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**'VICTORY FOR THE PEOPLE'**

By Dave McKinney

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SPRINGFIELD - Pension reform might happen in Illinois after all.

After years of posturing, inertia and debate, the Illinois House and Senate each passed a controversial reform bill in a lightning-fast one-two punch Tuesday afternoon.

Adding to the drama, the two votes came just moments apart, capping hours of debate.

The complex and controversial fix to Illinois' pension crisis, which is certain to lead to a legal fight that may reach the Illinois Supreme Court, passed the state Senate on a 30-24 vote, with three senators voting "present." The House passed the measure on a vote of 62-53, with one representative voting "present."

The bipartisan votes topped one of the most dramatic Springfield showdowns in memory, a day when the power of Gov. Pat Quinn and the legislative leaders was put to the test as they tried to muscle through a fix to Illinois' $100 billion pension crisis over strenuous objections from labor unions.

"This was a bipartisan victory for the people of Illinois," Quinn told reporters in a late-afternoon press conference after the bill passed.

"We used the process of democracy in a way that helps the people. Everyday people, I think, will benefit from this reform," the governor said. "The bill, when it arrives at my desk, I plan to sign it promptly. I think it's an important event that will move our state forward."

Quinn singled out House Speaker Mike Madigan, D-Chicago, Senate President John Cullerton, D-Chicago, House Minority Leader Jim Durkin, R-Western Springs, Senate Minority Leader Christine Radogno, R-Lemont, and Sen. Kwame Raoul, D-Chicago, for praise.

Republican gubernatorial hopeful Bruce Rauner did his best to rain on Quinn's parade.

"Springfield politicians today voted to slap a small bandage on an open wound," Rauner said. "While it may help them temporarily feel better, it does little to fix the real problems facing Illinois. The pension system remains broken and badly underfunded."

With the Statehouse shrouded in fog, the day began with three of the four legislative leaders appearing jointly before a bipartisan, House-Senate panel that late Monday signed off on a 327-page bill bitterly opposed by a coalition of the state's most powerful labor organizations.

The bloc representing those unions, the We Are One Illinois coalition, called Tuesday a "dark day" for Illinois citizens and public employees and urged the governor to veto the measure.

"A majority of legislators ignored and defied their oaths of office today - but Gov. Pat Quinn doesn't have to. He can stay true to his oath and the legal promise made to public employees and retirees by vetoing this unfair, unconstitutional bill," the group said in a statement. "If he doesn't, our union coalition will have no choice but to seek to uphold the Illinois Constitution and protect workers' life savings through legal action."

In the run-up to the Senate vote, Sen. William Delgado, D-Chicago, one of the unions' most vociferous supporters, blasted the bill as "morally wrong, morally corrupt."

He also said the bill will "punish retired teachers, the janitor, the woman who serves lunch to your child in school."

Delgado was joined by Sen. Linda Holmes, D-Aurora, the lone member of the 10-member, bipartisan pension conference committee not to affix her signature to the bill presented to lawmakers.

"This is inherently unfair. This is a promise broken. This is actually no different than a thief coming into your house in the night and stealing your valuables," she said. "This is your elected representatives coming to you, looking at you straight in your eye and saying, 'I'm going to take away your future.' That's more than a promise broken. That's reprehensible."

In the House chamber, where debate and the vote unfolded almost simultaneously, Madigan said, "We all know something's got to be done. ... We can't go on dedicating so much of our resources to this one sector of pensions."

The legislation agreed to by Quinn and the legislative leaders would curtail annual, compounding 3 percent cost-of-living increases received by retired state workers, Downstate and suburban teachers and university employees, slowing the growth of their future annuities.

The deal - expected to save $160 billion over 30 years and reduce annual pension payments by as much as $1.5 billion - also would hike retirement ages for younger workers and force some of them to go as many as five years without a post-retirement increase in their pensions.

The "reason we're here today ... is because the Illinois pension systems are just too rich to be afforded as the state goes forward," Madigan said earlier in the day.

In return, existing government employees would have less withdrawn from their paychecks to cover pension premiums, and four of the five state retirement systems covered under the 327-page bill would get new powers to sue the state if it ever skipped or shorted making annual pension payments.

Opponents, including powerful labor organizations, have argued that the bill tries to fix the system on the backs of state workers.

Illinois Federation of Teachers President Dan Montgomery called the plan "theft" and "blatantly unconstitutional."

"It only makes one thing certain: that we'll be back here again after we see the bill struck down by the courts," he said.

Even though he worked to pass the bill, Senate President Cullerton seemed to have serious heartburn over it, displaying perhaps the most interesting body language of any of the measure's leading supporters.

Cullerton, who has long championed a model where workers and retirees would have to agree to give up benefits, opted not to speak with the other leaders when the final deal was announced last week, was a no-show at a Tuesday hearing attended by the three other legislative leaders and was silent on the bill during Senate floor debate.

"I'm not on the Supreme Court. All I know [is] I think the bill has serious constitutional problems. I made that clear from the start, but now it's before the court to decide."

The legislators' votes Tuesday will carry enormous implications as Illinois heads into the 2014 campaign season.

But beyond being given an enormous political trophy to take into his 2014 re-election bid, Quinn also stands to gain a little green in his pocket now that the pension deal is headed his way.

Last summer, the governor vowed to avoid taking any pay until the General Assembly sent him a pension-reform package. The vow caused him to miss five paychecks - totaling $73,921- that now are in Comptroller Judy Baar Topinka's possession.

Does he intend to cash those checks now?

"As soon as I sign this law, I'll look into that," the governor said.