



FEBRUARY

PA 98-0599

PENSIONS

Important

January 2015 TIER 1 No Changes

- > 3% Automatic Annual Increase
- > No AAI Skipping
- > No Retirement Formula Introduced
- > Retirement Age Eligibility Remains
- > Employee Contributions Stayed the Same
- > Vacation Pay or Unused Sick Leave Remains Included
- > No Defined Contribution Plan
- > Money Purchase Intact
- > No Earnings Cap

SUAA LEGAL FUND

217 E. Monroe Street
Suite 100
Springfield, Illinois
62701



Phone: 217.523.4040
Fax: 217.523.4044
E-mail: suaa@suaa.org

SUAA LEGAL FUND

GAMBLING ON A FAVORABLE SUPREME COURT DECISION?



Possibilities for Supreme Court's Consideration

- Pension reform severable provisions are: retirement age delays, earnings cap, effective rate of interest, unused vacation/sick leave not counted in pension;
- Attorney General believes the automatic annual increases (AAI) can be separated from the original pension act;
- Skip the AAI in certain years altogether;
- Cap the entire AAI based on the number of years an individual worked;
- State has fiscal problems which could lead to further underfunding of the pension systems.

\$

SUAA fought hard for **YOU** in the Circuit Court and won an injunction barring the State from enacting pension reform that steals your AAI's, raises your retirement age, and reduces the calculation of your pensions among other things. The State is now appealing to the Illinois Supreme Court to reverse it. We could just sit back and hope, but that is not a gamble SUAA is willing to take. Our attorneys must fight the State's appeal or your pensions could be sliced and diced.

Support SUAA's Legal Fund NOW with a suggested contribution of one month's AAI, in advance of the oral arguments that will take place in March 2015.

(Example: \$50,000 x 3% = \$1,500 ÷ by 12 months = \$125)

<http://www.suaa.org/ContributeToLegalFund.php>