



MINUTES

**Meeting of the Legal & Legislative Committee
of the Board of Trustees of the
State Universities Retirement System
Tuesday, May 4, 2021, 9:00 a.m.
State Universities Retirement System
Via remote access only due to COVID-19 statewide restrictions**

The meeting of the Legal & Legislative Committee of the Board of Trustees of the State Universities Retirement System convened on May 4, 2021, at 9:00 a.m. via zoom (video conference) based on the Executive Order that temporarily amended the Open Meetings Act to allow public meetings to be conducted via phone or video conference.

The following trustees were present: Dr. Steven Rock, chair; Mr. Aaron Ammons, Ms. Jamie-Clare Flaherty; Mr. Scott Hendrie; Mr. Collin Van Meter and Mr. Antonio Vasquez.

Others present: Ms. Suzanne Mayer, Interim Executive Director and Interim Secretary; Ms. Bianca Green, General Counsel; Ms. Kristen Houch, Director of Legislative and Stakeholder Relations; Ms. Kelly Carson, and Ms. Annette Ackerman, Executive Assistants; Ms. Linda Brookhart of SUAA; Mr. Scott Weisbenner, and Mr. Andriy Bodnaruk.

Trustee Rock appointed Trustee Hendrie as an ad hoc member for the May 4, 2021 Legal and Legislative committee meeting for quorum purposes.

Legal & Legislative Committee roll call attendance was taken. Trustee Ammons, absent; Trustee Flaherty, present; Trustee Giertz, absent; Trustee Hendrie, present; Trustee Lyons, absent; and Trustee Rock, present.

Trustee Ammons joined the meeting at 9:07 AM.

APPROVAL OF MINUTES

Trustee Rock presented the minutes from the Legal & Legislative Committee meeting of March 12, 2021.

Trustee Hendrie made the following motion:

- That the minutes from the March 12, 2021 Legal & Legislative Committee meeting be approved as presented.

Trustee Flaherty seconded the motion and it passed via the following roll call vote:

Trustee Ammons	-	absent
Trustee Flaherty	-	aye
Trustee Giertz	-	absent
Trustee Hendrie	-	aye
Trustee Lyons	-	absent
Trustee Rock	-	aye

CHAIRPERSON’S REPORT

Trustee Steven Rock did not have a formal chairperson’s report.

DISCUSSION OF PROCESS FOR ELECTED TRUSTEE PETITIONS

Trustee Rock recognized, Mr. Andriy Bodnaruk and Mr. Scott Weisbenner, as individuals who will be sworn in as new trustees during the summer and thanked them for attending the meeting. Trustees discussed the current board election process and the statutory requirements applicable to the SURS trustee election process. Ms. Kristen Houch provided information regarding the process that would be required to obtain a legislative change. After further discussion, trustees identified the following recommendations for consideration during the June board meeting.

- The electronic petition process should be permanent.
- The electronic petition process should begin earlier during the semester.
- The electronic petition process should be modified to make it easier for SURS members to verify their identity and then nominate a candidate through the electronic petition process.
- Candidate biographies should be made available during the nomination process.
- The requirement to include the last four digits of a member’s social security number should be removed from the paper petitions.
- SURS should notify candidates and employers that the trustee election process is not a prohibited political activity.
- SURS should strategically and intentionally engage in communications with underrepresented groups to notify them about the trustee election process.
- The number of signatures required to nominate a participating employee trustee should be changed from 400 to 250. This recommendation would require a statutory change.

Staff will review these recommendations and provide information to trustees in advance of the June board meeting. Ms. Houch will send trustees a copy of the current administrative rules that pertain to the trustee election process.

Copies of the reports titled “Chicago Teachers Pension Fund Statute,” “Illinois Municipal Retirement Fund Statute,” “State Employees’ Retirement System Statute,” “State Universities Retirement System Statute,” and “Teachers’ Retirement System Statute” are all incorporated as part of these minutes as [Exhibit 1](#), [Exhibit 2](#), [Exhibit 3](#), [Exhibit 4](#) and [Exhibit 5](#).

