



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB1155

Introduced 1/9/2025, by Rep. Will Guzzardi

#### SYNOPSIS AS INTRODUCED:

110 ILCS 305/195 new

Amends the University of Illinois Act. Provides that the Board of Trustees shall direct the University of Illinois System, in addition to the Office of Investments and external investment managers, to not invest the assets of any endowment fund in the stocks, securities, or other obligations of any fossil fuel company or any subsidiary, affiliate, or parent of any fossil fuel company. Provides that this does not preclude the de minimis exposure of any funds held by the endowment fund to the stocks, securities, or other obligations of any fossil fuel company or any subsidiary, affiliate, or parent of any fossil fuel company. Requires the Board of Trustees to direct the University of Illinois System, in addition to the Office of Investments and external investment managers, to not invest in any prime commercial paper or corporate bonds issued by a fossil fuel company. Provides that, beginning one year after the effective date of the amendatory Act, the Board of Trustees, subject to an affirmative determination of prudence and in accordance with sound investment criteria and consistent with its fiduciary obligations, shall direct the University of Illinois System to ensure that any endowment fund does not have any indirect investments; defines "indirect investment". Provides that the Board of Trustees shall direct the University of Illinois System, in addition to the Office of Investments and external investment managers, to adopt updates to its written investment policies, if necessary, to meet the requirements of these provisions and publish a copy of those updated policies within 90 days after the adoption of the updated policies. Effective immediately.

LRB104 03849 LNS 13873 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. Findings. The General Assembly finds that:

5 (1) climate change poses a serious threat to the  
6 health, wealth, and safety of the people of this State;  
7 and

8 (2) continuing to invest in fossil fuel companies is  
9 contrary to the mission of the University of Illinois  
10 System and as such, the University of Illinois should not  
11 invest in these industries through its endowments.

12 Section 10. The University of Illinois Act is amended by  
13 adding Section 195 as follows:

14 (110 ILCS 305/195 new)

15 Sec. 195. University of Illinois System; fossil fuel  
16 company divestment.

17 (a) In this Section:

18 "Fossil fuel company" means any company that:

19 (1) is among the 200 publicly traded companies with  
20 the largest fossil fuel reserves in the world;

21 (2) is among the 30 largest public company owners in  
22 the world of coal-fired power plants;

1           (3) has as its core business the construction or  
2           operation of fossil fuel infrastructure;

3           (4) has as its core business the exploration,  
4           extraction, refining, processing, or distribution of  
5           fossil fuels; or

6           (5) receives more than 20% of its gross revenue from  
7           companies that are described in paragraph (1), (2), (3),  
8           or (4) of this definition.

9           "Indirect investment" means a holding in an investment  
10          vehicle that directly or indirectly owns a more than 1%  
11          interest in one or more individual fossil fuel companies.

12          (b) The Board of Trustees shall direct the University of  
13          Illinois System, in addition to the Office of Investments and  
14          external investment managers, to not invest the assets of any  
15          endowment fund in the stocks, securities, or other obligations  
16          of any fossil fuel company or any subsidiary, affiliate, or  
17          parent of any fossil fuel company. Nothing in this subsection  
18          (b) precludes the de minimis exposure of any funds held by the  
19          endowment fund to the stocks, securities, or other obligations  
20          of any fossil fuel company or any subsidiary, affiliate, or  
21          parent of any fossil fuel company.

22          The Board of Trustees shall direct the University of  
23          Illinois System, in addition to the Office of Investments and  
24          external investment managers, to not invest in any prime  
25          commercial paper or corporate bonds issued by a fossil fuel  
26          company.

1       (c) Beginning one year after the effective date of this  
2 amendatory Act of the 104th General Assembly, the Board of  
3 Trustees, subject to an affirmative determination of prudence  
4 and in accordance with sound investment criteria and  
5 consistent with its fiduciary obligations, shall direct the  
6 University of Illinois System to ensure that any endowment  
7 fund does not have any indirect investments.

8       (d) The Board of Trustees shall direct the University of  
9 Illinois System, in addition to the Office of Investments and  
10 external investment managers, to adopt updates to its written  
11 investment policies, if necessary, to meet the requirements of  
12 this Section and publish a copy of those updated policies  
13 within 90 days after the adoption of the updated policies.

14       Section 99. Effective date. This Act takes effect upon  
15 becoming law.