TRS Benefit Payments by Illinois Legislative District Their Impact on the Illinois Economy



Teachers' Retirement System of the State of Illinois



Two parts to this study:

- First part shows number of TRS
 members and benefit payments by
 Illinois legislative district; concludes
 with map of benefit payments by
 county
- Second part looks at how benefit payments statewide affect the Illinois economy

Study does not include economic impact by legislative district or county

Part 1. Legislative Districts

- TRS members are in all districts
- Counts and benefit payments vary widely
- Averages are below:

Average	House	Senate
Members (all types) per district	2,468	4,935
-Active members	1,305	2,610
-Inactive members	560	1,120
-Benefit recipients	603	1,205
Annual benefit payments	\$19.8 million	\$39.5 million

$TRS Membership \, Counts \, and \, Net \, Benefits \, by \, Representative \, District \,$

District	Representative	All Members	Active	Inactive	Benefit Recipients	Annual Net Benefits for Benefit Recipients
1	Susana Mendoza	49	16	29	4	\$91,650
2	Edward J. Acevedo	92	45	43	4	100,796
3	Luis Arroyo	91	50	35	6	226,699
4	Cynthia Soto	416	266	138	12	349,131
5	Kenneth Dunkin	591	267	193	131	4,141,029
6	Esther Golar	79	30	45	4	100,752
7	Karen A. Yarbrough	1,444	788	418	238	8,488,590
8	La Shawn K. Ford	917	463	280	174	6,819,985
9	Arthur L. Turner	340	185	120	35	1,533,687
10	Annazette R. Collins	156	89	59	8	173,854
11	John A. Fritchey	1,040	638	283	119	4,127,785
12	Sara Feigenholtz	1,194	694	302	198	6,683,203
13	Gregory Harris	560	346	166	48	1,395,518
14	Harry Osterman	638	320	212	106	3,248,619
15	John C. D'Amico	1,250	572	424	254	8,189,292
16	Louis I. Lang	758	347	237	174	5,246,841
17	Elizabeth Coulson	3,778	1,652	1,116	1,010	38,780,982
18	Julie D. Hamos	2,319	1,093	641	585	22,475,763
19	Joseph M. Lyons	458	251	149	58	1,621,177
20	Michael P. McAuliffe	934	485	327	122	4,127,658
21	Robert Molaro	1,249	704	324	221	7,529,514
22	Michael J. Madigan	1,514	808	402	304	11,511,629
23	Daniel J. Burke	145	63	64	18	461,816
24	Elizabeth Hernandez	783	477	217	89	2,949,386
25	Barbara Flynn Currie	273	74	110	89	3,209,589
26	Elga L. Jeffries	590	190	193	207	6,686,577
27	Monique D. Davis	1,497	635	446	416	13,962,042
28	Robert Rita	794	425	260	109	3,150,319
29	David E. Miller	1,216	607	355	254	8,420,998
30	William Davis	1,328	712	441	175	5,887,340
31	Mary E. Flowers	564	253	237	74	2,421,587
32	Milton Patterson	132	58	60	14	347,685
33	Marlow H. Colvin	224	78	98	48	1,289,258
34	Constance A. Howard	686	309	255	122	3,538,332
35	Kevin Carey Joyce	1,920	1,040	551	329	11,653,263
36	James D. Brosnahan	1,993	1,108	544	341	10,679,180
37	Kevin A. McCarthy	4,535	2,746	923	866	33,434,820
38	Al Riley	3,418	1,657	960	801	26,955,102
39	Maria Antonia Berrios	390	235	142	13	387,782
40	Richard T. Bradley	447	267	151	29	739,381
41	Robert A. Biggins	2,642	1,381	655	606	22,602,475

House, p.1

$TRSMembership Counts \, and \, Net \, Benefits \, by \, Representative \, District \,$

