

**From:** Urbanek, David [mailto:DUrbaneK@trs.illinois.gov]  
**Sent:** Monday, September 15, 2014 1:37 PM  
**To:** 'Adam Andrzejewski'  
**Subject:** RE: Preckwinkle and Piccioli-- pensions after HB3813 became law

Adam:

Mr. Preckwinkle and Mr. Piccioli receive a TRS pension following the enactment of House Bill 3813 because House Bill 3813, now Public Act 97-0651, did not stop them from collecting a TRS pension.

Media reports and characterizations about the law at the time were consistently incorrect. I spent a considerable amount of time back in 2012 telling reporters that the law did not ban Mr. Preckwinkle and Mr. Piccioli from receiving a TRS pension. I never saw a retraction or a correction. I told the reporters that their mistake would be clear if they read the bill.

What PA 97-0651 did do was reduce their pensions by preventing them from claiming creditable service with the Illinois Federation of Teachers that they had accumulated before they became TRS members.

Prior to 2007, Mr. Preckwinkle and Mr. Piccioli had accumulated many years of service in the IFT. That year the legislature approved and the governor signed a bill that, essentially, allowed those two to join TRS if they did what any member needs to do to become a TRS member – work one day as a licensed teacher. In addition, that 2007 law was written so that it allowed them, and only them, to claim all of the service they had accumulated with the IFT prior to joining TRS in the calculation that would determine their initial pensions, in addition to any time with the IFT they accumulated after joining TRS.

Public Act 97-0651 did not strip them of their TRS membership or prevent them from receiving a TRS pension. The law restricted the creditable service they could use in the calculation for an initial pension to the service time accumulated after becoming a TRS member.

Under the pension code, active employees of the IFT and the Illinois Education Association with previous teaching service can be TRS members. Since 1987, the IFT and IEA have been able to designate employees as active TRS members if they were already TRS members because of previous TRS creditable service. Since the 1940s, the pension code has allowed active employees of the Illinois Association of School Boards with prior TRS creditable service to be active TRS members. In 2012, out of 362,000 total TRS members, there were 116 TRS members that fell into this category.

Sincerely,

Dave Urbanek  
Director of Communications  
Teachers' Retirement System  
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**From:** Adam Andrzejewski [<mailto:adam@openthebooks.com>]  
**Sent:** Monday, September 15, 2014 10:42 AM  
**To:** Urbanek, David  
**Cc:** [adam.n.andrzejewski@gmail.com](mailto:adam.n.andrzejewski@gmail.com)  
**Subject:** Preckwinkle and Piccioli-- pensions after HB3813 became law

Hi Dave,

Thank you for responding to my question regarding the approved TRS pension annuities of Steven Preckwinkle and David Piccioli. I am writing a piece for Forbes and would like clarification by 5pm today. Obviously HB3813 was signed by Gov. Quinn on Jan 5, 2012 and the purpose of that legislation (characterized in the media and by lawmakers in many on-the-record statements) was to stop Preckwinkle/Piccioli from being able to collect a TRS pension (amongst other reforms).

How did Preckwinkle/Piccioli retire and collect a TRS pension after HB3813 was signed into the law?

Our pension data at OpenTheBooks.com shows Steven Preckwinkle retiring on 11/25/13 with a \$37,416 annual TRS pension after personally contributing \$101,159 into the TRS pension system on \$1.1124 million of "creditable earnings."

[http://www.openthebooks.com/search/?PensionCode=23&F\\_TRSRETNM=Preckwinkle%20Steven%20W](http://www.openthebooks.com/search/?PensionCode=23&F_TRSRETNM=Preckwinkle%20Steven%20W)

David Piccioli's pension is \$30,564 from TRS. He retired on Dec 29, 2012 after personally contributing \$82,922 into the TRS pension system on \$921,363 thousand of "creditable earnings."

[http://www.openthebooks.com/search/?PensionCode=23&F\\_TRSRETNM=Piccioli%20David%20R](http://www.openthebooks.com/search/?PensionCode=23&F_TRSRETNM=Piccioli%20David%20R)

Thank you for your help in clarifying this matter.

Adam

**Adam Andrzejewski**

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