

February 3, 2010



Dear Friends,

The voters have spoken, and my sincerest congratulations go out to David Miller, now the Democratic nominee for Comptroller. In an election cycle in which the process seemed to reach new lows, I am proud that we all three managed to run the best race on the ballot. We addressed issues, took positions, and, despite a few swipes at each other, did a pretty good job of doing what campaigns are supposed to be about.

Today, I return to the fulltime practice of law, taking on the system and the "big guys" for all of us; for taxpayers, workers, investors, consumers, voters—the "us" who are the people who the laws protect, but only with someone standing up and demanding that those laws be enforced, to hold the big guys accountable. I have the privilege of being able to do that every day.

For our part, we focused on what everyone recognizes are the important fiscal issues facing Illinois:

- 1.) Ending our "Culture of Corruption"- Post the contracts, then analyze them all. Appoint a forensic accountant as a deputy comptroller, analyze ALL state contracts for potential irregularities; the Comptroller can be our financial firewall, to protect the taxpayers' money upfront.
- 2.) Reforming our pension system-Eliminate double and triple dipping, last-minute sweeteners, pensions with COLAs exceeding the actual changes in cost of living, and other abuses that infuriate taxpayers. Whether these abuses are rife, or merely "outliers", they rightfully cause taxpayers to view the whole system as an abuse.
- 3.) End the wholesale tax exemption for all retirement or deferred compensation. This costs us over \$1 billion a year in lost tax revenue. No one has fought harder than me for participants' pension rights. But retiree families have no greater rights to an entire tax freedom than a working family trying to live on the same amount of income. And CEOs who retire on six-and seven figure deferred compensation packages have no rightful claim to exemption at all. At the very least, it makes no sense to give a free ride for retirees receiving deferred comp distributions from Illinois entities and governments, to ship Illinois money out to them without any Illinois tax on those distributions. Current lost revenues: \$1-2billion.
- 4.) No tax increases unless, until and as part of overall pension, tax and finance reform. Having everyone in the system both reduces the amount of any needed tax increase, and answers the objection that it is unfair to raise taxes for taxpayers while many people get a free ride.
- 5.) Squeezing out real efficiencies-unifying Illinois' 22 accounting systems of reporting the State's finances will reduce the costs of government, and improve the accuracy at the same time.

6.) Consider reforming our sales tax system to stop penalizing retail sellers who locate in Illinois. While we all love to buy over the internet, the sales tax exemption that we often enjoy benefits primarily only retailers with no presence in Illinois. If we conform our sales tax system, it will reduce the competitive harm to local store owners that also discourages e-commerce retailers from setting up a physical presence (like hiring Illinois workers) in Illinois. Current Lost revenues-\$1.1 billion.

I will stay in touch. Send us your email addresses. We'll keep you posted on issues we think are important, and hope you will email me with your suggestions and ideas, as well.

Let's keep working to address the issues that affect us, and elevate the level of politics and life in Illinois.

Regards,

Clint

You can reach me by email. If you have a legal issue: clint@krislovlaw.com, if you have a political or finance issue: clintforillinois@gmail.com. Don't be too concerned about which one you send it too; I'll read them both.