

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

**PENSION NEWS**

April 18, 2000 Issue

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**Legislative Update.** The Board of Trustees is extremely pleased that the following bills received support from the Illinois General Assembly this past weekend and are awaiting signature by *Governor George H. Ryan*:

- The subsidy for health insurance premiums for pensioners is *increased by fifteen million dollars each year* (HB3756).
- The prohibition is removed on *participating in the Chicago Teachers Pension Fund while simultaneously participating in one of the other state pension systems because of a second job* (HB1583).
- *Pensions of retired teachers will not be suspended* when they work in a school district outside Chicago Public Schools (HB1583).
- *Disability pensions will be computed using the 2.2% pension formula* if the teacher makes all of the upgrade payments (HB1583).

Appreciation is extended to *all members of the General Assembly* for their diligent efforts and support of the Chicago teachers and pensioners.

Special thanks are extended to *Speaker of the House, Michael Madigan*, for his leadership and concern on behalf of the Chicago Teachers Pension Fund. Sponsors of our bills this session included *House Speaker Michael Madigan (22nd District), Representative Harold Murphy (30th District), Representative Angelo "Skip" Saviano (77th District), Senator Robert Molaro (12th District), Senator John Cullerton (6th District), and Senator Pat O'Malley (18th District)*.

Members of the General Assembly to whom considerable gratitude and appreciation are extended include *Representative Harold Murphy (30th District)*, co-chairman of the Pension Laws Commission and chairman of the House Personnel and Pensions Committee, *Representative Angelo "Skip" Saviano (77th District), Representative Kurt Granberg (109th District), Senator Robert Molaro (12th District) and Senator Robert Madigan (45th District)*.

Additional thanks are extended to *Senator Jim DeLeo (10th District) and Representatives Jim Brosnahan (36th District), Maggie Crotty (35th District), Kevin McCarthy (37th District), Doug Hoeft (66th District) and Ron Stephens (110th District)* for their support of our pension issues.

We continue to be optimistic that other benefit provisions will receive favorable consideration during the fall veto session of the General Assembly. Your support will be necessary for additional pension benefits to pass the General Assembly next session.

*Please call, write or e-mail your state senator, representatives, and Governor thanking them for their support of legislation for the Chicago Teachers Pension Fund.* You may refer to our pension newsletter in your correspondence, if you like.

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*Commonly asked questions and answers...*

**Q. When is the best date to retire?** A. The school year is divided among 21 10-day pay periods, typically. It is suggested that you resign at the end of a 10-day pay period.

**Q. Whom should I contact when I am ready to retire?** A. Approximately 60 days prior to your date of resignation you should contact your employer (most teachers contact the Department of Human Resources at the Chicago Public Schools) about your planned resignation and also request a pension application from the pension office.

**Q. If I have pension credit in another Illinois retirement system, how will it be handled?** A. If you have one or more years of credit in another Illinois retirement system, you must file a pension application with each system. The total years of service credit will be used to compute your pension, but each separate retirement system will pay a proportionate share of your pension.

**Q. Am I allowed to work as a teacher after I retire and still continue to receive my pension?** A. Currently, if you return to work as a full-time employee of any public school in Illinois, your pension will be canceled in accordance with the law. Once Governor Ryan signs HB1583 into law, there will no longer be such a restriction, provided you work in a school district outside Chicago Public Schools.

**Q. What are the restrictions on re-employment as a teacher?** A. Currently, you may work up to 100 days as a pensioner-substitute, not earning more money than teacher substitutes earn during 100 days of work. Once Governor Ryan signs HB1583 into law, there will no longer be such a restriction, provided you work in a school district outside Chicago Public Schools.

**Q. Can I return to work full-time and have my pension temporarily suspended?** A. If you wish to return to work full-time in a teaching capacity, you may have your pension temporarily suspended. Once you terminate your full-time position, we will resume paying your pension, including any increases for additional salary and service credits.

**Q. If I retire from CPS in a teaching position, may I be re-employed by another state and not lose my pension benefits?** A. You may work full-time in any school system outside the State of Illinois and continue to collect your pension from us.

**Q. If I am a disability pensioner, may I teach elsewhere and not lose my disability pension?** A. Disability pensioners may not return to teaching and continue to receive a disability pension.

**Q. When I retire, what happens to my health insurance coverage?** A. If you retire under the age of 65 or if you are age 65 or older but are not eligible for Medicare coverage, you may continue your health insurance with the Chicago Public Schools for up to 18 months. Afterwards, you may join the pension fund health insurance program. If you are entitled to Parts A and B of Medicare or you decide to purchase Parts A and B, you may join the pension fund program upon receipt of your first pension check. Until that time, you can continue your coverage with the Chicago Public Schools through arrangements with their health insurance department.

**Q. What are my pension benefits if I have no spouse?** A. Upon retirement, if you are not married, or your spouse or children do not qualify for a survivor's or children's pension, the total pension contributions for the survivor's pension will be refunded to you without interest, in accordance with the law.

**Q. After my retirement am I entitled to any cost-of-living adjustment?** A. The automatic annual increase (AAI) is 3% of your base pension, compounded annually, and is paid on the January 1st following the latter of your first anniversary on pension or your attainment of age 61.

**Q. How can I have my monthly pension money go directly to my bank?** A. We will supply you a form which requires your signature and that of the financial institution to which you want your pension money sent. Once processed by us, you may have your pension money sent by direct deposit to your bank account.

**Q. What must I do if I have direct deposit and I am changing my bank?** A. A new banking relationship is handled the same as in the question above. Any changes must be communicated to us by the 15th of the month in order to be effective the next month.

**Q. What must I do if I have changed my account number at my same bank?** A. A short note to our offices providing the new account number, signature and telephone number will suffice.