

## Where SUAA Stands on certain Legislation—May 1, 2009

**SB1734** – Merging of the pension system investments. **Opponent.**

**SB 1656/HB3722 and SB1454** are all ethics bills for which we can be a **proponent**. They discuss fiduciary issues, including pension issues. SB1656 mandates development of an Illinois Fiduciary College at UI to train responsible trustees and similar officials.

**HB3652/SB1630** on City College insurance is out of the House Pensions Committee and the Senate Pensions Committee. Both became shell bills and are no longer viable for our legislative purposes. However, the issue and legislation are not dead. **Proponent.**

**SB303/SB304.** SB303 sets up a defined contributions/self-managed retirement option for state retirees in defined benefit plans. SB304 mandates that new employees be enrolled in a defined contributions plan and removes the disability clause. SURS has a defined contributions plan. The State Employees System does not. Both bills now are dormant, but could return. **Opponent.**

**SB2020 and SB1561** address catch-up funding for pre-1980 retirees who have not kept up with inflationary adjustments. Both bills are dormant because they cost money, even though SB2020 affects under 900 people. SB2020 is our bill **as is HB2624.** **Proponent.**

**SB231** allows credit for up to 2 years of unused sick-leave. SURS opposes this bill because some campuses give sign-on bonuses including back sick-leave, and SURS cannot afford to pay for that benefit. The campuses are not responsible for this debt. Another factor is that faculty often do not have to record sick days unless they are absent major amounts of class time, while civil service and administrative professional staff must. **Proponent.**

**SB0320** addresses the limit on additional earnings above 6% being credited toward calculation of benefits. This bill waives the restriction for lower-paid employees. SURS supports this bill. **Proponent.**

**SR0054** mandates a study of the financial impact of combining funds from the pension funds ala SB1734. **Proponent.**

Governor's Budget Proposal: The proposal to hold back fourth quarter payments into pension plans will further damage the funding ratios of all of the plans. The long term financial damage to Illinois is substantial. **Opponent** to a Pension Holiday.

The governor's proposed state income tax increase is controversial, but the state needs more revenue to support salaries, pensions and educations. Can we support the tax increase? There is a study committee investigating sources of revenue, but it is not close to making a report. **Proponent.**