

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

**PENSION NEWS**

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April 2001 / Legislative Issue

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**Legislative Update.** The Board of Trustees is extremely pleased that the following bills are sponsored this session:

- HB4150 Rep. Murphy - Begin 3% AAI one year following retirement.
- SB513 Sen. Cullerton - Increase AAI from 3% to 4% per year.
- SB515 Sen. Cullerton - Compute average salary using highest 3 years of salary, rather than highest 4.
- HB832 Rep. Murphy - Allow service credit purchase for up to 3 years of leave of absence.
- HB836 Rep. Murphy - Reduce years for unreduced pension from 34 years to 30 years of service.
- SB976 Sen. Molaro - Provide inflationary mechanism for AAI using Consumer Price Index.
- SB191 Sen. Molaro - Change State of Illinois funding appropriation to Chicago Teachers Pension Fund.
- HB833 Rep. Murphy - Provide ad hoc increase to pensioners.
- HB1993 Rep. Saviano - Eliminate certain marriage restrictions to receiving pensions.
- HB1996 Rep. Saviano - Extend ERO to Chicago teachers in same way as downstate teachers.
- **HB2662 Sen. O'Malley - Adjust 1993 5+5 benefits. This already passed the House!**
- SB821 Sen. Cullerton - Allow dependent beneficiary to be eligible for survivor benefit.
- SB675 Sen. Molaro - Provide for all salary paid to member to be pensionable.
- SB674 Sen. Molaro - Increase maximum pension to be 80% of final average salary.
- SB507 Sen. DeLeo - Provide minimum pension of \$16,000 per year with 20 or more years of service.
- SB 4425 Sen. Molaro - Increase maximum number of sick days for pension credit up to 315 days.
- **HB2662 Rep. Murphy - Eliminate 2.2 upgrade cost with 30+ years of service. This already passed the House!**
- HB2210 Rep. Murphy - Provide a pension for teachers with age 60 and 10 or more years of service.
- HB1995 Rep. Saviano - Extend the date past June 30, 2003 for pensioners to pay for 2.2 upgrade.
- HB2157 Rep. Murphy - Provide a temporary disability benefit to teachers.
- SB673 Sen. Molaro - Provide the AAI benefit to disability and reversionary pensions.
- HB2212 Rep. Murphy - Pay 5% interest on refunds of contributions.
- SB 670 Sen. Molaro - Pay survivor refunds 5% interest when survivors predecease the teacher retiree.
- SB514 Sen. Cullerton - Forgive deceased teachers' 2.2 upgrade costs.
- **HB2662 Rep. Saviano - Pensioners may work up to 150 days as a substitute teacher. This already passed the House!**

Appreciation is extended to *all members of the General Assembly* for their efforts and support of our 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), Senator Robert Madigan (45th District), and Senator Pat O'Malley (18th 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), and Doug Hoeft (66th District)* for their support of our pension issues.

We continue to be optimistic that improved benefit provisions will receive favorable consideration in the Senate during the spring session of the General Assembly. Your support would be very much appreciated.

*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](http://www.capweb.net/AFT).

**Other News.** We are sorry to report that CPS did not approve the Early Retirement Option (age 55 to 60) for the 2001-2002 school year ending June 30, 2002.

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**Board of Trustees**

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**Fund Office Operations Update.** The Fund staff and Trustees continue to work to *enhance member services* from the Fund Office. The Trustees have approved steps toward improving the Fund's *informational database* and processes that account for teacher contributions, calculate pensions and refunds, and administer and pay benefits. The Trustees have also authorized the staff to begin storing paper records as *imaged* or electronic records, thus improving security, storage and retrieval capabilities. Additionally, the Trustees have given approval to the staff to proceed on development of a *pension fund website* on the worldwide web. The new website is expected to be activated sometime this summer after the Trustees have approved the final version. Topics to be included on the website are to include: how to contact us, office directions, office personnel/directory, dates of upcoming Trustee meetings, pension office forms, list of pension benefits, how to estimate your pension, annuitant information, health insurance benefit information, office hours, various financial information about the Pension Fund, and more. More details will follow when the website is ready!

**Commonly asked questions and answers...**

**Q. When is the best date to retire?** A. The school year is divided among pay periods which vary from year to year. It is recommended that you resign at the end of a 10-day pay period.

**Q. Whom should I contact when I am ready to retire?** A. You should contact the Department of Human Resources at the Chicago Public Schools (CPS) and submit your application for resignation and other supporting documents. Your resignation may be irrevocable, and the resignation date may not be backdated. After your resignation date has been determined, contact the Fund Office to request a pension application booklet.

**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. If your prior service was with the State Teachers' Retirement System of Illinois (TRS), you are advised to upgrade your service to the 2.2 benefit formula with the TRS system as well as with us, unless, of course, you have 38 or more years of service and will not require the 2.2 formula in order to earn the maximum pension percentage of 75%.

**Q. What are the restrictions on re-employment as a teacher?** A. You may work in CPS or Chicago charter schools up to 100 days as a pensioner-substitute not earning more money than teacher substitutes earn during 100 days of work, or you may work outside of CPS and Chicago charter schools and have no re-employment restrictions.

**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. However, if any new legislation was passed during your retirement to increase pension benefits, you must return to work for a minimum of three years in order to qualify for the increased pension benefits.

**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 service in the entire United States and continue to receive a disability pension.

**Q. What are my pension benefits if I have no spouse?** A. Upon retirement, if you are not married, divorced, married less than 1 and ½ years and you do not have minor children under age 18, the total pension contributions for the survivor's pension will be refunded to you without interest at the time of retirement.

**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, you may have your pension money wired to your financial institution. The Fund Office will mail you a non-negotiable stub indicating pay information about your pension.

**Any other questions? Please write the Fund Office and you may find your question and answer in our next issue!**

