

TUA OPINION EDITORIAL

TAXPAYERS UNITED OF AMERICA

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FOR IMMEDIATE RELEASE
May 8, 2013

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95% of Illinois Taxpayers Held Hostage by State Pension Cartel

Chicago – Pension reform could be easy if there were no government-union bosses -- and the votes they deliver -- according to Taxpayers United of America (TUA).

“The entire State of Illinois has been brought to its knees by about 5% of its population,” said Rae Ann McNeilly, TUA executive director.

“The debt to accommodate this 5% has grown to about 200% of the state’s annual budget. Using liberal actuarial standards, Illinois’ pension debt hits the \$100 billion mark sometime this month, and that debt is created by the pension funds that serve only 5% of the state’s total population.”

“How is it that this 5% of the population has such total control over the entire state? Government unions. Government-union bosses deliver the votes to keep politicians in power. The state of Illinois is being held hostage by cowardly legislators who are so worried about the votes of the rank and file that they are willing to steal massive amounts of wealth from the rest of the state’s population to prop up a system that is a proven failure.”

“Pension reform could be relatively easy if we didn’t have government unions. We have reached the point where government unions have outlived their usefulness and are actually a threat to the entire state’s economy and general welfare.”

“There should be no Constitutional protection for union thugs who pillage the state’s coffers for the benefit of a few and the legislators who kowtow to their demands. There should be no more laws that protect this corrupt system of election quid pro quo.”

“None of the proposed pension reform bills even attempt to address the cause and effect that has brought the state to its knees. The current pension system places tremendous amounts of money in the hands of government bureaucrats who have never demonstrated responsibility with such assets.”

“Pensions, as we know them, rely on steady growth and prediction of the future. All across the country, these systems have failed. Pension reform that does not permanently eliminate the possibility of unfunded liabilities by replacing them with defined contribution retirement savings is a smokescreen and shows disregard for 95% of the state’s population.”

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

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“The ‘Madigan bill’, being touted by Chicago machine boss and Ill. House Speaker Michael Madigan (D), not only falls short of eliminating unfunded liabilities, but worse, it guarantees that no matter how outrageous the pension debt gets, taxpayers must pay the pension bill before all others. This bill actually affords even more protection to the 5% at the cost of the 95%.”

“The ‘Cullerton bill’, which Senate leader John Cullerton purports will provide ‘real and substantial reform for a generation to come’, falls short on nearly every level and relies on the employees making the choices between COLAs and hospitalization. Both need to be cut if we intend to stay afloat.”

“Neither of the proposed bills is a panacea or even provides a margin of relief to taxpayers. It’s time for lawmakers to do their job and fix this problem as though there were no government union bosses to appease. Pension reform can be that simple. Pass the laws necessary to do the job and pass a bill that gets a state Constitutional amendment on the ballot that makes it legal to do what is in the best interest of 95% of the state.”

“Real pension reform must: 1. End pensions for new hires and implement a 401k type retirement savings program with no guarantees that hold taxpayers hostage. 2. Increase current employee pension contributions to reflect private sector levels. 3. End COLA’s entirely. 4. Raise the retirement age to 67 and continue to raise it as life expectancy increase. 5. Require all government employees and retirees to contribute 50% to their healthcare premiums.”

“And while we are at it, maybe we should ban government unions and Constitutional protections to special interest groups.”