



Rep. Ann M. Williams

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LRB104 04861 HLH 36858 a

1 AMENDMENT TO HOUSE BILL 959

2 AMENDMENT NO. _____. Amend House Bill 959 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Sustainable Investing Act is
5 amended by changing Sections 5 and 10 and by adding Sections
6 25, 30, and 35 as follows:

7 (30 ILCS 238/5)

8 Sec. 5. Findings and purpose.

9 (a) The General Assembly finds that consideration of
10 factors relevant to the environmental impact, social impact,
11 and governance of investments is vital for maximizing the
12 safety and performance of public funds. Such sustainability
13 factors are indicative of the overall performance of an
14 investment and are strong indicators of its long-term value.
15 Public agencies and governments have a duty to recognize and
16 evaluate these materially relevant factors.

1 (b) It is the purpose of this Act to prudently integrate
2 sustainability factors into the investment decision-making,
3 investment analysis, portfolio construction, due diligence,
4 and investment ownership of public funds to maximize
5 anticipated financial returns, minimize projected risks, more
6 effectively execute fiduciary duties, and contribute to a more
7 just, accountable, and sustainable State of Illinois.

8 (c) The General Assembly reaffirms its prior findings that
9 factors relevant to the environmental impact, social impact,
10 and governance of investments are indicative of the overall
11 performance of an investment and that agencies and governments
12 have a duty to recognize and evaluate these materially
13 relevant factors.

14 (d) The General Assembly finds that other states have
15 taken actions that may impede the ability of Illinois persons
16 to take actions under sustainable investment policies
17 consistent with the principles of this Act.

18 (e) It is the intent of the State of Illinois to foster an
19 environment where not only agencies and governments but
20 private entities can prudently consider materially relevant
21 environmental, social, and governance factors in their
22 investment decision-making, investment analysis, portfolio
23 construction, due diligence, and investment ownership
24 activities.

25 (f) It is the purpose of this Act to make it clear that
26 State resources should not be used to advance efforts by any

1 individual or government to impede Illinois persons' lawful
2 sustainable investment activity as described in this Act and
3 to provide recourse for Illinois persons who may be subject to
4 such actions.

5 (Source: P.A. 101-473, eff. 1-1-20.)

6 (30 ILCS 238/10)

7 Sec. 10. Definitions. As used in this Act:

8 "Company proposal" means a proposal made by a company's
9 shareholder that is included in the company's proxy statement,
10 including the nomination of a director.

11 "Financial institution" means a bank, savings bank, or
12 credit union established under the laws of the State of
13 Illinois, another state, or the United States of America.

14 "Governmental unit" has the same meaning as in the Local
15 Government Debt Reform Act.

16 "Investment manager" means a fiduciary who:

17 (1) is a ~~fiduciary~~ selected by a public agency,
18 pension fund, retirement system, or governmental unit who
19 has the power to manage, acquire, or dispose of any asset
20 of a public agency, pension fund, retirement system or
21 governmental unit;

22 (2) has acknowledged in writing that he or she is a
23 fiduciary with respect to the public fund, retirement
24 system, or pension fund; and

25 (3) is at least one of the following: (i) registered

1 as an investment adviser under the federal Investment
2 Advisers Act of 1940; (ii) registered as an investment
3 adviser under the Illinois Securities Law of 1953; (iii) a
4 bank, as defined in the Investment Advisers Act of 1940;
5 or (iv) an insurance company authorized to transact
6 business in this State.

7 "Investment policy" means a written investment policy
8 adopted by a public agency or governmental unit which
9 addresses safety of principal, liquidity of funds, and return
10 on investment and which requires the investment portfolio be
11 structured in such a manner as to provide sufficient liquidity
12 to pay obligations as they come due.

13 "Lawful sustainable investment activity" means:

14 (1) any activity that is not unlawful under the laws
15 of this State or under the laws of the United States taken
16 to carry out a sustainable investment policy as described
17 in this Act, regardless of whether the sustainable
18 investment policy was adopted by a public agency,
19 governmental unit, or any other entity doing business in
20 Illinois;

21 (2) any action taken in furtherance of providing the
22 following services that is not unlawful under the laws of
23 this State or the United States:

24 (A) advice or recommendations on how to vote on a
25 proxy proposal or company proposal;

26 (B) proxy statement research and analysis

1 regarding a proxy proposal or company proposal;

2 (C) rating or research regarding corporate
3 governance; or

4 (D) the development of proxy voting
5 recommendations or policies, including establishing
6 default recommendations or policies.

