TUA NEWS RELEASE

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Politicians & Unions—Lying to Ill. Taxpayers About Gov't Pensions Since '95

CHICAGO-Politicians and government-employee unions have been lying to Illinois taxpayers about government pension plans and their problems since 1995, charges levied by pension analyst and Taxpayers United of America (TUA) Director of Research Bill Zettler in his landmark book, "Illinois Pension Scam," published on April 1, 2012. And, according to TUA President Jim Tobin, the media have helped perpetuate these "big lies."

"A June 19, 2012, Associated Press article in the *Daily Herald* uncritically repeated these lies," said Tobin. "It stated that 'For years, states failed to pay their full share of pension cost...so the problem won't be wiped away if the economy improves.' Quoting Robert Rich of the University of Illinois, the article later states, 'Much of the pension problem was created by states failing to contribute their share in retirement systems.' This is an Orwellian use of misleading language."

"When you say the state is in arrears on its pension payments, you are saying the taxpayer is in arrears. When you say it is the state's fault you are saying it is the taxpayer's fault," states Zettler.

In fact, adds Zettler, over the years, Illinois taxpayers have over-contributed. "Since the taxpayers over-contributed and over accumulated shouldn't the people who benefit directly from the pension system, i.e., the public employees and public retirees pay any excess amounts due," asks Zettler. "Why is this a taxpayer liability?"

- Get more information on Bill Zettler's book *Illinois Pension Scam*
- View the top 100 Illinois State pensions as of April 1, 2012.

Concludes Zettler, "So if the taxpayers have done more than their share, why are [public-employee pension programs] \$85 billion unfunded? Mainly it is because of new benefits handed out to public employees like Christmas candy...."

For solving the Illinois government-employee pension deficit of \$85 billion, Zettler says: "Let's go back to the rules originally presented to us in 1995 by rolling back all the pension enhancements passed into law since 1995 and watch the unfunded pension liability and taxpayer pension taxes drop like a rock. We never agreed to these increased pension benefits and should not be obligated to pay for them. Let those who received the increased benefits pay for them."