

Growing Our Agricultural Economy

Aspiration: A thriving agricultural and rural economy

Illinois has a unique opportunity to position itself as a national leader in agriculture and rural development. The new administration should ensure Illinois' agriculture industry and rural economy are thriving and that farmers and rural Illinoisans, who make up a large portion of the state, are not left out and left behind when it comes to policy decisions that affect them. There are rural and urban opportunities for growth in the food and agricultural economy, and efforts are underway to bridge and integrate those opportunities. The state should leverage existing resources and build upon current efforts.

In order to thrive as a state, Illinois must maintain its major footprint in agriculture, agribusiness, and food. The state should prioritize infrastructure improvements and invest in agriculture education. The new administration should be an advocate for Illinois' urban and rural communities, foster innovation across the state, and maintain a business climate that is friendly to farmers and the agriculture industry.

Illinois today: An industry without a roadmap

Illinois' large economy was built on agriculture. Our state is first in the nation for soybean production, second for corn production,ⁱ and the food and fiber industry employs nearly one million Illinoisans.ⁱⁱ There are over 72,000 farms in Illinois, and farmland covers about 75 percent of the state's total land area.ⁱⁱⁱ Marketing of Illinois' agricultural commodities generates more than \$19 billion annually, and Illinois' county fairs are engines that bring in more than \$170 million of economic activity annually.^{iv} The food processing and manufacturing cluster in Illinois is the second largest in the nation by employment, and first in the nation in processed food sales.^v Livestock farms generate billions in economic activity for Illinois, and Mexico and Canada are top markets for the state's commodities exports.^{vi} Illinois has a central transportation network and logistical shipping advantages with an inland waterway system, highways, and rail. We have the ability to fill large purchases in bulk from small containers to trucks to any destination in the world.

Small businesses and educational institutions across the state are redefining the food and agricultural economy. There are 200 craft breweries in Illinois^{vii}, and there are opportunities for new markets like hops farming and fermentation-related businesses. Additionally, Illinois has the ability to educate the next generation of farmers and agricultural workers. Colleges and universities are researching new technologies for producing fuel ethanol, and high schools are offering opportunities for students in urban and rural areas to study agriculture. There are agriculture educational programs that reach every county in Illinois.

Farmers in urban communities across the state are producing specialty crops, training low-income people of color on how to farm, making food more accessible, and developing green stormwater infrastructure. Illinoisans are creatively expanding agriculture and innovating around new crops. The legalization of hemp will allow local farmers to grow hemp and the state to compete for hemp acreage on a national scale.^{viii} Illinois' colleges and universities are vital partners in innovation and research, with programs that research and plant alternative and new crops. Legalization of cannabis presents opportunities for producers in rural and urban

communities to expand what they grow.

Despite Illinois' great strengths, an absence of vision and agricultural leadership has left the state without a roadmap. The budget crisis caused cuts to the Illinois Department of Agriculture's operations, promotions, and export marketing^{ix} and to agriculture education at colleges and universities across the state, negatively impacting the education programs that support students who want to enter the field of agriculture. County fairs are in desperate need of infrastructure upgrades for fairgrounds.

Additionally, the roads and port districts that farmers rely on to get their products from farm to market need to be upgraded, but Illinois has not had a major capital bill since 2009. An absence of widely available broadband prevents producers from fully utilizing agriculture technology, rural schools from providing optimal education, and the state from retaining businesses and employees outside of Chicago. Food insecurity threatens the health and wellbeing of Illinoisans, and the Trump Administration is waging trade wars that are hurting Illinois farmers.^x

Principles for agriculture projects

The new administration has an opportunity to advocate for one of the state's largest industries, educate the next generation of farmers, rebuild the state's infrastructure, innovate around agriculture and rural development, and provide regulatory functions that benefit the industry.

The Growing our Agricultural Economy Transition Committee offers key recommendations across five critical areas: marketing, agriculture education, infrastructure and rural development, innovation and market expansion, and taxes and regulations.

Theme 1: Market and promote agriculture

The new administration should be a cheerleader for one of the state's leading industries. The state should better market and promote Illinois agricultural products and commodities and strengthen the agencies that represent the state's agriculture industry. Specific recommendations include:

Strengthen the Illinois Department of Agriculture

The new administration should fully fund the Illinois Department of Agriculture so that it can increase capacity, perform its duties, and develop a roadmap for agriculture and agribusiness goals.

