



Teachers' Retirement System of the State of Illinois

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Letters to the Editor
Illinois Issues
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To the Editor:

In your January, 2012 edition, Mark Evenson of Palatine wrote that the Illinois Constitution's pension protection clause has not been enforced in the past based on a number of prior increases to contributions paid by teachers. From that he suggests that the Constitution cannot be used as a valid objection to pending legislation that would overhaul public pensions. That bill, Senate Bill 512, in some instances would raise teacher contributions and critics say that violates the Constitution.

While legal interpretations are best left to lawyers and the courts, we believe Mr. Evenson's analysis and conclusion relies on an incomplete set of facts.

His interpretation of the pension protection clause as an enforceable contract between the state and teachers is correct. However, the actual language in the Constitution prevents the legislature only from diminishing or impairing pension benefits. Illinois courts have ruled that it is constitutional for legislators to raise employee contributions, but only if benefits are enhanced at the same time.

The three rate increases for teachers enacted since 1970 were all accompanied by an enhancement of pension benefits – annual cost of living increases, death benefits for survivors and an early retirement program; and do not create any impairment.

The increases in teacher contribution rates to TRS between 1939 and 1969 were not tied to benefit enhancements but were enacted before the current Constitution took effect in 1970.

Senate Bill 512 remains the subject of intense debate, but the constitutional questions raised by the legislation during these discussions are valid.

Sincerely,

Dick Ingram
Executive Director
Teachers' retirement System of the State of Illinois