

Dear Committee Members:

I am 75 years old and receive a pension from the 118-year-old Chicago Teachers Pension Fund. I am here today to tell you a horror story. That story is the terror of being older and facing the possibility of not having health insurance during my golden years. Of course the hope of getting another job with benefits at age 75 in today's labor market would be laughable.

The General Assembly has done well by us since the late eighties when the Chicago Board of Education severed the retiree health plan from the working teachers. The General Assembly helped by repeatedly increasing the maximum the Pension Fund could defray health insurance costs for pensioners. But the law has not been adjusted since 2004 when we had 16,000 pensioners. Today we have 27,000 pensioners and the trustees of the plan have had to reduce the insurance subsidy from 90% to 80, 70, 60, and in 2014 to 50% of a pensioners costs. I retired thinking I would have insurance. Maybe I won't. That's a horror story.

Please vote "do pass" on HB 2789 before we lose more ground. Most pension reform proposals talk about "shared sacrifice." We have already made ours.

Very truly yours,

James F. Ward, Trustee, Chicago Teachers Pension Fund