Foster collaboration between IDOA and DCEO

The state should foster collaboration between the Illinois Department of Agriculture and the Illinois Department of Commerce & Economic Opportunity on projects that grow the agricultural economy. These agencies can work with existing agribusinesses across Illinois to leverage connections with up- and downstream vendors, suppliers, and customers. They can also utilize the 80 foreign trade offices in Chicago and lead trade missions to build international networks that encourage the purchase of Illinois agricultural products globally.

Advocate for the agriculture industry

The governor and IDOA should be stronger advocates to both the federal government and international networks to increase credibility for the agriculture industry at large. The state should promote the state's agribusinesses from a lens of the economic value that agriculture provides to the state and the opportunities Illinois offers for international business expansion.

The state should encourage new market creation for Illinois products and work with international offices to promote those products.

Near-term actions the state could consider include:

- Support the State of Illinois office in Washington, D.C. so that it can advocate for Illinois' agriculture industry and rural communities.
- Encourage DCEO to focus on traditional grain and livestock promotion as part of their initiatives and have a stronger recruitment role to grow the agriculture business environment in Illinois.
- Ensure strong state agricultural representation on federal commissions, such as the Governors' Biofuels Coalition, National Association of State Departments of Agriculture, and National Association of State Energy Officials.
- Create a Foreign Animal Disease task force so the state can proactively prepare for foreign animal diseases that could enter our state.

Theme 2: Invest in agricultural education

The new administration should expand investments in agricultural education and incentivize Illinois students to work in agriculture. The new administration should redefine agriculture education as a critical area that encompasses food, agriculture, science, and leadership education. The state should incentivize and prepare educated young people to pursue careers in these areas and become the next generation of entrepreneurs, farmers, storeowners, and workers through the following recommendations:

Create a job-ready workforce development strategy

Comprehensive labor is in demand across the state, and the new administration should set forth a job-ready workforce development strategy that covers undergraduate and graduate education, youth development, agriculture science, and leadership education.

Advance vocational training in the 21st Century

The state should advance vocational training in the 21st Century by incentivizing new curriculums that are rooted in unique skills and trade certifications, such as computer sciences, auto mechanics, carpentry, and HVAC installation. These opportunities offer students an alternative path to college and viable, successful, good-paying careers. The state could encourage school districts to coordinate with local community colleges on vocational training programs.

Expand the University of Illinois' Extension program

The state should leverage the University of Illinois' Extension program as a vehicle for strengthening rural economies across the state. The program can strategically balance rural and metropolitan needs, draw on traditional strengths, incentivize creative innovation and entrepreneurship, and align interests for positive collaborative impact.

Increase opportunities for young farmers

Young farmers in rural and urban areas face challenges in getting capital to start a farm. The state should provide new opportunities, via programs or grants, for young farmers in traditional agricultural roles or in new urban ventures. The state could consider expanding existing programs and should fully enforce the new law that allows local governments to incentivize farmers in urban agriculture zones.

Theme 3: Improve infrastructure and develop rural areas

The state should improve the infrastructure and rural economy upon which the state's agriculture industry relies. In order to ensure Illinois is setting up farmers and rural Illinoisans for success, the state should consider these recommendations:

Improve state infrastructure and expand broadband

The new administration should lead the effort to improve state infrastructure through a capital plan that takes into account the needs of state waterways, climate resiliency, and preventing the loss of farmland property value. The new administration could encourage the U.S. Army Corps of Engineers to upgrade lock and dam facilities on major waterways. The state should also improve farm-to-market infrastructure by upgrading rural roads and bridges that farmers rely on to move their products to market, and could work with rural drainage districts to improve field drainage and handle rural road flooding during harvest and planting periods.

Additionally, the state should find ways to expand broadband to rural residents across Illinois, prioritizing farmers, schools, and small businesses. The state should leverage existing broadband corridors and rural electric cooperative infrastructure and should consider ways to honor private property rights throughout the expansion process. The state could also convene a coalition of businesses, local governments, schools, and hospitals to determine upload and download speeds and identify gaps in access across the state.

Create a rural innovation fund

The new administration should partner with colleges and public universities to create an innovation fund that would allow Illinois' 62 non-metropolitan counties to develop, pilot, and test new interdisciplinary, targeted, and flexible models that could be scaled on a statewide level. The program should be multi-disciplinary and leverage government, organizational, and academic sectors.

Theme 4: Promote a culture of innovation and expand markets

Illinois should leverage advances within and outside the existing agricultural and food ecosystem. In order to ensure the state is innovating around agriculture and rural development, it should consider these recommendations:

Ensure farmers are partners in the cannabis legalization process

As the state looks toward the legalization of cannabis, it should ensure Illinois farmers are a partner in the process. Initially, the state could lead an effort to compete for hemp acreage on a national scale. The new administration should prioritize the revision and approval of Illinois Industrial Hemp Rules so that farmers can confirm their spring planting intentions, register with IDOA, and purchase equipment. The new administration should also prioritize consumer safety while legalizing cannabis and scale up the current Illinois Medical Marijuana regulatory structure for recreational use.