District	Representative	All Members	Active	Inactive	Benefit Recipients	Annual Net Benefits for Benefit Recipients
42	Sandra M. Pihos	3,520	1,802	890	828	30,927,454
43	Ruth Munson	1,732	946	367	419	16,379,801
44	Fred Crespo	1,795	1,168	394	233	10,098,639
45	Franco Coladipietro	2,884	1,690	691	503	20,607,701
46	Dennis M. Reboletti	2,983	1,605	738	640	24,723,262
47	Patricia R. Bellock	3,691	2,054	960	677	27,028,907
48	James H. Meyer	3,802	2,131	933	738	30,330,795
49	Timothy L. Schmitz	5,876	3,370	1,175	1,331	54,444,592
50	Patricia Reid Lindner	6,976	4,273	1,407	1,296	48,246,796
51	Ed Sullivan Jr.	4,600	2,589	1,155	856	35,484,082
52	Mark H. Beaubien Jr.	4,459	2,663	968	828	34,520,573
53	Sidney H. Mathias	3,487	1,901	835	751	32,641,145
54	Suzanne Bassi	3,465	1,981	772	712	33,215,758
55	Harry R. Ramey Jr.	2,951	1,825	714	412	17,051,045
56	Paul D. Froehlich	2,713	1,624	600	489	21,500,250
57	Elaine Nekritz	1,836	883	489	464	18,178,894
58	Karen May	3,913	1,763	1,269	881	34,776,238
59	Kathleen Ryg	3,084	1,656	879	549	21,768,084
60	Eddie Washington	843	434	170	239	8,342,078
61	JoAnn D. Osmond	2,992	1,748	596	648	24,556,797
62	Sandy Cole	3,294	2,129	691	474	18,114,899
63	Jack D. Franks	3,397	1,934	658	805	31,446,202
64	Michael W. Tryon	4,397	2,675	959	763	32,746,129
65	Rosemary E. Mulligan	1,769	922	469	378	14,387,198
66	Carolyn H. Krause	2,750	1,460	676	614	25,022,050
67	Charles E. Jefferson	1,470	786	274	410	12,272,162
68	David Winters	3,178	1,702	590	886	28,517,103
69	Ronald A. Wait	3,892	2,005	665	1,222	40,246,280
70	Robert W. Pritchard	3,795	2,122	738	935	26,895,820
71	Michael J. Boland	3,107	1,441	655	1,011	31,603,963
72	Patrick Verschoore	2,508	1,207	523	778	23,246,458
73	David R. Leitch	4,543	2,225	995	1,323	38,822,737
74	Donald L. Moffitt	3,423	1,658	637	1,128	30,542,879
75	Careen M. Gordon	4,214	2,564	768	882	28,831,505
76	Frank J. Mautino	3,201	1,688	545	968	27,498,516
77	Angelo Saviano	812	468	221	123	4,174,802
78	Deborah L. Graham	1,386	663	420	303	11,590,597
79	Lisa M. Dugan	2,947	1,661	544	742	23,208,085
80	George F. Scully Jr.	2,327	1,208	558	561	20,027,539
81	Renee Kosel	4,993	2,933	996	1,064	44,678,483
82	Jim Durkin	2,692	1,314	666	712	28,578,552
83	Linda Chapa-LaVia	1,552	917	328	307	10,077,175

