



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1891

Introduced 2/6/2025, by Sen. Robert F. Martwick

SYNOPSIS AS INTRODUCED:

110 ILCS 95/2

from Ch. 144, par. 1702

Amends the University Employees Custodial Accounts Act. Provides that the governing board of any public institution of higher education shall require that the defined contribution plan recordkeeper agree that, in performing services with respect to the defined contribution plan, the recordkeeper: (i) will not use information received as a result of providing services with respect to the defined contribution plan or the participants in the defined contribution plan to solicit the participants in the defined contribution plan for the purpose of cross-selling nonplan products and services, unless in response to a request by a participant in the defined contribution plan or a request by the governing board of the public institution of higher education or its authorized delegate (rather than a request by a participant); and (ii) will not promote, recommend, endorse, or solicit participants in the defined contribution plan to purchase any financial products or services outside of the defined contribution plan, except that links to parts of the recordkeeper's or the recordkeeper's affiliate's (rather than the recordkeeper's) website that are generally available to the public, are about commercial products, and may be encountered by a participant in the regular course of navigating the recordkeeper's or the recordkeeper's affiliate's (rather than the recordkeeper's) website will not constitute a violation. Makes related changes. Effective immediately.

LRB104 11331 LNS 21418 b

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The University Employees Custodial Accounts Act
5 is amended by changing Section 2 as follows:

6 (110 ILCS 95/2) (from Ch. 144, par. 1702)

7 Sec. 2. The governing board of any public institution of
8 higher education has the power to establish a defined
9 contribution plan to make payments to custodial accounts for
10 investment in regulated investment company stock to provide
11 retirement benefits as described in Section 403(b)(7) of the
12 Internal Revenue Code for eligible employees of such
13 institutions. Such payments shall be made with funds made
14 available by deductions from or reductions in salary or wages
15 of eligible employees who authorize in writing deductions or
16 reductions for such purpose. Such stock shall be purchased
17 only from persons authorized to sell such stock in this State.

18 In administering the defined contribution plan, the
19 governing board of any public institution of higher education
20 shall require that the defined contribution plan recordkeeper
21 agree that, in performing services with respect to the defined
22 contribution plan, the recordkeeper: (i) will not use
23 information received as a result of providing services with

1 respect to the defined contribution plan or the participants
2 in the defined contribution plan to solicit the participants
3 in the defined contribution plan for the purpose of
4 cross-selling nonplan products and services, unless in
5 response to a request by a participant in the defined
6 contribution plan or a request by the governing board of the
7 public institution of higher education or its authorized
8 delegate; and (ii) will not promote, recommend, endorse, or
9 solicit participants in the defined contribution plan to
10 purchase any financial products or services outside of the
11 defined contribution plan, except that links to parts of the
12 recordkeeper's or the recordkeeper's affiliate's website that
13 are generally available to the public, are about commercial
14 products, and may be encountered by a participant in the
15 regular course of navigating the recordkeeper's or the
16 recordkeeper's affiliate's website will not constitute a
17 violation of this item (ii). However, a public institution of
18 higher education may allow promotion of limited services if
19 the public institution of higher education receives no
20 compensation from the recordkeeper for promoting or providing
21 such services. Such limited services may include educational,
22 counseling, debt reduction, student loan repayment or
23 forgiveness, or other services intended to enhance retirement
24 savings opportunities. Such limited services may not include
25 credit cards, life insurance, or banking products, unless a
26 request to provide those products is made by the governing

1 board of the public institution of higher education or its
2 authorized delegate.

3 (Source: P.A. 103-552, eff. 8-11-23.)

4 Section 99. Effective date. This Act takes effect upon
5 becoming law.