



Sen. Karina Villa

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10300SB2568sam005

LRB103 31865 RJT 72796 a

1 AMENDMENT TO SENATE BILL 2568

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2568, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The School Code is amended by adding Section  
6 22-100 as follows:

7 (105 ILCS 5/22-100 new)

8 Sec. 22-100. Retirement savings plans; requirements.

9 (a) This Section applies to contracts entered into or  
10 renewed on or after the effective date of this amendatory Act  
11 of the 103rd General Assembly.

12 (b) By July 1, 2026, the school board of each school  
13 district in the State that offers its employees a retirement  
14 savings plan established under Section 403(b) of the Internal  
15 Revenue Code of 1986 may enter into a contract with one or more  
16 vendors to provide participants with plan investments options.

1       Any vendor selected under this Section after the effective  
2 date of this amendatory Act of the 103rd General Assembly must  
3 be mutually agreed upon by the affected collective bargaining  
4 unit or units and the school board and must ensure that:

5           (1) neither it nor the plan investment options it  
6 provides impose an administrative asset-based fee in  
7 excess of 0.50%;

8           (2) neither it nor the plan investment options it  
9 provides impose front-end sales or advisory charges;

10          (3) neither it nor the plan investment options it  
11 provides impose surrender charges;

12          (4) the provided plan investment options offer access  
13 to all of the following types of funds:

14           (A) a target-date index fund with an expense ratio  
15 that is less than or equal to 0.25%;

16           (B) a broad-based domestic index fund with an  
17 expense ratio that is less than or equal to 0.10%;

18           (C) a broad-based bond index fund with an expense  
19 ratio that is less than or equal to 0.10%; and

20           (D) an international index fund with an expense  
21 ratio that is less than or equal to 0.10%.

22          (c) Any vendor offering a plan under this Section may  
23 charge an investment advisory representative fee not to exceed  
24 0.50% annually.

25          (d) If any new vendor is chosen to administer a retirement  
26 savings plan that is offered by the school board of a school

1 district under this Section, an employee of the school  
2 district may opt out of having the employee's individual  
3 403(b) mutual fund custodial account or annuity contract  
4 transferred to that new vendor. This subsection does not apply  
5 to assets held by the employer in a group contract.

6 (e) A participant who is contributing to a 403(b)  
7 retirement savings plan account through a salary reduction  
8 agreement on or before the effective date of this amendatory  
9 Act of the 103rd General Assembly may continue to make  
10 contributions even if the account does not meet the  
11 requirements provided in this Section.

12 (f) If a participant stops contributing to a 403(b)  
13 retirement savings plan account that does not meet the  
14 requirements of this Section, then the participant is no  
15 longer eligible to make salary reduction contributions to the  
16 403(b) retirement savings plan account that does not meet the  
17 requirements of this Section.

18 (g) A collective bargaining unit is not liable in the  
19 selection of a vendor under this Section."