

*Public School Teachers' Pension and Retirement Fund
of Chicago*

PENSION NEWS

June 2001 / Legislative Update

Legislative Update. The Board of Trustees is extremely pleased that **HB2157** passed both houses of the General Assembly on May 31, 2001. The bill now only awaits the signature of Governor George H. Ryan before it becomes law. Please write to Governor Ryan, 207 State House, Springfield, Illinois 62706, urging him to sign our teacher pension HB2157.

The following are key components of the bill:

- Provides additional benefits to *teacher pensioners who began receiving 1993 5+5 early retirement benefits* and provides for retroactive calculation of their annuities payable in a lump sum and in an increased annuity. This provision effects more than 2,500 of our pensioners and their families.
- Increases from 100 days per year to 150 days per year the number of days a *teacher pensioner may return to work* as a substitute teacher (earning the equivalent of substitute teacher pay) before his or her pension is cancelled or suspended.
- Provides that a *teacher member who retires on or after the effective date of this law* with at least 30 years of creditable service at retirement may have such service converted to the 2.2% augmented rate without paying additional employee contributions to the pension fund. A teacher member who has previously paid or is currently paying for the 2.2 upgrade will be paid a refund of such contributions along with interest at the time of his or her retirement.
- Provides that a *pensioner member who retired on or after July 1, 1998 with at least 30 years of creditable service and who chose not to upgrade to the 2.2% augmented rate* shall be paid an increased annuity as well as a lump sum equal to the amount he or she would have received under the 2.2% augmented rate minus the amount he or she actually received under the step rate formula retroactive to the later of July 1, 1998 or his or her date of retirement.
- Provides that a *pensioner member who retired on or after July 1, 1998 with at least 30 years of creditable service and who paid contributions in order to upgrade to the 2.2% augmented rate* will be paid a lump sum refund of such contributions.
- Provides that a *teacher pensioner who began receiving 1994 5+5 retirement benefits* may purchase additional service credit of up to 3 weeks during the month of January 1968, during which the member was prevented from working due to civil unrest or a wildcat strike. A pensioner wishing to establish this credit must apply in writing to the pension office within 30 days after the effective date of this law and pay to the pension fund additional employee contributions. After such time that such additional service credit is established with the pension fund, the fund shall recalculate the pension originally granted in order to reflect the additional service credit and pay to the pensioner an increased annuity as well as in a lump sum the difference in such pension amounts retroactive to the original date of retirement.
- Provides that a *surviving spouse of a teacher or pensioner* who is also a dependent beneficiary under the provisions of the Teacher Retirement System of Illinois is eligible for a reciprocal survivor's pension, provided that any refund of survivor's pension contributions is repaid to the pension fund and application is made within 30 days after the effective date of this law.

A tremendous amount of time was devoted to obtaining support for all of our pension issues. Pension fund lobbyist *Henry Anselmo* was instrumental in working with key legislators in guiding the bill to its final passage. Special appreciation is extended to *all members of the General Assembly* for their efforts and support of our teacher pension issues, especially the sponsors of HB2157, House Speaker *Michael Madigan*, Representatives *Maggie Crotty* and *Harold Murphy*, and Senators *Pat O'Malley* and *Jim DeLeo*. There were many others who helped this bill on its course through the Legislature, including Senators *Robert Madigan* and *Bob Molaro*, and Representatives "*Skip*" *Saviano*, *Kurt Granberg*, *Kay Wojcik*, *Jim Durkin* and *Doug Hoefl*.

Special thanks are extended to *House Speaker Michael Madigan* for his leadership and concern on behalf of the Chicago Teachers Pension Fund, Representative *Harold Murphy*, co-chairman of the Pension Laws Commission and chairman of the House Personnel and Pensions Committee, Senator *Robert Madigan*, co-chairman of the Pension Laws Commission, Senator *Bob Molaro*, member of the Pension Laws Commission and Senator *Pat O'Malley*, member of the Insurance & Pensions Committee. In addition, special thanks are extended to *David Peterson* of the Chicago Teachers Union for his valued leadership and to *Carter Hendren* for his diligence and assistance.

Please call, write or e-mail your state senator, representatives, and Governor thanking them for their support of our legislation. For further assistance with the names and phone numbers of your Illinois legislators, you may call **1-800-252-6300** or access www.capweb.net/AFT.

Thank you for your continued support of the Board of Trustees and staff of the Chicago Teachers Pension Fund.

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