Last week, powerful Illinois House Speaker Michael Madigan appeared to all but endorse an idea to force Downstate and suburban school districts to pay a significant share of their state pension contributions for the first time in anyone's memory.

Senate President John Cullerton floated that very proposal last year, and Governor Pat Quinn added his support not long ago.

Needless to say, if all three Democratic leaders are talking about it, you can probably expect some action this year. However, there will be strong pushback from suburban and Downstate legislators who'll undoubtedly fear a voter backlash over potentially massive local tax increases to pay for the idea.

Madigan spoke for well over an hour last week at an Elmhurst College event at the invitation of his old nemesis Lee Daniels, who served as House speaker for two years after the 1994 Republican landslide. Madigan almost never talks for that long when he speaks in public, so his speech was heavily covered by the media.

As is his custom, Madigan didn't come right out and officially endorse the idea to ease the state's ongoing budget strain by passing pension obligations down the governmental food chain to local schools and public colleges and universities, but he did indicate that he was strongly leaning in that direction.

The "normal arrangement," for pensions, Madigan said, was that the employee and the employer both pay into the pension system. But local school districts pay just 0.054 percent of payroll into the Teachers' Retirement System fund, Madigan noted. (And when he has it down to the decimal like that, you know he's focused on the issue.). And he added that the universities pay "zero" toward employee pension costs.

"And let's understand," Madigan said about education employees, "these are people that never got a payroll check from the State of Illinois." The speaker went on to note that the state paid $4 billion this year into the pension funds, half of which went to the Teachers Retirement System alone. "So over one-half of our obligation to pensions, which is the subject of great public

debate today, is for people who never worked for the State of Illinois," he said.

Madigan also correctly pointed out that the Chicago school system has its own pension fund and pays its own employer share. "You're never going to read this in a newspaper article. ... They're never going to put a paragraph in there talking about that," Madigan said, echoing others who've wondered for years why Chicago taxpayers pay for their own school pension fund while they and the rest of the state's taxpayers pick up the tab for suburban and Downstate school districts.

"Even I don't remember why that happened," Madigan joked. "I've never found anybody that can tell me why the State of Illinois stepped up one day and said, 'Okay, school districts, we'll just pick up all your pensions costs.'"

The speaker also pointed out that school districts pay the employer share for janitors and maintenance people, but not for teachers, "and the State of Illinois has a huge requirement to make that pension payment."

This is truly an odd arrangement. All state taxpayers fund Downstate and suburban teacher pension funds, but Chicago receives just a relatively small amount of state cash for its own fund. It doesn't seem fair, but, then again, life ain't fair.

The teachers' unions haven't taken a position yet, probably knowing that freeing up state money could mean more cash for education and that local districts couldn't short the pension funds because state law forbids it. The state is the only government entity in Illinois that can legally shortchange pension funds, which is what got us into all this financial trouble to begin with.

About half the state's school districts actually do pay into the pension fund, but that's because the teachers' unions negotiated contracts that traded wage increases for their employers picking up the teachers' share of pension contributions.

It's doubtful that anything close to the $2-billion contribution to the teachers pension system will be passed down right away, but local property-taxpayers may be about to get hit with a big bill

nonetheless. Get ready to pay. Again.

Rich Miller also publishes Capitol Fax *(a daily political newsletter) and CapitolFax.com .*