



## IEA charts course to repeal 3 percent retirement bonus legislation

In a parting shot to Illinois educators, Gov. Bruce Rauner insisted on adding a 3 percent salary/retirement bonus limitation to last year's Illinois state budget. Buried on page 741 of the Illinois budget bill, the legislation limited retirement bonuses and all years used to calculate a teacher's annuity to no more than a 3 percent increase instead of what had been a 6 percent increase over the previous year without the district, community college or university paying the difference.

It was an unexpected, unnecessary and a last minute move hidden within the state budget which provides no relief to the historic and consistent underfunding of the state Teacher Retirement System\* or State Universities Retirement System. This law unfairly penalizes veteran educators in their final 10 years of employment and significantly reduces lifetime earnings for all teachers. This legislation became effective this past June and created havoc in locals negotiating successor agreements. Because educators can qualify for a pension after five years and can leave their school district at any time, board attorneys began arguing for a 3 percent limit on all salary increases across the entire contract.

Recognizing the impact of this harmful legislation, IEA immediately responded by setting a priority legislative goal of repealing the 3 percent salary/retirement bonus limitation legislation.

Sen. Jennifer Bertino-Tarrant (D-Shorewood) introduced legislation in the Illinois Senate and Rep. Kathleen Willis (D-Addison) in the House of Representatives. This legislation will reinstate the 6 percent salary rule once it becomes law. When the issue was brought to the attention of Gov. J.B. Pritzker, he pledged his support to repeal the 3 percent retirement bonus limitation.

The IEA Communications Department created an [electronic link for members to register their opposition to the legislation](#) and to urge their local legislator to support legislation to repeal the 3 percent retirement bonus limitation. *More than 18,700 IEA members used the IEA link to sign.* We encourage everyone who has not yet done so to contact their legislators in this manner.

**Please have all of your members sign the petition and then make arrangements to return the petition to your IEA Regional Office.**



\*Economists agree – The TRS unfunded liability is not caused by the cost of teacher-earned retirement benefits. It is the result of a structural deficit caused by the State of Illinois, which underfunded the retirement systems. For years, Illinois legislators borrowed against the TRS pension fund in order to provide other state public services. In the 78 years of TRS's existence, the state has never fully funded the system. The TRS pension problem cannot be solved by a reduction in teacher retirement benefits.

