



Sen. Michael W. Halpin

**Filed: 3/3/2023**

10300SB1233sam001

LRB103 25480 RJT 58388 a

1 AMENDMENT TO SENATE BILL 1233

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1233 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The School Code is amended by adding Section  
5 22-95 as follows:

6 (105 ILCS 5/22-95 new)

7 Sec. 22-95. Retirement and deferred compensation plans.

8 (a) This Section applies only to school districts with a  
9 full-time licensed teacher population of 525 teachers or more.

10 (b) A financial institution or investment provider, by  
11 entering into a written agreement, may offer or provide  
12 services to a plan established or maintained by a school  
13 district under Section 457 of the Internal Revenue Code of  
14 1986 if the written agreement is not combined with any other  
15 written agreement for the administration of a school  
16 district's 457 plan.

1       Each school district that provides a 457 plan shall make  
2 available to participants, in the manner provided in  
3 subsection (d), more than one financial institution or  
4 investment provider that has not entered into a written  
5 agreement under this subsection (b) and that provides services  
6 to the school district's 457 plan.

7       (c) A financial institution or investment provider  
8 providing services for any plan established or maintained by a  
9 school district under Section 457 of the Internal Revenue Code  
10 of 1986 shall:

11           (1) enter into an agreement with the school district  
12 or the school district's independent compliance  
13 administrator that requires the financial institution or  
14 investment provider to provide, in an electronic format,  
15 all data necessary for the administration of the 457 plan,  
16 as determined by the school district or the school  
17 district's compliance administrator;

18           (2) provide all data required by the school district  
19 or the school district's compliance administrator to  
20 facilitate disclosure of all fees, charges, expenses,  
21 commissions, compensation, and payments to third parties  
22 related to investments offered under the 457 plan; and

23           (3) cover all plan administration costs agreed to by  
24 the school district relating to the 457 plan.

25       (d) A school district that establishes or maintains a plan  
26 under Section 457 of the Internal Revenue Code of 1986 shall

1 select more than one financial institution or investment  
2 provider, in addition to the financial institution or  
3 investment provider that has entered into a written agreement  
4 under subsection (b), to provide services to the 457 plan. A  
5 financial institution or investment provider shall be  
6 designated a 457 plan provider if the financial institution or  
7 investment provider enters in an agreement in accordance with  
8 subsection (c)

9 (e) A school district shall have one year from the  
10 effective date of this amendatory Act of the 103rd General  
11 Assembly to find a 457 plan provider under this Section."