



Illinois Rep. Elaine Nekritz

Assistant majority leader is a key player in the effort to reform, preserve state's underfunded pension system

by Kate Tormey (ktormey@csg.org)

In the mid-1990s, Elaine Nekritz was out to dinner with a friend who was helping search for a Democratic candidate for state representative.

"She looked at me and she said, 'What about you?'" Nekritz recalls. "And I said, 'Well, that's the most ridiculous idea I've ever heard.'"

Nekritz says she hadn't yet been involved in her community or with politics, so running for public office had never crossed her mind. But she was at a point in her life when she was looking for a new direction — and she joined the race.

Nekritz lost that 1995 election, but not her desire to enter public service. She became active in local politics and, in 2002, won a seat in the Illinois House representing a district in the northwest suburbs of Chicago.

"I am passionate about issues at the state level, such as women's reproductive rights, gun safety and environmental issues," she says. "Those are the kinds of issues in which the state has a significant role."

"State legislators have a much greater opportunity to impact issues in a very hands-on way."

In her first few years as a legislator, Nekritz focused on environmental issues, including eliminating toxic materials in consumer products. She has also worked on transportation issues and is a longtime advocate of improving the passenger-rail system in the Midwest.

"That is a very important role the government plays, in terms of economic development," she says. "Economic development follows infrastructure investment, and I think that is a place where government belongs and should be investing."

But in recent years, her focus has shifted to a different economic issue: the state's underfunded pension system.

Now serving as Illinois House assistant majority leader, and as chair of the Personnel and Pensions Committee, she has led efforts to solve what is widely considered a crisis in the state's retirement system for public employees.

Nekritz, along with collaborator Sen. Daniel Biss, has been working nonstop on proposals to get the system back into fiscal shape. It's been an uphill battle, she says, as policymakers disagree about the scale of the problem and how to fix it. And lawmakers are walking a thin line between achieving cost savings and reforms and not violating the state Constitution. (The Constitution includes language preventing pension benefits from being "diminished or impaired.")

A longtime biking enthusiast and former competitive racer, Nekritz brings to the debate a willingness to keep trying when the going gets tough.

"It reminds me a lot of the pain you go through when you are training in order to be successful on the day of the race," she says. "You just go through the pain and know that it will make you stronger, know that it will make you better, and hope that on race day all that pain was worth it."

CSG Midwest spoke with Nekritz last month about her work on pension reform and insights on leadership. Here are some excerpts from the interview.

Bio-sketch of Rep. Nekritz

- ✓ elected to Illinois House in 2002
- ✓ currently serving as assistant majority leader
- ✓ chair of Personnel & Pensions and Judiciary Committees; member of Environment Committee
- ✓ chair of Midwest Interstate Passenger Rail Commission (staffing services provided by CSG Midwest)
- ✓ graduate of CSG Midwest's Bowhay Institute for Legislative Leadership Development
- ✓ law degree from the University of Michigan; practiced real estate law
- ✓ married to husband, Barry, for 22 years

Q: What is the challenge regarding the Illinois pension system, and what are your goals for reforming it?

A: We are the most underfunded state pension system in the country, by some distance. Our pension systems are basically only 40 percent funded. That amounts to \$100 billion of debt, and when you are talking about a state that has \$35 billion in annual general-fund revenues, that is a huge debt for us to pay off.

My goal is twofold. We have never, in the history of the state, made our annual pension payments on the basis of any actuarially required numbers. I would like to get us to a point where we are using actuarial science to determine what we are supposed to pay, and then actually make that payment.

My second goal right now relates to the percentage of our general-fund revenue that is being dedicated to the pension payment. This year we are at 22 cents of every tax dollar for the pension payment. The average state is at about 4 1/2 cents. And that number is due to increase in Illinois, so my goal is to try to eliminate the increase and even decrease it a little bit if we can.

There is a genuine philosophical disagreement about the nature and depth of the problem between the House and Senate. ...

Since November, this has taken up about 80 percent of my time. It feels a little bit like "Groundhog Day" to me; I wake up and try to find the answers to the same questions I asked the day before. It is my hope that we would do something before veto session, which begins in late October. The problem requires a very big, comprehensive solution. If the Illinois Constitution means anything, we cannot chip away at it. We have got to solve the problem once and for all.

Q: Do you have advice for other legislators on how to tackle such a complex issue?

A: On an issue of this complexity, really dig in and understand the details as much as you can. We rely on actuaries to tell us the impact of a given proposal so we have real data that we can use to make our argument, and then stand by the legislation we propose.

In terms of the politics of it, it has been a significant effort to keep people talking, keep people at the table and keep moving forward. And for me personally, I have had to really learn to let go of people that I thought were supporters ... and to keep doing what I think is right and what is feasible to get done. That has been very hard. ...

There are people who say, "Elaine, you're doing such a great job!" And then we come out with something and they say, "We don't like that." Well, I can't help that. I have to focus on what I can get done. If you don't like it, go out and be opposed, but this is the best I think we can do for the state and that's going to have to be good enough. Those have been some really hard, agonizing processes to go through.

Q: When you think back on your career so far, what are the moments that stand out?

A: One is the start of the 2009 session. I had not been happy. The way our House rules operate, I think they are more restrictive than any other legislature in the country and create a lot of control in the speaker. I voted against the rules, and the speaker was not surprised by my vote, but it was still a major deal to vote against Speaker [Michael] Madigan. I lived through it, and I am now in House leadership, and I am someone he turns to on major issues of the day. I feel that vote was a defining moment for me in that I was able to express my personal view in a very significant way and then thrive in the legislature after that. ...

One of the most special moments I remember on the floor was when we passed civil unions [for same-sex couples in 2010]. It was very emotional. It was one of those moments when I thought to myself, "This is why I am here and this is why I am doing what I am doing." It was a wonderful feeling. It felt to me like a civil rights issue. We were creating greater equality and tolerance in society, and those are values that I care about.

Q: You practiced law before joining the legislature, and you are currently chair of the Judiciary Committee. What has that experience been like?

A: That is a very busy committee — both on the criminal side of things and the civil side of things. I feel like we need to, as a committee, figure out a way to manage the workload. ... We have a lot of bills come before us that enhance criminal penalties or create new offenses, and my personal view is that we need to find ways to rationalize our criminal justice process. We need to think about what criteria we are asking of sponsors of bills when they come before us ... We have a lot of laws on the books related to criminal justice, and I don't know how many more we need. We need to ask more of sponsors in terms of explaining the rationale for the bill. ★