

# Supreme Court rules unanimously against pension reform law

The Illinois Supreme Court ruled unanimously today that Senate Bill 1, the pension reform law passed in December 2013, is unconstitutional.

“From the beginning, we were confident that the Supreme Court would uphold the constitution and we are pleased that today the rule of law was upheld,” said IASA Executive Director Dr. Brent Clark.

The Court’s opinion cited three main areas:

**That reducing pension benefits clearly violated the pension protection clause of the Illinois Constitution**, stating: *“The first issue, whether Public Act 98-599’s reduction of retirement annuity benefits violates this State’s pension protection clause, is easily resolved. The pension protection clause clearly states: “[m]embership in any pension or retirement system of the State \*\*\* shall be an enforceable contractual relationship, the benefits of which shall not be diminished or impaired.” (Emphasis added.) Ill. Const. 1970, art. XIII, § 5. This clause has been construed by our court on numerous occasions, most recently in Kanerva v. Weems, 2014 IL 115811. We held in that case that the clause means precisely what it says: “if something qualifies as a benefit of the enforceable contractual relationship resulting from membership in one of the State’s pension or retirement systems, it cannot be diminished or impaired...In enacting the provisions, the General Assembly overstepped the scope of its legislative power. This court is therefore obligated to declare those provisions invalid.”*

**Rejecting the State’s argument for “police powers,”** stating: *“The financial challenges facing state and local governments in Illinois are well known and significant. In ruling as we have today, we do not mean to minimize the gravity of the State’s problems or the magnitude of the difficulty facing our elected representatives. It is our obligation, however, just as it is theirs, to ensure that the law is followed. That is true at all times. It is especially important in times of crisis when, as this case demonstrates, even clear principles and long-standing precedent are threatened. Crisis is not an excuse to abandon the rule of law. It is a summons to defend it. How we respond is the measure of our commitment to the principles of justice we are sworn to uphold.”*

**Ruling that the entire law was being overturned,** writing: *“under the express terms of section 97 of the Act itself, all 39 of the ‘inseverable’ provisions must therefore fall with the provisions we have declared unconstitutional. When one eliminates those 39 provisions along with all the other annuity-reducing portions of the law that are void and enforceable under the pension protection clause, Public Act 98-599 all but evaporates.”*

The full opinion can be accessed by clicking [here](#).