Item #17:

Village Clerk Schultheis

Legislative Update

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From: IML Legislation [Legislation@iml.org]
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IML Statehouse Briefing

On the ground news and insider information!

April 17, 2012

The General Assembly returned to Springfield on Tuesday to begin the final stretch of legislative activity prior to the scheduled May 31 adjournment date. With the primary elections behind them, legislators now find themselves awaiting two critical sets of policy recommendations.

Within a matter of days, Governor Quinn is expected to receive proposals from two critical working groups. One group will make recommendations for Medicaid cost savings. A second group will recommend a menu of options for additional cost-reductions to the 5 state-funded pension systems. Both Medicaid and pension costs are consuming a growing portion of the state budget. Medicaid currently costs the State $15 billion each year. The Governor is seeking to reduce this obligation by $2.7 billion. The state's estimated annual pension contribution has grown to $7.4 billion when the cost of financing bonds is included. It is hoped that additional pension reforms will bring this cost growth under control.

Pension Constitutional Amendment: The House Personnel and Pensions Committee voted to approve HJRCA 49 (Speaker Madigan, D-Chicago). The proposed constitutional amendment would require a supermajority vote for pension benefit increases. If approved by both chambers, the constitutional amendment would go before voters in November. The IML has included an analysis of the constitutional amendment that can be accessed via the link.
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IML Pension Website: Rising pension costs continue to be a significant problem for local communities. Additional cost-saving reforms are necessary for municipal police and firefighter pension funds if they are to remain solvent for employees and affordable for residents. To keep our members informed about the current pension debate, the IML has re-launched our Pension Policy Page. This page is a convenient source for news coverage, analysis, pension studies, introduced pension legislation, summaries of previous pension reforms, historical benefit increases, and an explanation of pension benefits and how pensions are funded.