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Sweeping, radical change to the state's pension systems finally came to Illinois on Wednesday, an important first step toward pulling the state back from the brink of bankruptcy.

With unexpected speed, the House and Senate passed legislation that creates a two-tier pension system estimated to save the state up to \$150 billion over 35 years. It features a new retirement age of 67 and significantly lowers pension benefits for most newly hired government workers, including teachers, university employees, legislators, state employees and municipal workers across the state. Gov. Quinn says he supports the bill.

The Sun-Times editorial page has pushed for this needed reform for more than a year -- but only as part of a package of efforts to bring some fiscal sanity to our state, including deep budget cuts and an income tax increase.

That means the Legislature's work has only begun.

Legislators and those of us who pushed for this reform bill are allowed a victory lap -- this is a real triumph -- but only a brief one.

A two-tier pension system helps lower costs long term but does almost nothing to fill the state's \$12.8 billion deficit. It also does nothing to lower the \$78 billion in pension debt the state has accumulated. That's why this page, and others, including the right-leaning Civic Federation, also have called for major budget cuts and, yes, a dreaded income tax increase.

There is simply no other way to tackle the deficit and continue running public schools, nursing homes, prisons and other essential services in a humane and responsible way.

House Speaker Mike Madigan has all but said he won't push for an income tax increase before the November election, a position we consider reckless and irresponsible. He used his considerable powers to ram through this pension reform bill and, unfortunately, he's using that same power to prevent an income tax increase.

Madigan, aided by Senate President John Cullerton, moved this pension bill through the Legislature at record speed, tossing aside any chance for careful deliberation. As a result, it includes elements many thoughtful observers could do without. But, on balance, there's much to like in the bill.

It caps the salary from which pensions are calculated, lowers annual cost-of-living increases and prevents retirees from getting a pension if they take another government job. We don't think current benefits are grossly excessive -- 78 percent of state retirees don't even get Social Security -- but the state can't afford these benefits any longer.

We do have some complaints. We don't think all employees should wait until 67 to retire. Is that really the right age for a kindergarten teacher?

**We're concerned that the cost-of-living reduction is too severe. The bill exempts the financially weak pension systems for police officers and firefighters, which we think is a mistake.**

In a nod to the troubled Chicago Public Schools facing a \$1 billion deficit, the bill reduces its massive pension bill by \$400 million this year. We support this, reluctantly, because the only real alternative is unconscionable cuts in the classroom. In general, we oppose underfunding pensions. That is, after all, how Illinois got into this fiscal mess in the first place.

Illinois has finally passed meaningful pension reform.

It must make the most of it by refusing to live off future savings today and by diligently paying annual pension bills -- \$4.6 billion is due this year.

For once, the Illinois Legislature delivered. This is a moment, albeit a brief one, to savor.