exceptions to Section 1-113.14 granted under this Section must
22 be published on the pension fund's, retirement system's, or
23 investment board's website, which shall name the person
24 authorizing the procurement and shall include a brief
25 explanation of the reason for the exception.

26 (c) A qualified manager of emerging investment managers

1 services shall comply with the requirements regarding written
2 contracts set forth in subsection (c) of Section 1-113.14.

3 Section 90. The State Mandates Act is amended by adding
4 Section 8.45 as follows:

5 (30 ILCS 805/8.45 new)

6 Sec. 8.45. Exempt mandate. Notwithstanding Sections 6 and
7 8 of this Act, no reimbursement by the State is required for
8 the implementation of any mandate created by this amendatory
9 Act of the 102nd General Assembly."