



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB3559

Introduced 2/18/2025, by Rep. Kevin John Olickal

SYNOPSIS AS INTRODUCED:

New Act

Creates the Reentry Financial Empowerment Act. Requires the Department of Financial and Professional Regulation to oversee the Illinois Reentry Account program to provide no-fee, federally insured debit accounts to reentering citizens who have been released from an Illinois correctional facility for fewer than 12 months. Requires accounts for reentering citizens to include no monthly maintenance fees, overdraft fees, or minimum balance requirements; access to a network of ATMs for cash withdrawals created in partnership with a financial administrator or financial administrators partnered with the state; a secure debit card for account access; and online and mobile banking options. Provides that the Department shall work with the Illinois Department of Corrections to ensure eligible reentering citizens are informed of the program upon release, and the Illinois Department of Corrections shall facilitate enrollment into the program. Requires the Department to contract with one or more financial institutions to administer accounts under the program and provides standards for the institutions. Establishes monitoring responsibilities for the Department and requires reporting of the program's progress to the General Assembly. Effective immediately.

LRB104 10431 BAB 20506 b

1 AN ACT concerning regulation.

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

4 Section 1. Short title. This Act may be cited as the
5 Reentry Financial Empowerment Act.

6 Section 2. Findings. The General Assembly finds that:

7 (1) Individuals reentering society after incarceration
8 face significant barriers to financial stability,
9 including limited access to financial services.

10 (2) A lack of access to affordable banking services
11 increases the likelihood of reliance on predatory
12 financial products, which perpetuate cycles of poverty and
13 exclusion.

14 (3) Providing reentering citizens with no-fee,
15 no-minimum-balance debit accounts will empower individuals
16 to reintegrate into society, reduce recidivism, and
17 contribute to the economic health of Illinois.

18 (4) It is in the State's interest to ensure reentering
19 citizens have the tools to manage their finances securely
20 and affordably.

21 Section 5. Definitions. As used in this Act:

22 "Department" means the Department of Financial and

1 Professional Regulation.

2 "IDOC" means the Illinois Department of Corrections.

3 "Illinois Reentry Account Program" means the program
4 established to provide no-fee debit accounts to reentering
5 citizens.

6 "Reentering citizen" means an individual who has been
7 released from an Illinois correctional facility for fewer than
8 12 months.

9 Section 10. The Illinois Reentry Account Program.

10 (a) The Department shall establish and oversee the
11 Illinois Reentry Account Program to provide no-fee, federally
12 insured debit accounts to reentering citizens.

13 (b) Accounts provided under this program shall include the
14 following features:

15 (1) no monthly maintenance fees, overdraft fees, or
16 minimum balance requirements;

17 (2) access to a network of ATMs for cash withdrawals
18 created in partnership with a financial administrator or
19 financial administrators partnered with the State;

20 (3) a secure debit card for account access; and

21 (4) online and mobile banking options.

22 Section 15. Implementation.

23 (a) The Department shall work with IDOC to ensure eligible
24 reentering citizens are informed of the program upon release.

1 (b) IDOC shall facilitate the enrollment of reentering
2 citizens by:

3 (1) providing information about the program during
4 pre-release counseling; and

5 (2) assisting with account setup and activation prior
6 to release.

7 (c) The Department shall contract with one or more
8 financial institutions to administer accounts under the
9 program. Participating institutions must:

10 (1) agree to the program's terms and conditions,
11 including the prohibition of fees for account holders; and

12 (2) provide adequate infrastructure to support the
13 program, including ATMs and branch services in underserved
14 areas.

15 Section 20. Reporting and Monitoring.

16 (a) The Department shall monitor program participation and
17 outcomes, including:

18 (1) the number of accounts opened;

19 (2) geographic distribution of account holders; and

20 (3) financial outcomes for account holders, such as
21 reduced reliance on predatory financial services.

22 (b) The Department shall submit an annual report to the
23 General Assembly detailing program progress and any
24 recommendations for improvement.

25 Section 99. Effective date. This Act takes effect upon

1 becoming law.