

Rep. Dwight Kay Sponsors Resolution Opposing Education Pension Cost Shift

September 12 2014 2:38 PM

Glen Carbon, IL.This week, Illinois State Representatives Dwight Kay (R-Glen Carbon) and David McSweeney (R-Barrington Hills) introduced a Resolution opposing an educational pension cost shift that would force local school districts, community colleges, and public universities to pay the cost of pension benefits earned by their employees.

According to the Illinois State Board of Education, 67 percent of school districts in Illinois are operating without the funding they need, while already covering a large share of the pension costs.

"Metro East school districts, SIUE, and home owners simply cannot afford this added expense," Rep. Kay said. "The State made a promise to pay our hard-working teachers and faculty members the pension benefits they earned and it must be committed to fulfilling this promise rather than shifting the blame and costs to our already-maxed out schools and colleges. Shifting the pension debt to our schools would result in higher property taxes."

Over the last several months, there have been multiple proposals that would shift pension costs from the State of Illinois to local schools, colleges, and universities in order to fix Illinois' pension system. A pension cost shift would result in higher property taxes and higher tuition rates. Under this proposal, schools and colleges would have to pick up an estimated \$10.2 billion in pension benefits over a 10-year period.

Rep. Kay continued, "With our schools already underfunded, and burdened with many unfunded mandates, this additional expense would result in further cuts to classroom budgets which would be harmful to our students. Schools would be unable to afford the necessary textbooks, supplies, and technology that are essential in making sure our kids receive the best education possible."

Not only would the pension cost shift hurt local school districts, but it would also be detrimental to Illinois' public universities, including SIUE. The cost shift would likely lead to a 2 percent hike in tuition at all Illinois universities, according to representatives at Northern Illinois University.

"Higher education in Illinois is already unaffordable for many families," Rep. Kay added. "Metro East families deserve to send their kids to college, but with these added costs to universities resulting in an increase in tuition, many families would be unable to do so."

Rep. Kay concluded, "I oppose the pension cost shift proposal because it would be impossible for our schools, community colleges, and universities to take on the full pension costs while also ensuring the best educational opportunities for our students. The State must fulfill the promises it has made."

The Resolution is

http://www.ilga.gov/legislation/billstatus.asp?

DocNum=1267&GAID=12&GA=98&DocTypeID=HR&LegID=82851&SessionID=85

House Resolution 1267.