

HB2876



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB2876

by Rep. Daniel J. Burke

SYNOPSIS AS INTRODUCED:

40 ILCS 5/1-145

Amends the General Provisions Article of the Illinois Pension Code.
Makes changes concerning contingent and placement fees.

LRB098 09887 EFG 40045 b

PENSION IMPACT
NOTE ACT MAY
APPLY

A BILL FOR

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 changing
5 Section 1-145 as follows:

6 (40 ILCS 5/1-145)

7 Sec. 1-145. Contingent and placement fees prohibited. No
8 person shall retain a solicitor or placement agent to attempt
9 to influence the outcome of an investment decision of or the
10 procurement of investment advice or services by the Board or
11 Oversight Board of the Illinois Public Employees' Retirement
12 System for compensation, contingent in whole or in part upon
13 the decision or procurement, unless (i) such solicitor is a
14 person enumerated in one of clauses (1) through (5) of Section
15 1-101.4 and is in compliance with rule 206(4)-3 under the
16 federal Investment Advisers Act of 1940 or (ii) such placement
17 agent is registered as a broker or dealer pursuant to the
18 federal Securities and Exchange Act of 1934, as amended, or the
19 Illinois Securities Law of 1953. Any person who violates this
20 Section is guilty of a business offense and shall be fined not
21 more than \$10,000. In addition, any person convicted of a
22 violation of this Section is prohibited for a period of 3 years
23 from conducting such activities. ~~No person or entity shall~~

1 ~~retain a person or entity to attempt to influence the outcome~~
2 ~~of an investment decision of or the procurement of investment~~
3 ~~advice or services of a retirement system, pension fund, or~~
4 ~~investment board of this Code for compensation, contingent in~~
5 ~~whole or in part upon the decision or procurement. Any person~~
6 ~~who violates this Section is guilty of a business offense and~~
7 ~~shall be fined not more than \$10,000. In addition, any person~~
8 ~~convicted of a violation of this Section is prohibited for a~~
9 ~~period of 3 years from conducting such activities.~~

10 (Source: P.A. 96-6, eff. 4-3-09.)