



Pension Cost Shift Approved by Illinois House Could Increase Property Taxes and Tuition

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Springfield, IL - State universities and community colleges could be stuck with the burden of paying pension costs approved Thursday night. The Illinois House of Representatives recently approved the detrimental cost shift to higher education by a vote of 60 voting yes, 55 voting no, and 2 voting present.

"Passing the pension costs onto our universities and community colleges could result in higher property taxes and increased tuition costs," said Rep. Kay. "This cost shift does not eliminate the debt or take away the burden from the taxpayers. This proposal simply packages the debt and ships the debt to SIUE and our community colleges, putting our students and property owners at risk."

Since the creation of the state university retirement system in Illinois, the State has incurred over \$19.4 billion in pension debt. When the cost shift is fully implemented it will cost our universities and community colleges \$300 million annually, even larger as payroll increases. Illinois universities and community colleges will be on the hook for pension debt incurred beginning July 1, 2014.

The legislation is Senate Bill 1687 and awaits approval in the Illinois Senate.