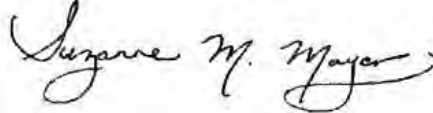
PUBLIC COMMENT

There were no public comments presented to the Legal & Legislative Committee.

There was no further business brought before the committee and Trustee Ammons moved that the meeting be adjourned. The motion was seconded by Trustee Hendrie and carried with all trustees present voting in favor.

Trustee Ammons	-	aye
Trustee Flaherty	-	aye
Trustee Giertz	-	absent
Trustee Hendrie	-	aye
Trustee Lyons	-	absent
Trustee Rock	-	aye

Respectfully submitted,



Ms. Suzanne M. Mayer
Interim Secretary, Board of Trustees

SMM:aa

Chicago Teachers' Pension Fund:

(40 ILCS 5/17-139) (from Ch. 108 1/2, par. 17-139)

Sec. 17-139. Board elections and vacancies.

(1) Contributors other than administrators election. Every member who is not an administrator may vote at the election for as many persons as there are trustees to be elected by the contributors who are not administrators, provided that the contributor obtained that voter eligibility status on or before October 1 of the election year. The name of a candidate shall not be placed on the ballot unless he or she has been assigned on a regular certificate for at least 10 years in the Chicago public schools or charter schools and nominated by a petition signed by not less than 200 contributors who are not administrators.

Petitions shall be filed with the recording secretary of the Fund on or after September 15 of each year and not later than October 1st of that year. No more than one candidate may be nominated by any one petition. If the nominations do not exceed the number of candidates to be elected, the canvassing board shall declare the nominated candidates elected. Otherwise, candidates receiving the highest number of votes cast for their respective terms shall be declared elected. The location and number of polling places shall be designated by the Board.

Elections to fill vacancies on the Board shall be held at the next annual election.

(2) Pensioners election. The name of a candidate shall not be placed on the ballot unless he or she has been nominated by a petition signed by not less than 100 pensioners of the Fund. Petitions shall be filed with the recording secretary of the Fund on or before October 1 of the odd-numbered year. If the nominations do not exceed 3, the mailing of ballots shall be eliminated and the nominated candidates shall be declared elected. Otherwise, the 3 candidates receiving the highest number of votes cast shall be declared elected.

(3) Administrators election. The name of a candidate shall not be placed on the ballot unless he or she has been nominated by a petition signed by at least 25 contributors who are administrators. Petitions shall be filed with the recording secretary of the Fund on or before October 1 of the election year. Every member who is an administrator may vote at the election for one candidate who is a contributor who is an administrator, provided that the member obtained such voter eligibility status on or before October 1 of the election year. If only one eligible candidate is nominated, the election shall not be held and the nominated candidate shall be declared elected. Otherwise, the candidate receiving the highest number of votes cast shall be declared elected.

(4) Vacancies. The Board may fill vacancies occurring in the membership of the Board elected by the administrators, teachers other than administrators, or pensioners at any regular meeting of the Board. The Board of Education may fill vacancies occurring in the membership of the Board appointed by the Board of Education at any regular meeting of the Board of Education.

(Source: P.A. 98-449, eff. 8-16-13.)

Illinois Municipal Retirement Fund:

(40 ILCS 5/7-175) (from Ch. 108 1/2, par. 7-175)

Sec. 7-175. Board elections.

(a) During the period beginning on August 1 and ending on September 15 of each year the board shall accept nominations of candidates for election to the trusteeships for terms beginning the next January 1, new trusteeships or vacancies to be filled by election.

(b) All nominations shall be by petition. Three petitions for an executive trustee shall be signed by governing bodies of contributing participating municipalities or instrumentalities.

A petition for an employee trustee shall be signed by at least 350 participating employees who were participants during July of the current year and who, if their employment status remained unchanged, would be eligible to vote for such candidate at the following election.

A petition for an annuitant trustee shall be signed by at least 100 persons who were annuitants of the Fund during July of the current year and who, if their annuitant status remains unchanged, would be eligible to vote for the candidate at the following election.