House, p.2

TRS Membership Counts and Net Benefits by Representative District

District	Representative	All Members	Active	Inactive	Benefit Recipients	Annual Net Benefits for Benefit Recipients
84	Tom Cross	5,596	3,755	1,134	707	27,439,060
85	Brent Hassert	3,329	2,066	685	578	21,504,255
86	Jack C. McGuire	2,139	1,161	422	556	18,616,658
87	Bill Mitchell	4,267	2,013	944	1,310	36,247,348
88	Dan E. Brady	3,644	1,729	986	929	25,071,078
89	Jim Sacia	3,505	1,772	654	1,079	31,060,592
90	Gerald L. Mitchell	3,252	1,552	644	1,056	31,564,991
91	Michael K. Smith	2,839	1,402	531	906	25,918,625
92	Aaron Schock	1,653	779	425	449	13,353,122
93	Jil Tracy	3,199	1,514	738	947	25,312,065
94	Richard P. Myers	3,438	1,573	755	1,110	24,198,746
95	Mike Fortner	2,827	1,524	667	636	24,383,428
96	Joe Dunn	3,600	2,247	871	482	19,458,871
97	Jim R. Watson	3,811	1,859	745	1,207	31,295,636
98	Gary Hannig	3,232	1,604	605	1,023	27,125,181
99	Raymond Poe	2,225	1,002	542	681	18,725,895
100	Rich Brauer	5,164	2,454	1,097	1,613	45,430,163
101	Robert F Flider	2,654	1,261	567	826	21,821,673
102	Ron Stephens	3,960	2,115	824	1,021	30,528,559
103	Naomi D. Jakobsson	2,414	1,084	592	738	18,126,322
104	William B. Black	2,922	1,437	620	865	22,851,800
105	Shane Cultra	3,917	1,986	749	1,182	31,160,099
106	Keith P. Sommer	3,789	1,907	844	1,038	29,539,045
107	Kurt M. Granberg	3,173	1,577	567	1,029	28,658,060
108	David Reis	3,765	1,907	706	1,152	28,969,489
109	Roger L. Eddy	3,133	1,553	559	1,021	24,735,431
110	Chapin Rose	3,594	1,699	748	1,147	28,802,922
111	Daniel V. Beiser	2,306	1,064	491	751	22,052,010
112	Jay C. Hoffman	3,562	1,729	798	1,035	33,216,393
113	Thomas Holbrook	2,829	1,366	599	864	28,514,947
114	Wyvetter H. Younge	2,272	1,119	409	744	25,936,273
115	Mike Bost	3,327	1,540	728	1,059	28,372,033
116	Dan Reitz	2,642	1,385	559	698	21,080,272
117	John E. Bradley	3,655	1,763	608	1,284	37,929,002
118	Brandon W. Phelps	2,847	1,289	506	1,052	28,227,843
	Total	291,174	153,999	66,102	71,073	\$2,330,321,003

TRS Membership Counts and Net Benefits by Senate District

District	Senator	All Members	Active	Inactive	Benefit Recipients	Annual Net Benefits for Benefit Recipients
1	Antonio Munoz	141	61	72	8	\$192,447
2	William Delgado	507	316	173	18	575,830
3	Mattie Hunter	670	297	238	135	4,241,781
4	Kimberly A. Lightford	2,361	1,251	698	412	15,308,576
5	Rickey R. Hendon	496	274	179	43	1,707,541
6	John J. Cullerton	2,234	1,332	585	317	10,810,989
7	Carol L. Ronen	1,198	666	378	154	4,644,138
8	Ira I. Silverstein	2,008	919	661	428	13,436,133
9	Jeffrey M. Schoenberg	6,097	2,745	1,757	1,595	61,256,745
10	James A. DeLeo	1,392	736	476	180	5,748,836
11	Louis S. Viverito	2,763	1,512	726	525	19,041,142
12	Martin A. Sandoval	928	540	281	107	3,411,201
13	Kwame Raoul	863	264	303	296	9,896,166
14	Emil Jones Jr.	2,291	1,060	706	525	17,112,362
15	James T. Meeks	2,544	1,319	796	429	14,308,338
16	Jacqueline Y. Collins	696	311	297	88	2,769,272
17	Donne E. Trotter	910	387	353	170	4,827,590
18	Edward D. Maloney	3,913	2,148	1,095	670	22,332,443
19	M. Maggie Crotty	7,953	4,403	1,883	1,667	60,389,922
20	Iris Y. Martinez	837	502	293	42	1,127,163
21	Dan Cronin	6,162	3,183	1,545	1,434	53,529,929
22	Michael Noland	3,527	2,114	761	652	26,478,440
23	Carole Pankau	5,867	3,295	1,429	1,143	45,330,963
24	Kirk W. Dillard	7,493	4,185	1,893	1,415	57,359,701
25	Christopher J. Lauzen	12,852	7,643	2,582	2,627	102,691,388
26	William E. Peterson	9,059	5,252	2,123	1,684	70,004,654
27	Matt Murphy	6,952	3,882	1,607	1,463	65,856,903
28	John J. Millner	5,664	3,449	1,314	901	38,551,296
29	Susan Garrett	5,749	2,646	1,758	1,345	52,955,132
30	Terry Link	3,927	2,090	1,049	788	30,110,162
31	Michael Bond	6,286	3,877	1,287	1,122	42,671,696
32	Pamela J. Althoff	7,794	4,609	1,617	1,568	64,192,331
33	Dan Kotowski	4,519	2,382	1,145	992	39,409,248
34	Dave Syverson	4,648	2,488	864	1,296	40,789,265
35	J. Bradley Burzynski	7,687	4,127	1,403	2,157	67,142,100
36	Michael Jacobs	5,615	2,648	1,178	1,789	54,850,421
37	Dale E. Risinger	7,966	3,883	1,632	2,451	69,365,616
38	Gary G. Dahl	7,415	4,252	1,313	1,850	56,330,021
39	Don Harmon	2,198	1,131	641	426	15,765,398
40	Debbie DeFrancesco Halvorson	5,274	2,869	1,102	1,303	43,235,624
41	Christine Radogno	7,685	4,247	1,662	1,776	73,257,036

