

TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

407 S. Dearborn Street • Suite 1170 • Chicago, IL 60605-1150 • Fax: (312) 427-5139
• www.taxpayersunited.org • E-mail: tobin@taxpayersunited.org

FOR IMMEDIATE RELEASE
April 30, 2013

Contact: Jim Tobin (773) 354-2076
(312) 427-5128

Freeze Hiring Until Pension Reforms are Implemented

CHICAGO – The President of Taxpayers United of America (TUA) today called for a freeze of all Illinois government-employee hiring until pension reforms are implemented.

“Our most recent government pension study of the Illinois State Police only reinforces our conclusions from previous pension studies. The fact that a young and healthy state employee can retire at the age of 50, make over \$120,000 per year to do absolutely nothing, and enjoy Cadillac health-care, all on the taxpayers’ dime, proves that the state government pension system is corrupt as well as bankrupt,” said Jim Tobin, TUA president.

“Government bureaucrats have raised the Illinois state income tax 67% to fund these outrageous pensions, while they look for even more ways to pay outrageous salaries, like shameful \$1-per-pack hikes on cigarette taxes.”

“Despite the dire state of Illinois’ financial outlook, Governor Patrick Quinn (D) is looking to repay some favors by hiring an additional 200 Illinois State Police before any kind of reforms have been implemented.”

“There isn’t one Springfield leader demonstrating a willingness to fix the problems we are facing. Ill. House Speaker Michael Madigan (D) has the power to fix the pension problem overnight, but he is conspicuous by his inaction.”

“The priorities of these Springfield bureaucrats are clear, and they have nothing to do with helping the hard-working taxpayers across the state. The crushing taxes created by Springfield politicians are driving producers and jobs out of the state.”

“Our most recent study shows that [the top 200 Illinois State Police](#) retirees are all collecting more than \$102,000 per year. The average retirement age of this top 200 group is 52. The average lifetime payout of the top 200 is well over \$5.5 million. Retirees in this group have personally invested only about 3.3% of the lifetime payout they will receive.”

“The State of Illinois could save taxpayers billions if the Illinois State Police were disbanded, leaving only the crime lab intact. At the very least, Gov. Quinn could place a moratorium on hiring any additional State Police until the pension problem is solved.”

“Reforms must:

- Eliminate future unfunded liabilities by replacing defined benefit pensions with defined contributions for all new hires;
- Eliminate the 3% cost-of-living that doubles a pension after only 24 years;
- Increase the retirement age to 67;
- Increase employee pension contributions by 10%;
- Require 50% contribution to healthcare premiums by both employees and retirees.”

“It is unconscionable to hire any additional government employees until the pension problems are addressed here in Illinois. Madigan, Quinn, and their cronies have been dancing around this issue for at least 30 years now. They must be held accountable for their reckless disregard of taxpayers from which they siphon hard-earned dollars to pay for political favors.”

Founded in 1976, TUA is one of the largest taxpayer organizations in America.

###

TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

407 S. Dearborn Street • Suite 1170 • Chicago, IL 60605-1150 • Fax: (312) 427-5139
• www.taxpayersunited.org • E-mail: tobin@taxpayersunited.org

FOR IMMEDIATE RELEASE
April 30, 2013

Contact: Jim Tobin (773) 354-2076
(312) 427-5128

“Here are some numbers all of us can understand and why the pension system is bankrupt: [John Lofton, of the Ill. State Police](#), retired at a ripe old age of 58. His annual pension is a stunning \$134,026, which will accumulate to about \$4.2 million over a normal lifetime. Not a bad return for a 3.6% personal investment!”

“[Timothy Becker’s annual pension is \\$120,672](#). Over a normal lifetime, his total payout will exceed \$7.3 million because he retired at only 50 years of age. His personal investment in his estimated lifetime payout is only 2.8%.”

“The only responsible thing for Springfield politicians to do is put a complete freeze on all government hiring, and work on nothing but pension reform until real reforms are fully implemented. Anything less will perpetuate the back-breaking, tax-sucking system that they keep afloat with inaction and petty debate.”