(c) A separate ballot shall be used for each class of trustee and the names of all candidates properly nominated in petitions received by the board shall be placed in alphabetical order upon the proper ballot. Where two employee trustees are elected to a full term in the same year, there shall be one election for the two trusteeships and the two candidates getting the highest number of votes shall be elected.

(d) At any election, each contributing participating municipality and participating instrumentality and each contributing participating employee employed by such participating municipality or participating instrumentality during September of any year, shall be entitled to vote as follows:

1. The governing body of each such participating municipality and participating instrumentality shall have one vote at any election in which an executive trustee is to be elected, and may cast such vote for any candidate on the executive trustee ballot.

2. Each participating employee shall have one vote at any election in which an employee trustee is to be elected, and may cast such vote for any candidate on the employee trustee ballot.

3. Each annuitant of the Fund shall have one vote at any election in which an annuitant trustee is to be elected, and may cast that vote for any candidate on the annuitant trustee ballot.

4. A vote may be cast for a person not on the ballot by writing in his or her name.

(e) The election shall be by ballot pursuant to the rules and regulations established by the board and shall be completed by December 31 of the year. The results shall be entered in the minutes of the meeting of the board following the tally of votes.

(f) In case of a tie vote, the candidate employed by or retired from the participating municipality or participating instrumentality having the greatest number of participating employees at the time shall be elected.

(g) Notwithstanding any other provision of this Article, if only one candidate is properly nominated in petitions received by the Board, that candidate shall be deemed the winner. In the case of 2 employee trustees elected to a full term in the same year, if only 2 candidates are properly nominated in petitions received by the Board, those 2 candidates shall both be deemed winners. If a candidate is deemed a winner under this

paragraph, no election under this Section or Section 7-175.1 shall be required.

(Source: P.A. 98-932, eff. 8-15-14.)

State Employees' Retirement System:

(40 ILCS 5/14-134.1) (from Ch. 108 1/2, par. 14-134.1)

Sec. 14-134.1. Board-elected members-vacancies. The 2 elected trustees shall be elected, beginning in 1986 and every 5 years thereafter, for a term of 5 years beginning July 15 next following their election. The trustees to be elected under Section 14-134 of this Code in accordance with this amendatory Act of the 96th General Assembly shall be elected within 90 days after the effective date of this amendatory Act of the 96th General Assembly for a term of 5 years after the effective date of this amendatory Act. Trustees shall be elected every 5 years thereafter for a term of 5 years beginning July 15 next following their election. Elections shall be held on May 1, or on May 2 when May 1 falls on Sunday. Candidates for the contributing trustee shall be nominated by petitions in writing, signed by not less than 400 contributors with their addresses shown opposite their names. Candidates for the annuitant trustee shall be nominated by petitions in writing, signed by not less than 100 annuitants with their addresses shown opposite their names.

If there is more than one qualified nominee for either elected trustee, the board shall conduct a secret ballot election by mail for that trustee, in accordance with rules as established by the board.

If there is only one qualified person nominated by petition for either trustee, the election as required by this Section shall not be conducted for that trustee and the board shall declare such nominee duly elected.

A vacancy occurring in the elective membership of the board shall be filled for the unexpired term by the board.

(Source: P.A. 96-6, eff. 4-3-09.)

State Universities Retirement System:

(40 ILCS 5/15-159) (from Ch. 108 1/2, par. 15-159)
Sec. 15-159. Board created.

(a) A board of trustees constituted as provided in this Section shall administer this System. The board shall be known as the Board of Trustees of the State Universities Retirement System.

(b) (Blank).

(c) (Blank).

(d) Beginning on the 90th day after April 3, 2009 (the effective date of Public Act 96-6), the Board of Trustees shall be constituted as follows:

(1) The Chairperson of the Board of Higher Education.

(2) Four trustees appointed by the Governor with the advice and consent of the Senate who may not be members of the system or hold an elective State office and who shall serve for a term of 6 years, except that the terms of the initial appointees under this subsection (d) shall be as follows: 2 for a term of 3 years and 2 for a term of 6 years.