7 "Proxy proposal" means a proposal made by a company's
8 shareholder that is included in the company's proxy statement,
9 including the nomination of a director.

10 "Public agency" means the State of Illinois, the various
11 counties, townships, cities, towns, villages, school
12 districts, educational service regions, special road
13 districts, public water supply districts, fire protection
14 districts, drainage districts, levee districts, sewer
15 districts, housing authorities, the Illinois Bank Examiners'
16 Education Foundation, the Chicago Park District, and all other
17 political corporations or subdivisions of the State of
18 Illinois, now or hereafter created, whether herein
19 specifically mentioned or not.

20 "Public funds" means current operating funds, special
21 funds, interest and sinking funds, and funds of any kind or
22 character belonging to or in the custody of any public agency.

23 "Sustainability factors" means factors that may have a
24 material and relevant financial impact on the safety or
25 performance of an investment and which are complementary to
26 financial factors and financial accounting.

1 (Source: P.A. 103-324, eff. 1-1-24; revised 7-1-25.)

2 (30 ILCS 238/25 new)

3 Sec. 25. Conflict of law. Notwithstanding any general or
4 special law or common law conflict of law rule to the contrary,
5 the laws of this State shall govern in any case or controversy
6 heard in this State related to lawful sustainable investment
7 activity.

8 (30 ILCS 238/30 new)

9 Sec. 30. Prohibited State actions.

10 (a) Unless such a refusal is expressly prohibited by
11 Illinois or federal law, the State may decline to provide any
12 information to or expend or use any time, money, facilities,
13 property, equipment, personnel, or other resources to assist
14 any individual, or out-of-state officer, official, agency,
15 entity, or department seeking to impose civil or criminal
16 liability upon a person or entity for lawful sustainable
17 investment activity.

18 (b) This Section does not apply if an individual or
19 out-of-state officer, official, agency, entity, or department
20 is investigating conduct that would be subject to civil or
21 criminal liability under the laws of Illinois or the laws of
22 the United States.

23 (30 ILCS 238/35 new)

1 Sec. 35. Right of action.

2 (a) If judgment is entered in any other state against any
3 person residing or domiciled in Illinois, and if the judgment
4 is based, in whole or in part, on the alleged provision,
5 receipt, assistance in receipt or provision, material support
6 for, or any theory of vicarious, joint, several, or conspiracy
7 liability derived therefrom, for lawful sustainable investment
8 activity that is permitted under the laws of this State, that
9 person may recover damages from any party that brought the
10 action leading to that judgment or has sought to enforce that
11 judgment.

12 (b) Any person aggrieved by conduct in subsection (a)
13 shall have a right of action in a State circuit court or as a
14 supplemental claim in federal district court against any party
15 that brought the action leading to that judgment or has sought
16 to enforce that judgment. This lawsuit must be brought not
17 later than 2 years after the violation of subsection (a).

18 (c) If the court finds that a violation of subsection (a)
19 has occurred, the court may award to the plaintiff:

20 (1) actual damages created by the action that led to
21 that judgment, including, but not limited to, money
22 damages in the amount of the judgment in that other state
23 and costs, expenses, and reasonable attorney's fees,
24 including expert witness fees and other litigation
25 expenses, spent in defending the action that resulted in
26 the entry of the judgment in another state; and

1 (2) costs, expenses, and reasonable attorney's fees,
2 including expert witness fees and other litigation
3 expenses, incurred in bringing an action under this Act as
4 may be allowed by the court.

5 (d) The provisions of this Act shall not apply to a
6 judgment entered in another state that is based on:

7 (1) an action founded in contract, and for which a
8 similar claim would exist under the laws of this State,
9 brought or sought to be enforced by a party with a
10 contractual relationship with the person that is the
11 subject of the judgment entered in another state; or

12 (2) an action where no part of the acts that formed the
13 basis for liability occurred in this State."