

Title Page & Abstract

An Interview with State Senator Matt Murphy
Part of the Abraham Lincoln Presidential Library
Statecraft-Illinois Pension Crisis Oral History project
Interview # ISC-A-L-2015-061

State Senator Matt Murphy (R-27th District) was interviewed on the date listed below as part of the Abraham Lincoln Presidential Library's *Statecraft-Illinois Pension Crisis* Oral History project.

Interview dates & location:

Date: Dec. 19, 2015 Location: The Thompson Center, Chicago, Illinois

Interview Format: Digital audio

Interviewer: Philip Pogue, ALPL volunteer

Transcription by: _____

Edited by: _____

Transcript
being processed

Total Pages: _____ Total Time: 1:15 / 1.25 hrs.

Accessioned into the Abraham Lincoln Presidential Library Archives on January 27, 2016.

The interview is archived at the Abraham Lincoln Presidential Library in Springfield, Illinois.

© 2015 Abraham Lincoln Presidential Library

Abstract

Senator Matt Murphy, *Illinois Statecraft*, ISC-A-L-2015-061

Biographical Information Overview of Interview: Matthew (Matt) Murphy was born in Mt. Prospect, Illinois in March 1970, and graduated from St Viator High School in Arlington Heights in 1988. He earned a BA degree from the University of Iowa and a law degree from John Marshall Law School in 1996. Sen. Murphy currently is a practicing attorney with the law firm of Brian J McManus and Associates in Chicago. Prior to his time in the State Senate, Murphy was a Trustee for Harper College and the Greater Palatine Chamber of Commerce. In Nov. 2006, he was elected to the Illinois Senate. Senator Murphy served as Deputy Republican leader since 2013. His legislative work has focused on balancing budgets, job growth, and ethics in government. As a result he was co-chairman on the Senate's Deficit Reduction Committee and served on the Senate Special Committee on Impeachment procedures. Senator Murphy was also appointed to serve on the ten member working committee regarding pension reform. Their study and work eventually led in 2013 to Senate Bill 1 (SB 1), the major pension reform bill. In 2015 the Illinois Supreme Court ruled it to be unconstitutional.

Senator Murphy explores the problems facing Illinois state pensions and the growth in unfunded liabilities over the past ten years. The interview covers the work done by the Senate's pension working committee that eventually led to the passage of SB 1, and the Illinois Supreme Court's ruling that declared the bill unconstitutional. Senator Murphy discusses the causes and possible solutions to the pension crisis, Gov. Edgar's 1995 pension reform initiative, the impact of cost of living allowances (COLA), pension bond sales, the various early retirement plans, the impact of the Great Recession on investments, and the pension holidays. The Tier 2 Act was reviewed, detailing its passage as a law and its impact on future pension payments. Also discussed was the impact of Gov. Quinn's temporary income tax increase in 2011, which was rolled back in 2016. The Senator also discusses future pension issues, including cost shifting, re-amortization, and the need for actuarial accounting.

Subject Headings/Key Words: Illinois' public sector pension crisis; Senate Bill 1 of 2013; Illinois Supreme Court unconstitutional ruling for SB 1; Tier 2 retirement plan for public sector employees; Illinois Senate efforts to reduce state retired health care costs; Gov. Jim Edgar's 1995 pension reform; pension cost shifting

Note to the Reader: Readers of the oral history memoir should bear in mind that this is a transcript of the spoken word, and that the interviewer, interviewee and editor sought to preserve the informal, conversational style that is inherent in such historical sources. The Abraham Lincoln Presidential Library is not responsible for the factual accuracy of the memoir, nor for the views expressed therein. We leave these for the reader to judge.

COPYRIGHT

The following material can be used for educational and other non-commercial purposes without the written permission of the Abraham Lincoln Presidential Library. "Fair use" criteria of Section 107 of the Copyright Act of 1976 must be followed. These materials are not to be deposited in other repositories, nor used for resale or commercial purposes without the authorization from the Audio-Visual Curator at the Abraham Lincoln Presidential Library, 112 N. 6th Street, Springfield, Illinois 62701. Telephone (217) 785-7955