(3) Four active participants of the system to be elected from the contributing membership of the system by the contributing members, no more than 2 of which may be from any of the University of Illinois campuses, who shall serve for a term of 6 years, except that the terms of the initial electees shall be as follows: 2 for a term of 3 years and 2 for a term of 6 years.

(4) Two annuitants of the system who have been annuitants for at least one full year, to be elected from and by the annuitants of the system, no more than one of which may be from any of the University of Illinois campuses, who shall serve for a term of 6 years, except that the terms of the initial electees shall be as follows: one for a term of 3 years and one for a term of 6 years.

The chairperson of the Board shall be appointed by the Governor from among the trustees.

For the purposes of this Section, the Governor may make a nomination and the Senate may confirm the nominee in advance of the commencement of the nominee's term of office.

(e) The 6 elected trustees shall be elected within 90 days after April 3, 2009 (the effective date of Public Act 96-6) for a term beginning on the 90th day after that effective date. Trustees shall be elected thereafter as terms expire for a 6-year term beginning July 15 next following their election, and such election shall be held on May 1, or on May 2 when May 1 falls on a Sunday. The board may establish rules for the election of trustees to implement the provisions of Public Act 96-6 and for future elections.

Candidates for the participating trustee shall be nominated by petitions in writing, signed by not less than 400 participants with their addresses shown opposite their names. Candidates for the annuitant trustee shall be nominated by petitions in writing, signed by not less than 100 annuitants with their addresses shown opposite their names. If there is more than one qualified nominee for each elected trustee, then the board shall conduct a secret ballot election by mail for that trustee, in accordance with rules as established by the board. If there is only one qualified person nominated by petition for each elected trustee, then the election as required by this Section shall not be conducted for that trustee and the board shall declare such nominee duly elected. A vacancy occurring in the elective membership of the board shall be filled for the unexpired term by the elected trustees serving on the board for the remainder of the term. Nothing in this subsection shall preclude the adoption of rules providing for internet or phone balloting in addition, or as an alternative, to election by mail.

(f) A vacancy in the appointed membership on the board of trustees caused by resignation, death, expiration of term of office, or other reason shall be filled by a qualified person appointed by the Governor for the remainder of the unexpired term.

(g) Trustees (other than the trustees incumbent on June 30, 1995 or as provided in subsection (c) of this Section) shall continue in office until their respective successors are appointed and have qualified, except that a trustee appointed to one of the participant positions shall be disqualified immediately upon the termination of his or her status as a participant and a trustee appointed to one of the annuitant positions shall be disqualified immediately upon the termination of his or her status as an annuitant receiving a retirement annuity.

(h) Each trustee must take an oath of office before a notary public of this State and shall qualify as a trustee upon the presentation to the board of a certified copy of the oath. The oath must state that the person will diligently and honestly administer the affairs of the retirement system, and will not knowingly violate or willfully permit to be violated any provisions of this Article.

Each trustee shall serve without compensation but shall be reimbursed for expenses necessarily incurred in attending board meetings and carrying out his or her duties as a trustee or officer of the system.

(Source: P.A. 101-610, eff. 1-1-20.)

Teachers' Retirement System:

(40 ILCS 5/16-165) (from Ch. 108 1/2, par. 16-165)

Sec. 16-165. Board; elected members; vacancies.

(a) In each odd-numbered year, if there are 2 teachers whose terms of office will expire in that year, there shall be elected 2 teachers who shall hold office for a term of 4 years beginning July 15 next following their election or, if there are 3 teachers whose terms of office will expire in that year, there shall be elected 3 teachers who shall hold office for a term of 4 years beginning July 15 next following their election, in the manner provided under this Section. An elected teacher member of the board who ceases to be a teacher as defined in Section 16-106 may continue to serve on the board for the remainder of the term to which he or she was elected.

(b) One elected annuitant trustee shall first be elected in 1987, and in every fourth year thereafter, for a term of 4 years beginning July 15 next following his or her election.

