



Commission on Government Forecasting and Accountability

PENSION IMPACT NOTE *103RD General Assembly*

BILL NO: SB 3789

February 13, 2024

SPONSOR: Martwick

SYSTEM: SURS

FISCAL IMPACT

SB 3789 will not have any impact upon the SURS defined benefit trust fund. The bill creates prohibitions on certain forms of solicitations by the affiliate of the deferred compensation plan recordkeeper. These changes are technical in nature and will have no fiscal impact.

SUBJECT MATTER: SB 3789 amends the SURS Article of the Pension Code. The bill restricts affiliates of the optional deferred compensation plan recordkeeper from soliciting services that are outside the scope of the deferred compensation plan. These restrictions are currently in force for the plan recordkeeper; the bill merely extends the restrictions to the affiliate of the recordkeeper. Please see the Comment section below for more detail.

COMMENT: Under current law, SURS participants may elect to participate in the optional deferred compensation plan that was implemented with the enactment of P.A. 100-0769, which took effect on Aug. 10, 2018. The SURS deferred compensation plan began operations on March 1, 2021. Current law prohibits the plan recordkeeper from using the participants' information for cross-selling nonplan products and services unless the participant requests the information. The recordkeeper is also prohibited from promoting, recommending, endorsing, or soliciting participants to purchase any products outside the deferred compensation plan unless links to the recordkeeper's website are: 1) available to the public; 2) about commercial products; and 3) encountered by a participant in regular navigation of the recordkeeper's website. Voya Financial is the current recordkeeper for the SURS deferred compensation plan.

SB 3789 would allow SURS to request information about nonplan products and services on behalf of the participant of a deferred compensation plan. This bill also prohibits the recordkeeper's

affiliate from promoting, recommending, endorsing, or soliciting participants to purchase any products outside the deferred compensation plan.

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