

# NEWS



*...from State Representative La Shawn K. Ford*

**FOR IMMEDIATE RELEASE**

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**FOR MORE INFORMATION:**

State Rep. La Shawn K. Ford

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## **Ford Backs Pension Reforms to Save Taxpayers Millions**

**SPRINGFIELD, IL** – As Illinois battles to overcome the worst economic recession in decades, State Rep. La Shawn K. Ford (D-Chicago) co-sponsored new legislation that passed out of the House of Representatives on Friday proposing a major restructuring of part of the state pension system in an effort to save millions of dollars for taxpayers.

“Families and working people are living with less in the real world where their retirement benefits, wages, hours – and even their jobs – are being slashed to save money,” Ford said. “As the state faces a \$13 billion deficit, we too have to take strong action to reduce spending.”

Ford is a co-sponsor of House Bill 6368, which calls for the implementation of a two-tier pension system for new members of the General Assembly Retirement System (GARS) and Judges Retirement System (JRS) that will significantly alter and reduce future benefits. The legislation will affect new hires employed after July 1, 2010 by revamping the benefit structure related to the following factors: changing the requirements related to members’ normal retirement ages, pension formulas, final average salaries, maximum annuities, cost of living adjustments, maximum pensionable salary, and survivor annuities. The two-tier benefit plan is projected to save more than \$68 million in state contributions to GARS and \$1.58 billion to the JRS by 2045, generating an overall total savings for the state of \$1.65 billion.

“We will continue to evaluate the state’s other pension systems to see where additional long-term savings are possible,” Ford said. “People are struggling to make ends meet and state government needs to share a little bit of the pain so that we can ensure meaningful programs and services are available for our most vulnerable citizens.”

House Bill 6368 unanimously passed out of the House of Representatives and awaits further consideration in the Senate. For more information, contact Ford at 773-378-5902, e-mail [lkf@ilga.gov](mailto:lkf@ilga.gov), or visit [www.ilga.gov](http://www.ilga.gov).

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