(c) The elected annuitant position created by this amendatory Act of the 91st General Assembly shall be filled as soon as possible in the manner provided for vacancies, for an initial term ending July 15, 2001. One elected annuitant trustee shall be elected in 2001, and in every fourth year thereafter, for a term of 4 years beginning July 15 next following his or her election.

The elected teacher position created by this amendatory Act of the 101st General Assembly shall be for an initial 3-year term and shall be filled in the manner provided for vacancies; except that if the teacher candidate who receives the highest number of votes and the incumbent members not up for election belong to the same statewide teacher organization, then the teacher candidate who receives the highest number of votes and is not a member of that statewide teacher organization shall be declared elected.

(d) Elections shall be held on May 1, unless May 1 falls on a Saturday or Sunday, in which event the election shall be conducted on the following Monday. **Candidates shall be nominated by petitions in writing, signed by not less than 500 teachers or annuitants, as the case may be, with their addresses shown opposite their names.** The petitions shall be filed with the board's Secretary not less than 90 nor more than 120 days prior to May 1. The Secretary shall determine their validity not less than 75 days before the election.

(d-5) Beginning July 15, 2020, not more than 4 of the 5 teachers elected to the Board of Trustees may be active members of the same statewide teacher organization. For the purposes of this Section, "statewide teacher organization" means a teacher organization (1) in which membership is not restricted to persons living or teaching within a limited geographical area of this State and (2) that has among its membership at least 10,000 persons who participate in this System.

Candidates for the teacher positions on the Board shall indicate, in their nomination petitions and campaign materials, which (if any) statewide teacher organizations they have belonged to during the 5 years preceding the election.

(e) If, for either teacher or annuitant members, the number of qualified nominees exceeds the number of available positions, the system shall prepare an appropriate ballot with the names of the candidates in alphabetical order

and shall mail one copy thereof, at least 10 days prior to the election day, to each teacher or annuitant of this system as of the latest date practicable, at the latest known address, together with a return envelope addressed to the board and also a smaller envelope marked "For Ballot Only", and a slip for signature. Each voter, upon marking his ballot with a cross mark in the square before the name of the person voted for, shall place the ballot in the envelope marked "For Ballot Only", seal the envelope, write on the slip provided therefor his signature and address, enclose both the slip and sealed envelope containing the marked ballot in the return envelope addressed to the board, and mail it. Whether a person is eligible to vote for the teacher nominees or the annuitant nominees shall be determined from system payroll records as of March 1.

Upon receipt of the return envelopes, the system shall open them and set aside unopened the envelopes marked "For Ballot Only". On election day ballots shall be publicly opened and counted by the trustees or canvassers appointed therefor. Each vote cast for a candidate represents one vote only. No ballot arriving after 10 o'clock a.m. on election day shall be counted.

(e-3) The 2 teacher candidates or 3 teacher candidates, whichever is applicable for that election, and the annuitant candidate receiving the highest number of votes shall be declared elected; except that beginning with the election in 2021, if the teacher candidate who receives the highest number of votes and the incumbent members not up for election belong to the same statewide teacher organization, then the second teacher candidate to be declared elected shall be the candidate who is not a member of the same statewide teacher organization and receives the highest number of votes, unless there is no such candidate or at least one candidate declared elected in the same election is not a member of that statewide teacher organization. The board shall declare the results of the election, keep a record thereof, and notify the candidates of the results thereof within 30 days after the election.

(e-5) If, for either class of members, there are only as many qualified nominees as there are positions available, the balloting as described in this Section shall not be conducted for those nominees, and the board shall declare them duly elected.

(f) A vacancy occurring in the elective membership of the board shall be filled for the unexpired term by a person qualified for the vacant position, selected by the remaining elected members of the board, if there are no more than 6 months remaining on the term. For a term with more than 6 months remaining, the Director of the Teachers' Retirement System of the State of Illinois shall institute an election in accordance with this Act to fill the unexpired term.

(Source: P.A. 101-610, eff. 1-1-20.)