



# Senator Plummer Introduces Taxpayer Protection Plan for Pension Consolidation Law

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Springfield, IL.....State Sen. Jason Plummer (R-Edwardsville) is sponsoring legislation that aims to protect taxpayer dollars and safeguard local first-responder pension funds.

Senate Bill 2312, filed by Senator Plummer immediately following the passage of pension-consolidation measure Senate Bill 1300, would close a loophole that could endanger the well-managed pension of first responders in many local municipalities.

“I have been saying for years that we must protect taxpayers and get our arms around the pension mess in Illinois. So, yes, I’m a skeptic when those who have fought common sense reform and soaked the taxpayers every step of the way suddenly appear to take some responsibility,” said Plummer. “Unfortunately, the plan passed last week lacked a simple protection to ensure that local dollars can’t ultimately be used to create a system where well-managed pension funds are used to bail-out those that have been poorly managed. My proposal would add this vital safeguard.”

Senate Bill 1300, which is expected to be signed into law, would take the current 649 local police and fire pension boards that are locally managed and put them under the control of two separate boards in Springfield. The Police Investment Board would administer investment functions for local police departments, and the Fire Investment Board would manage investments for local fire departments. It would also combine the assets of these funds into one pool of funds, but with each local fund getting its own share of the return that is proportional to the amount they have invested in the fund.

Sen. Plummer’s legislation would protect these municipal investments by ensuring that no law would prohibit local funds from continuing to receive a proportional share of the return on their investment. Under Senate Bill 2312, should the assets be mixed with the funds of another municipality, the balance of the investments would be returned to their

respective municipal pension funds. This protects our first responders and those who have been doing things responsibly.

“Would you want your 401K or retirement savings transferred to some new agency in Springfield, considering their track record?” asked Plummer. “Or would you prefer to have your retirement savings managed at a local level by people you know with a strong track record of competence and financial solvency? I hear the concerns of local police officers and firefighters loud and clear and, frankly, I totally get it.”

Senate Bill 2312 would only take effect if and only if Senate Bill 1300 is signed into law by the Governor and becomes law in the form in which it passed both houses. Currently, Senate Bill 2312 has not been assigned to a Senate committee.