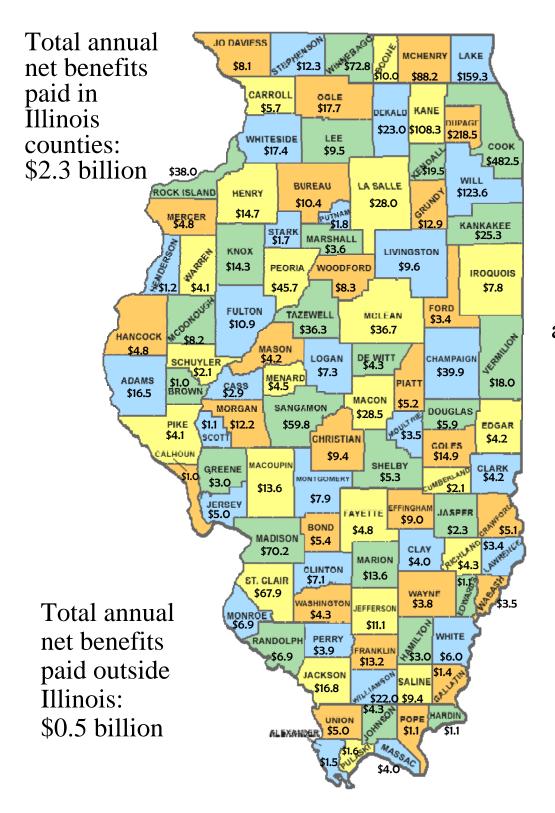
Senate, p.1

TRS Membership Counts and Net Benefits by Senate District

District	Senator	All Members	Active	Inactive	Benefit Recipients	Annual Net Benefits for Benefit Recipients
42	Linda Holmes	7,148	4,672	1,462	1,014	37,516,235
43	Arthur J. Wilhelmi	5,468	3,227	1,107	1,134	40,120,913
44	Bill Brady	7,911	3,742	1,930	2,239	61,318,426
45	Todd Sieben	6,757	3,324	1,298	2,135	62,625,583
46	David Koehler	4,492	2,181	956	1,355	39,271,747
47	John M. Sullivan	6,637	3,087	1,493	2,057	49,510,811
48	Randall M. Hultgren	6,427	3,771	1,538	1,118	43,842,299
49	Deanna Demuzio	7,043	3,463	1,350	2,230	58,420,817
50	Larry K. Bomke	7,389	3,456	1,639	2,294	64,156,058
51	Frank C. Watson	6,614	3,376	1,391	1,847	52,350,232
52	Michael W. Frerichs	5,336	2,521	1,212	1,603	40,978,121
53	Dan Rutherford	7,706	3,893	1,593	2,220	60,699,144
54	John O. Jones	6,938	3,484	1,273	2,181	57,627,549
55	Dale A. Righter	6,727	3,252	1,307	2,168	53,538,353
56	William R. Haine	5,868	2,793	1,289	1,786	55,268,403
57	James F. Clayborne Jr.	5,101	2,485	1,008	1,608	54,451,220
58	David S. Luechtefeld	5,969	2,925	1,287	1,757	49,452,306
59	Gary Forby	6,502	3,052	1,114	2,336	66,156,845
	Total	291,174	153,999	66,102	71,073	\$2,330,321,003

