



Public Act 90-0548 revised the funding plan to stipulate that the Chicago Board of Education need not make pension contributions unless the funded ratio drops below 90%. P.A. 96-0889, which implemented a second tier of pension benefits for Chicago teachers hired after Jan. 1, 2011, repealed the funding provisions of P.A. 89-0015 and set in place a new funding requirement under which the Chicago Board of Education must make contributions to CTPF between FY 2014 and FY 2059 in order for CTPF to attain a 90% funding ratio by FY 2059. The Act set Board of Education contribution levels in statute for Fiscal Years 2011 – 2013.

HB 1494 requires the State to assume CTPF's employer's normal cost, or the total normal cost less employee contributions. In addition, the bill requires the State to make additional contributions equal to the net amount of any increases or decreases in the fund's "supplemental annual cost" for a given fiscal year. The bill defines such costs as changes in benefits, actuarial assumptions, and variations in investment earnings.

DH:dkb

LRB098 10432 EFG 40642 b