

# Rep. Jil Tracy Newsletter

March 29, 2010

## Pension Modernization Advances through House

Springfield, IL...On Wednesday, the Illinois House approved substantial changes to thirteen state managed pension systems. State Representative Jil Tracy (R-Mt. Sterling), who cast one of the 92 yes votes, referred to the pension reform measure as “necessary for the stabilization of Illinois’ financial future,” while cautioning that “the savings and needed modernization of the pension systems will only be realized if the state ensures full payments into these pension systems each year moving forward.”

“I heard good arguments from both sides on this issue and the legislation certainly wasn’t perfect, but with the financial struggles facing our state I believe these changes are in the best interest for the majority of Illinois residents,” said Tracy. “We were able to put an end to the upper income retirees receiving lucrative pay raises at the end of their careers which allowed them to boost their pensions. There will also be income caps for figuring pensions. We also put a stop to the practice of double-dipping while receiving pension benefits. These three substantial changes will save considerable tax dollars.”

It is important to note that the pension reforms which passed the House do not affect any current employees or pension benefactors. Senate Bill 1946 creates a two-tier pension system for new hires. Under the legislation new entrees will not receive full retirement benefits until age 67 (62 with reduced benefits), the maximum pensionable salary has been capped at the Social Security wage base (currently \$106,800) and no one earning a public pension would be able to collect a public salary at the same time.

“This bill was sponsored by Speaker Madigan and was negotiated without inclusion of my Republican Leaders. Although it contained some provisions that were similar to several initiatives put forth by the Republicans earlier this year, this bill certainly has its’ flaws,” Rep. Tracy said. “It essentially allows the Chicago School Board to skip needed pension payments over the next few years as a way to reduce their deficit. That type of typical Chicago politics is the reason our current pension systems are in such dire shape.”

“I believe this action was needed for the stability and modernization of our pension systems and the future fiscal health of our state,” Rep. Tracy said

For more information about the campaign, please visit my website at [www.electjiltracy.com](http://www.electjiltracy.com) My email is [jiltracy@yahoo.com](mailto:jiltracy@yahoo.com)

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