

Amendment may remove public workers' pension protection

By William S. Bike

If approved by voters, Constitutional Amendment #49, which will be on the November 6 ballot, could empower the Illinois General Assembly to modify pension benefits for State employees, including those at the University of Illinois at Chicago (UIC), and allow other legislative bodies in Illinois to modify pensions of public employees, including City of Chicago workers, "anyway they want," said Jack Hall, president of the Illinois Central College Annuitants' Association.

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"If this amendment passes, it will do away with the contract protection clause in the current Illinois Constitution, which states that a contract cannot be impaired," Hall said.

The amendment, said Anders Lindall, director of public affairs for the American Federation of State, County, and Municipal Employees (AFSCME) Council 31, "could be broadly applied to all public employees—teachers, police, firefighters, librarians, child protection workers—every public employee."

Currently, the Illinois Constitution states in Article XIII, Section 5, that "Membership in any pension or retirement system of the State, any unit of local government or school district, or any agency or instrumentality thereof shall be an enforceable contractual relationship, the benefits of which shall not be diminished or impaired."

Amendment #49 is about 700 words long, but its crux is that it would allow restricting or eliminating a benefit with a simple majority vote of a governing body. If passed, the amendment would overturn and supersede Article XIII, Section 5's clause prohibiting benefits from being diminished or impaired.

"So this amendment would empower a small number of people in any legislative body—State legislature, city council, or school board—to attempt to erode the pension protections that previously were constitutionally mandated," Lindall said.

Often, constitutional amendments pass with the public not fully understanding them because of their length and complexity.

"Amendment 49 contains more words than the entire first ten amendments to the U.S. Constitution—the Bill of Rights," said John Kindt, professor of business, University of Illinois at Urbana-Champaign. "The obvious intent of the verbose Amendment 49 is to hide its true impacts from voters in a 700-word avalanche of unnecessary and deceptive words. Marketing experts know that few voters will read beyond the benign first sentences and that voters will be inclined to vote 'yes.'"

"We are under attack, like never before, by a majority of powerful legislators who control the way things roll in Springfield and by an uninformed and unsympathetic private sector," said Bruce C. Appleby, member of the State Universities Annuitants Association (SUM) Constitutional Amendment #49 Committee and Executive Committee.

"Wading through the language that seems to purposely mislead and misdirect, it appears that Clause 1 says that a 60% majority of both houses is needed to increase any pension benefit of any unit of government in the State," Appleby continued. "Clause 2 appears to say that the General Assembly may take any action that restricts benefit increases, which would include the COLA [cost of living adjustment] or any other aspect of our pensions and benefits—at any time and in any way."

"The amendment would undermine and complicate the collective bargaining process for public employees—with no added benefit for the public," Lindall said. "The current public pension crisis is the result of the failure of politicians over the years to pay their share, not that of the employees. Eight to ten percent of every check earned by public employees goes to pensions.

"Faced with budget choices, the politicians want to change the constitution to reduce the already modest pensions public employees receive," Lindall continued. "But this amendment doesn't address the behavior of politicians. At best, it's a distraction to attempt to shift the blame away from themselves. "Once collective bargaining for public employees is eroded, collective bargaining for all is in jeopardy," he said.

SUAA's list of talking points for defeating Constitutional Amendment 49 notes that it "is the latest in a series of attacks on you and other public employees and retirees," would "grant unprecedented power to State and local governments to make changes to pension benefits and existing law," will "not result in savings to taxpayers," will "do nothing to address the State's financial crisis," will "scare away public employees, affecting future hiring and retention," and "will impair the future viability of all Illinois public education and services."

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'Amendment 49 on the November ballot is cleverly drafted to concentrate more monetary power in the same Springfield legislative leaders who have de facto bankrupted the Illinois Treasury,' Kindt said.

In the Illinois House, Speaker Michael Madigan (D-Chicago) and Representatives Andre M. Thapedi (D-Chicago) and Fred Crespo (D-Streamwood) introduced the amendment. In the Senate, it was introduced by Senators John Cullerton (D-Chicago), Iris Martinez (D-Chicago), and Jeffrey Schoenberg (D-Evanston). Both houses adopted the amendment on May 3 for placement on the November 6 ballot.

The amendment passed unanimously in the House; in the Senate, it met with only two dissenting votes. At the time supporter Representative Dave Winters (R-Shirland) said, "this is a step in the right direction and a preventative measure that will ensure additional scrutiny of future benefit proposals, but~ more must be done and further sacrifice will be required to erase the estimated \$80 billion liability our pension systems currently face.'!

The League of Women Voters of Illinois board on Sept. 15. voted to oppose the amendment because of its 3/5 super majority vote requirement to increase pensions, noting in a statement that since 1970 the league has "strenuously advocated for simple majority votes on constitutional matters."

The Illinois Education Association and the Illinois Federation of Teachers also oppose the amendment. The Illinois Municipal League, an organization of Illinois mayors and village presidents, and the Northwest Municipal Conference, an organization in Cook and four other counties working to enhance intergovernmental relationships support it.