

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

PENSION NEWS

Fall 1999 Legislative Issue

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Pension Legislative Proposals for Fall 1999. Following is a list of proposals that were presented to the Illinois Legislature this Spring, many of which passed the Pension Laws Commission. We are hopeful that many will gain support during the Fall Veto Session. Special thanks are extended to Senators *Robert Molaro, John Cullerton, Robert Madigan and Patrick O'Malley* as well as Representatives *Harold Murphy, Kurt Granberg and Angelo Saviano* for their support of our pension legislation, to our Pension Board of Trustees for their leadership and support, and to *Henry Anselmo and Eugene Barnes*, our legislative liaisons, for their guidance and efforts. **Please call, write and e-mail your state senators, representatives and Governor seeking their continued support of our legislation! A toll-free number for Illinois legislative information is 1-800-252-6300. Please call if you have questions.**

1. Provide that all earnings under a member's employment agreement be pensionable (SB136, Sen. Robert Molaro).
2. Provide that the automatic annual increase be extended to annuitants upon retirement rather than waiting until the age of 61 (HB348, Rep. Harold Murphy).
3. Provide that optional service may be purchased for any official leave granted by the employer and any absence due to pregnancy of a maximum of three years (SB88, Sen. John Cullerton).
4. Provide that the State of Illinois have greater responsibility in funding the Chicago Teachers' pension fund (SB137, Sen. Robert Molaro).
5. Provide for an ad hoc increase for pensioners such that certain monthly pensions would increase by \$.25 times the number of full years of service times the number of full years on pension (HB349, Rep. Angelo Saviano).
6. Provide for an increase in the rate of automatic annual increase to 4% from 3% (SB90, Sen. John Cullerton).
7. Provide that the number of years used in the calculation of average salary for pension purposes be changed from 4 years to 3 years (SB91, Sen. John Cullerton).
8. Provide for a reduction in the number of years of service required for early retirement without discount from 34 years to 30 years (HB344, Rep. Harold Murphy).
9. Provide for a "5+5" early retirement incentive program for the upcoming year (HB345, Rep. Harold Murphy).
10. Provide for an "early retirement without discount" benefit beyond the year 2000 - passed in SB55 in 1999.
11. Provide for optional purchase up to 3 years of service as a private school teacher or administrator under certain conditions and after payment of required contributions.
12. Provide for additional benefits to those members who retired under the "5+5" early retirement incentive program enacted in 1993 under Public Act 88-85 (SB114, Sen. William O'Malley).
13. Provide for changes in survivor's pensions that began prior to December 31, 1986 to the 50% minimum (HB351, Rep. Angelo Saviano).
14. Provide for an increase of \$15,000,000 for medical insurance rebates to pensioners for an annual limit of \$40,000,000 (HB346, Rep. Harold Murphy).
15. Provide that pensions shall not be suspended if a member is a full-time employee working outside the Chicago Public School system (HB352, Rep. Angelo Saviano).
16. Provide that upon death of a pensioner his estate be paid a refund of certain employee contributions that exceed pension payments received by the pensioner (HB350, Rep. Angelo Saviano).
17. Provide a minimum pension of \$16,000 annually for teachers retiring with a minimum of 20 years of creditable service in the pension fund. Also provides for 3% automatic annual increase each year (HB347, Rep. Harold Murphy).
18. Provide that unused sick days at termination of service be increased to a maximum of 315 days for use in computing service time for pension purposes (SB135, Sen. Robert Molaro).
19. Provide for elimination of the 2.2 upgrade cost to those teachers with 30 or more years of creditable service (SB89, Sen. John Cullerton).

The Pension Board of Trustees, the Chicago Teachers Union and the Retired Teachers Association of Chicago will continue to work diligently in gaining support for legislation that improves pensions for Chicago teachers and pensioners.

Change in Fund's Fiscal Year. Beginning June 30, 1999, the pension fund's fiscal year will end each June 30, rather than August 31.

Health Insurance Open Enrollment. Please be reminded if you desire to change your health insurance provider for next year that you must return your health insurance enrollment application to the pension fund no later than November 15th. Enrollment forms are available from each insurance company, or you may call the pension office for information.

Health Insurance Rebate for 1999. The rebate period for 1999 will extend from September 1, 1998 through June 30, 1999 (10 months), because of the change in fiscal year. As a result, rebate checks will likely be smaller in amount, as they will represent 10 months of premium rather than 12 months.

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