

# ICCTA ACTION ALERT

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May 10, 2013

## PENSION REFORM DEBATE CONTINUES

The Illinois General Assembly returned to Springfield on Monday, May 6, to begin the second half of the spring legislative session. Both the House and the Senate concluded their business for the week and will return to Springfield on Tuesday, May 14.

Much of the legislative attention this week focused on pension reform. The Senate approved Senate Bill 2404 and the House approved Senate Bill 1. Both bills address pension reform issues in very different ways. (Analyses of [SB 1](#) and [SB 2404](#) prepared by ICCTA pension consultant Steve Zahn are posted on ICCTA's website at [www.communitycolleges.org](http://www.communitycolleges.org).)

Also on Thursday afternoon, House Speaker Michael Madigan held the first of a series of meetings regarding the issue of shifting employer pension costs away from the state and back to the actual employer. Speaker Madigan will preside over the meetings, the next of which will occur next week. Involved with the cost-shifting issue are downstate school districts, community college districts, and public universities. The Chicago public schools are not involved since Chicago taxpayers already pay for Chicago teacher pensions.

ICCTA legislative counsel Tom Ryder presented the community college position before the Cost-Shifting Panel and made the following remarks:

- Community colleges are proud to be units of local government and are willing to take on the appropriate employer responsibilities of public community college pensions;
- Community colleges also wish to be part of the process in developing the mechanism to implement the cost shift, including a cap on the amount assumed by community colleges;
- A transition (or 'phase-in') period must be provided so that local community college employers can establish appropriate budgets and manage the impact on payroll, students, and other resources; and
- Community colleges will require a one-year lead-in phase to plan for the transition.

Speaker Michael Madigan noted that "the community college system has been very cooperative" during the year-long negotiations on this issue. ([ICCTA's pension proposal](http://www.communitycolleges.org/ICCTApensionfinancingproposal313.pdf) is posted at <http://www.communitycolleges.org/ICCTApensionfinancingproposal313.pdf>.)

• For more information, contact ICCTA at 1-800-454-2282 or [www.communitycolleges.org](http://www.communitycolleges.org) •



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