TUA NEWS RELEASE

TAXPAYERS UNITED OF AMERICA

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This is Why Judges Get Pensions

Chicago—Taxpayers United of America (TUA) did not endorse or support the government pension reform that was passed last year because it fell drastically short of what is needed to adequately reform Illinois' government pension cabal. It is no surprise that judges ruled to protect the rights of pensioners at the expense of every taxpayer in the state, according to Rae Ann McNeilly, executive director of TUA.

"This is why judges get pensions. The fact that the judges' pensions were suspiciously omitted from reforms means nothing. Judges certainly understand that if reforms are upheld in a court challenge, it establishes precedent for future modifications of the Judges' Retirement System (JRS)."

"Judges should never have been added to the pension system in the first place. Doing so has automatically placed them in a conflict of interest in ruling on any pension changes. The <u>recent ruling</u> in the government union challenges to the reforms of the Public Act 98-0599 definitively illustrates that conflict."

"Illinois is technically bankrupt, with government pensions at the heart of the financial turmoil, and yet this court ruling has tied the hands of every taxpayer. In other words, the state says, 'we will take your money, your house and all of your property if we have to, in order to fund the lavish pensions of the specially protected government elite.""

"Not only do the government employees enjoy higher than average private sector pay and benefits, nearly iron-clad job security, no accountability for quality of work or outcomes, and judicially protected gold-plated pensions, but their livelihood is prioritized before the people who fund them."

"Simple math and basic economics dictates that the government pension crisis can't be solved through taxation, yet here we are with a ruling that limits any possible solution for economic growth. Therein lies the problem."

"At the very least, new government hires should be placed in a retirement savings account like a 401(k)-style plan. Every day new employees are added to the system, perpetuating the problem. We have reached the point of financial gridlock where tax revenues are being so heavily consumed by government employees who provided services in the past, no resources are available for the employees who would provide needed services today."

"There is no longer any question that the current system of guaranteeing government employees' absolute and indefinite financial security is unsustainable, yet the lunacy of forcing taxpayers who are subject to the financial risks inherent in an ever-fluctuating market to fund such an insolvent system continues."

"The mere fact that there is a <u>Constitutional provision</u> that protects a specific class of people above and even at the expense of the taxpayers is suspect. We need to do whatever is necessary to protect all taxpayers."

"As long as so many millions of dollars are at stake for <u>judges</u>, <u>legislators</u>, and <u>policy makers</u>, we can never expect fairness to the taxpayers. The very future of Illinois depends on it. If an amendment is necessary to correct the problem of existing employees' pensions, then let's get it done. Let's put an end to this insanity once and for all."