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**SENATE BILL NO. 1416**  
**FLOOR AMENDMENT IN THE NATURE OF A SUBSTITUTE**  
 (Proposed by Senator Newman  
 on February 3, 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 the Virginia Investment Pool Trust Fund and other jointly administered 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 the Virginia Investment Pool Trust Fund.**

A. Political subdivisions may invest any or all of the moneys belonging to them or within their control, other than sinking funds, pursuant to the execution of joint exercise of power agreements described in Article 1 (§ 15.2-1300 et seq.) of Chapter 13 of Title 15.2 in (i) the Virginia Investment Pool Trust Fund that was formed prior to January 1, 2017, or (ii) any other jointly administered investment pool that is organized as a trust fund.

B. 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 subsection, "qualified investment pool" means a jointly administered investment pool 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.

C. Investments in the Virginia Investment Pool Trust Fund and other jointly administered investment pools described in this section shall comply with the requirements of this chapter applicable to municipal corporations and other political subdivisions.

**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.**

**3. That the naming by this act of a governmental trust established pursuant to the Joint Exercise of Powers Act (§ 15.2-1300 et seq. of the Code of Virginia) shall not be construed as an endorsement or recommendation by the General Assembly of investment in such governmental trust.**

**SENATE SUBSTITUTE**

SB1416S2