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Eliminate pensions for elected officials

By Jim Nowlan

A recent Gallup poll found that a smaller percentage of Illinois residents have trust in their state government than in any other state.

Only 28 percent of Illinois residents evinced “a great deal” or “a fair amount” of trust in their state government. Rhode Island was next lowest at 40 percent and in several states such as North Dakota and Wyoming three quarters of responded had trust in their governments.

Gallup cited corruption in the state as a factor in this lack of trust.

I have written in this space about how corruption and perceptions of corruption hurt our state. Businesses avoid us in part because of perceptions of corruption, and we feel less good about ourselves to think that we live in a corrupt state.

I think we have developed over the past two centuries a culture of corruption. That is, too many of us think that if we can take advantage of our state government we might as well do so because everyone else would do so given the chance.

Cultural norms can be changed, but it takes time. For example, we used to think it was cool to smoke, and now it’s not. The same with drinking and driving.

In the meantime, we can chip away at corrupt practices by, for example, taking the temptation for mischief out of harm’s way.

Both big “C” (illegal) and little “c” (legal but still bad) corruption have sullied our state’s reputation.

Abuses of pensions for elected officials represent an example of little “c” corruption.

When I was active in government and politics I recall that near the end of each biennial legislative session a pension bill would move quietly, on cat's paws, along the legislative process.

The bill contained "sweeteners" that provided pensionable credits in a well-paid system like that for legislators and judges for unvested service earlier in a local government such as an assistant state's attorney, park board official, or sanitary district commissioner.

In the 1980s, such a bill included the change in a constitutional officer's (governor, secretary of state and others) base for pension benefits from that of the pay of the Speaker of the House to the much higher base of their own salaries. This action more than doubled retirement benefits for such elected officials, and at significant cost to the state in terms of unfunded liabilities.

The worst abuse has been when a state legislator takes a government job for just a few months at a much higher pay grade than his legislative salary, thus increasing his base for pension benefits to the much higher state salary.

One of the more egregious of these abuses occurred in 2011 when, according to the Chicago Tribune, Chicago alderman Edward Burke more than doubled the annual pension of his buddy, former state representative Bob Molaro, to $120,000.

Burke had Molaro work for just one month in his city hall office, at $12,000 a month or $144,000 a year. This qualified Molaro for a legislative pension based on that six-figure amount, rather than one based on his much smaller legislative salary.

What did Molaro do to earn his $12,000? He wrote a paper about the sorry state of our public pension systems, basically laughing at the taxpayers who will pay the extra pension benefits for Molaro.

Some of these games by ex-legislators have been prohibited, but not others.

People seeking elected office at the state and local levels are not—certainly should not be—thinking about careers in office. They should not be thinking about pension benefits for what is for most part-time service. After all, we call it public service.

So my associate Tom Johnson came up with a simple proposal: Eliminate all pensions for state and local elected officials in Illinois going forward, maybe excluding judges, whom we do want to serve many years.

Instead, give the officials a 5 percent bump in their salaries and let them fund their own 401(k)s.

This will remove all opportunities for mischief and will eliminate one of the odoriferous programs that have contributed to lack of trust in our state government.