



## RETIRED TEACHERS ASSOCIATION OF CHICAGO

# L.E.A.P. Day 2016

**Legislative Education and Advocacy by Pensioners**

### About RTAC . . .

Since its founding in 1926, the Retired Teachers Association of Chicago (RTAC), an independent, non-profit, 501(c) 4 organization, has protected the pensions and fought for the interests of retired Chicago Public School (CPS) educators. RTAC's membership includes nearly 10,000 pensioners representing the interests of more than 27,700 retired Chicago Public School educators.

### About RTAC's Legislative Agenda . . .

RTAC sponsors the following legislative agenda and encourages lawmakers to support **and vote YES** for legislation which:

- ◆ Restores the Chicago Teachers' Pension Fund tax levy to ensure a stable revenue source for pensioners
- ◆ Secures equitable State of Illinois funding for Chicago teachers' pensions
- ◆ Opposes any 'pension holidays' for the Chicago Public Schools
- ◆ Stabilizes the Chicago Teachers' Pension Fund health insurance program
- ◆ Increases retiree representation on the Chicago Teachers' Pension Fund from three to four.
- ◆ Rejects any consideration of a merger with the Illinois Teachers Retirement System (TRS)

### About Me . . .

**I am a constituent in your district, a retired CPS educator, and CTPF member. I support RTAC's legislative agenda, and I VOTE.**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

E-mail: \_\_\_\_\_

Phone: \_\_\_\_\_

111 North Wabash Avenue, Suite 2010, Chicago, Illinois 60602

www.RTAC.org ■ 1-312-750-1522 ■ office@rtac.org

## Facts about Retired Chicago Public School Educators

### 1. Chicago Public School teachers do not contribute to Social Security

Chicago Public School Teachers contribute to the Chicago Teachers' Pension Fund as part of their CPS employment and do not contribute to Social Security during employment. Their CTPF pensions are the primary source of their retirement security.

### 2. A lack of funding, not generous benefits, caused the current financial problems

Prior to 1995, the Chicago Public Schools Board of Education (CPS) funded pensions on an annual basis through a property tax levy. In 1995, CPS sought and secured a change in the law which allowed it to keep the pension levy revenue (PA 89-0015). This law redirected more than \$2 billion in funds designated for pensions into the CPS operating budget. A 2010 law (PA 96-0889), granted CPS an additional \$1.2 billion in pension funding relief (the so-called "pension holidays").

### 3. The State of Illinois provides minimal funding for CTPF

Illinois' support for CTPF is negligible. The State of Illinois appropriated **\$3.7 billion** in Fiscal Year 2016 to support the Illinois Teachers Retirement System (TRS) and only **\$12.1 million** for CTPF. Chicago's retired teachers received **less than a penny** for every dollar spent on downstate/suburban pensions. CTPF serves about 18% of Illinois teachers, but receives less than 1% of State funds for retired educators.

### 4. CPS Retirees depend on CTPF for health insurance

Many CPS retirees did not have the opportunity to contribute to Medicare during their teaching careers. They must pay for Medicare Part A when they reach age 65. CTPF offers a health insurance premium subsidy to help members offset their insurance costs; but it has been limited to \$65 million per year since 2004. CTPF has been forced to reduce the subsidy in recent years. The amount will continue to decline as the number of retirees and their health insurance premiums increase.

### 5. Pensions create a positive impact on Illinois' economy

About 85% of CTPF beneficiaries live in Illinois, and 50% of those members live in the City of Chicago. Pension benefits generate \$1.7 billion in total economic impact on our State and help generate 12,628 jobs.

### RETIRED TEACHERS ASSOCIATION OF CHICAGO (RTAC)

*Since 1926, the Retired Teachers Association of Chicago (RTAC), an independent, non-profit, 501(c) 4 organization, has worked to protect the pensions of retired Chicago Public School (CPS) educators. RTAC represents more than 9,700 active members and is not governed by or a part of CPS, the Chicago Teachers' Pension Fund (CTPF), or the Chicago Teachers Union (CTU).*