



TALKING POINTS

LOBBY DAY 2024

TALKING POINTS ON LEGISLATION:

The intent of this legislation is to help address the most unfair and damaging aspects of Tier Two while promoting retirement security for public workers in Illinois. It will, among other things:

- Adjust the pension salary cap to match the Social Security Wage Base, addressing the state's "Safe Harbor" problem.
- Bring the final average salary pension calculation back in line with Tier One.
- Align the Tier Two retirement age requirements with Tier One.
- Implement an across-the-board 3% simple COLA for all Tier Two members.

TIER TWO TALKING POINTS, IN GENERAL:

- Illinois has a shortage of teachers, education support staff and higher education professionals in part because of the divide between the two tiers, which negatively impacts all students' learning conditions and educators' working conditions.
- Teachers and other certified school staff do not receive social security. Instead, they pay into their pension systems.
- School employees have always paid their portion of retirement costs. We didn't create the state's pension or financial problems – politicians did. Instead of addressing these problems, politicians created a second tier of pensions to try to fix the state's problems on the backs of workers.
- Tier two employees do the same work as tier one employees, and pay the same amount toward their retirements, but receive diminished benefits.
- Teachers and school support staff need to have an equitable and dignified retirement benefit.
- Retirement income for public employees, including teachers, does not keep up with inflation.
- We should guarantee retirement keeps up with cost of living so that people who worked hard their whole lives can keep up with the rising costs of medications, groceries and other essentials during their retirement.
- It's time for Illinois to act. If we don't, this problem will only get worse and more expensive for taxpayers. Tier two is in violation of the Social Security Safe Harbor provision and could potentially trigger major fiscal implications, including requiring school districts to cover additional costs associated with switching certified educators to Social Security (FICA taxes), which could dramatically increase property taxes.