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SENATE BILL NO. 1416

FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by Delegate Byron
on February 15, 2017)

(Patron Prior to Substitute—Senator Newman)

A *BILL to amend the Code of Virginia by adding a section numbered 2.2-4513.1, relating to the Investment of Public Funds Act; investment of funds in qualified investment pools.*

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 2.2-4513.1 as follows:

§ 2.2-4513.1. Investment of funds in qualified investment pools.

A. *Notwithstanding the provisions of Article 1 (§ 15.2-1300 et seq.) of Chapter 13 of Title 15.2, in any locality in which the authority to invest moneys belonging to or within the control of the locality has been granted to its elected treasurer, the treasurer may act on behalf of his locality to become a participating political subdivision in qualified investment pools without an ordinance adopted by the locality approving a joint exercise of power agreement. For purposes of this section, "qualified investment pool" means a jointly administered investment pool organized as a trust fund pursuant to Article 1 of Chapter 13 of Title 15.2 that has a professional investment manager and has maintained for a period of one year at least (i) 40 or more participants and (ii) \$400 million in invested assets.*

B. *Investments in qualified investment pools described in this section shall comply with the requirements of this chapter applicable to municipal corporations and other political subdivisions.*

C. *The provisions of this section shall not apply to local trusts established pursuant to Article 8 (§ 15.2-1544 et seq.) of Chapter 15 of Title 15.2 to fund postemployment benefits other than pensions.*

2. That nothing in this act shall be construed to diminish existing legal authority of the treasurers of political subdivisions related to the investment of public funds.