

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

99TH GENERAL ASSEMBLY

BILL NO: **SB 3071**

March 14, 2016

SPONSOR (S): Clayborne

SYSTEM(S): Illinois State Board of Investment (ISBI)

FISCAL IMPACT: The fiscal impact of SB 3071 would be presumably minimal but confined to administrative expenses as the Board's custodian would serve as official custodian of the board instead of the State Treasurer.

SUBJECT MATTER: SB 3071 requires ISBI to appoint and retain a qualified custodian no later than December 31, 2016. Meanwhile, the State Treasurer shall serve as official custodian of the board.

COMMENT: As of current law, the securities, funds and other assets transferred to the ISBI or otherwise acquired by the board shall be placed in the custody of the State Treasurer who shall serve as official custodian of the board. The custodian performs the duties of providing adequate safe deposit facilities and holding all securities, funds and other assets subject to the order of the board. Under SB 3071, the Board's custodian would take over the role of the State Treasurer as official custodian of the board.

JB:dkb

LRB099 18394 EFG 42769 b