TRS Annual Net Benefits by County

(\$ in millions; based on March 2008 monthly benefits)



Average annual net benefits per county: \$22.8 million

Part 2: Economic Impact

- Multipliers are from Bureau of Economic Analysis, U.S. Department of Commerce
 - Region: Illinois
 - Industry: Households
- Multipliers measure direct and indirect effect of payments made to TRS benefit recipients
- Benefit payments have a ripple effect throughout the state economy

- TRS data used in this study:
 - Benefits paid to 71,103 benefit recipients residing in Illinois (79% of total)
 - Annual net benefits of \$2.3 billion paid to
 Illinois residents (82% of total)
- Economic impact of benefits for teachers is greater than for general employees because teachers have
 - Higher average salaries due to professional training and responsibilities
 - Higher average service since most are career educators
 - Higher benefit formula because no Social Security

Economic Impact Summary

Measurement	Impact on Illinois Economy
Total Output (total economic activity)	\$3.794 billion
Jobs Created	30,017 jobs
Additional Earnings (due to jobs created)	\$1.047 billion
Value Added (effect on Illinois GDP)	\$2.163 billion

Total Output: \$3.794 billion

- <u>Definition</u>: Overall measure of "economic activity"
 - includes TRS benefit payments
 - includes all additional economic activity
 in Illinois generated by those payments
- Based on TRS benefit payments times Total Output Multiplier of 1.6283
- Slightly exceeds value of Illinois agricultural exports in 2006 (\$3.787 billion)

Source: Illinois Governor's Office of Management and Budget, FY 2009 budget book, citing U.S. Depart. Of Agriculture – Economic Research Service

Jobs Created: 30,017

- **Definition:** Additional Illinois jobs that are due to TRS benefit payments
- Based on TRS benefit payments in millions times Jobs Multiplier of 12.881
- Number of jobs created similar to:
 - -- Number of Illinois special education teachers, preschool through secondary, all industries (30,540) Source: U.S. Dept. of Labor, Bureau of Labor Statistics
 - -- Number of persons employed in Illinois by Jewel Food Stores (30,000) - Source: Illinois GOMB, citing Illinois Department of Employment Security, Dun & Bradstreet, 2007

Earnings: \$1.047 billion

- <u>Definition</u>: Additional salaries earned by persons employed in Illinois jobs that are due to TRS benefit payments
- Based on TRS benefit payments times Earnings Multiplier of 0.4491
- Average annual salary for new jobs: \$34,865 (full-time)

Value Added: \$2.163 billion

- **Definition:** Amount added to Illinois Gross Domestic Product [total value of new goods and services produced within borders] due to TRS benefit payments
- Based on TRS benefit payments times
 Value Added Multiplier of 0.9281
- Slightly higher than amount added to Illinois GDP by the agriculture, forestry, fishing, and hunting industry in 2006

Source: Illinois Commission on Government Forecasting & Accountability, Sept 2007, citing Bureau of Economic Analysis, U.S. Dept. of Commerce

Conclusion

- Every legislative district and every county is positively affected by TRS benefit payments
- This study examined the overall statewide impact of TRS benefit payments alone
- Other states have also examined
 - Impact of state-based investments on state economy
 - Effect of health insurance benefits on state's health care industry
 - Return to taxpayers for each dollar of state contributions to TRS
 - Effects on state and local government
- TRS benefit payments are an important stimulus to the Illinois economy