



## Commission on Government Forecasting and Accountability

### PENSION IMPACT NOTE *104<sup>th</sup> General Assembly*

BILL NO: SB 1453

February 4, 2025

SPONSOR(S): Martwick

SYSTEM: State Universities Retirement System (SURS)

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#### FISCAL IMPACT

**SB 1453 makes no fiscal changes to the SURS Deferred Compensation plan and would have no discernable fiscal impact. Only non-fiscal aspects of the SURS article are amended regarding advertising restrictions by third-party vendors and the appropriate use of participant information.**

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SUBJECT MATTER: SB 1453 amends the SURS article of the Illinois Pension Code to create exceptions for the deferred compensation recordkeeper, allowing them to advertise their products to participants at the request of either the employer (governing board of a public university) or the system (SURS). The bill also allows links to affiliated websites that may advertise products/services provided by the recordkeeper that are generally available to the public.

COMMENT: Under current law, there are restrictions on how the SURS deferred compensation recordkeeper (the third-party firm hired to keep track of participants, investments, and cashflow of a pension plan) can advertise ancillary services to SURS participants. Specifically, they are not allowed to use participant information to promote, recommend, endorse or solicit participants to purchase any of their other financial products unless a participant requests such products. The recordkeeper is allowed to have advertisements on their website if such advertisements are available to the general public.

SB 1453 amends the SURS article to create more exceptions for the recordkeeper allowing them to advertise their other products if requested by either a relevant public university or the SURS board. One exception allows for the use of participant information for selling non-plan products at the request of the SURS board. Public universities may also give the recordkeeper permission to advertise credit cards, life insurance, and banking products, in addition to previously allowed

services to participants. Affiliate websites of the recordkeeper can also advertise products and are granted the same exceptions as their main websites. The bill is prospective, and its provisions shall take effect immediately upon being signed into law.

RF:bs

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