Expand urban agriculture across the state

The state should expand urban agriculture across the state to address food deserts. It could establish a healthy food development program to expand access to healthy foods in eligible areas, eliminate food deserts, and create jobs and businesses in struggling areas of the state. It could also consider creating a program to assist new urban or rural farmers or farmers wishing to learn to grow another crop, especially food or medicine, in learning to do so while connecting and exposing them to new markets, capital, and technical assistance. The state should also implement the Food Safety Modernization Act (FSMA) in a way that ensures black and brown

communities are able to compete to provide safety compliance and should ensure Illinois takes advantage of U.S. Food and Drug Administration funding for FSMA.

Accelerate the development of new technologies and expand into new markets

The state should develop an integrated, statewide, public-private strategy to accelerate the development of new technologies, address consumer expectations, and expand into new markets. The state could establish a group, comprised of production groups, agribusinesses, and higher education institutions, to recommend a farm-to-market development plan that addresses the changing preferences of consumers. It could also consider creating a chemical and bioproduct production incentive program for new chemicals and processes based on Illinois agricultural products, like corn and soybeans.

Near-term actions the state could consider include:

- Charge IDOA with centralizing existing recommendations from stakeholders to determine best practices for the agricultural industry.

Theme 5: Maintain and improve taxes and regulations that support agriculture

The state should maintain fair taxation and provide regulatory functions that benefit farmers, consumers, and agricultural industries. The state should consider these recommendations:

Maintain fair and equitable property taxation for farmers

Farmers are economic drivers, and the state should create a supportive business climate for producers to maintain their competitiveness in the state. Specifically, the state should maintain the Illinois Farmland Assessment Act, protect sales tax incentives for agricultural inputs and equipment, and maintain a balanced process for siting livestock farms through the Livestock Management Facilities Act.

Near-Term Actions:

- The committee recommends that the new administration support a sales tax credit for ethanol fuel blends greater than 10 percent, but less than 50 percent, like E15.

Conclusion: Guiding Illinois' agricultural economy toward success and modernization

The state should begin to redefine agriculture across education, new markets, and rural development. In order for the industry to thrive, the state should support agriculture innovation and better promote the industry as a whole. Key recommendations include:

- Market and promote Illinois' agricultural products and commodities and strengthen the agencies that represent the state's agriculture industry.
- Invest in agriculture education and incentivize Illinois students to work in agriculture.
- Improve the infrastructure and rural economy upon which the state's agriculture industry relies.
- Promote a culture of innovation and expand agricultural markets in the state.
- Maintain and improve taxes and regulations that support farmers and the agriculture industry.

If Illinois can strengthen and expand its number one industry, it can be a national leader and maintain its footprint in agriculture, agribusiness, and food.

ⁱ <https://wrex.com/category/2018/12/30/illinois-farmers-hope-for-trade-tensions-to-ease-in-2019/>

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- ii <https://www2.illinois.gov/sites/agr/About/Pages/Facts-About-Illinois-Agriculture.aspx>
- iii <https://www2.illinois.gov/sites/agr/About/Pages/Facts-About-Illinois-Agriculture.aspx>
- iv <https://www.sj-r.com/article/20150213/NEWS/150219757>
- v <https://www.industryweek.com/education-training/food-manufacturing-chicago-gets-boost>
- vi <https://www.sj-r.com/news/20181223/for-illinois-farmers-record-harvests---and-uncertainty>
- vii <https://www.brewersassociation.org/statistics/by-state/?state=IL>
- viii <https://www.chicagotribune.com/news/local/breaking/ct-met-hemp-legalized-in-illinois-20181226-story.html>
- ix <https://farmweeknow.com/story-state-budget-cuts-impact-ag-programs-3-166626>
- x <https://www.reuters.com/article/us-usa-trade-steel-agriculture/trade-war-backfire-steel-tariff-shrapnel-hits-u-s-farmers-idUSKBN1HK0GV>

Budget & Innovation

Aspiration: providing Illinois residents with a more stable and prosperous future

The state of Illinois and its residents deserve a stronger fiscal situation and stable future. Years of a lack of strategic direction and failed leadership have put Illinois in a situation where a quick fix is not possible. However, this administration should take the opportunity to adopt a balanced approach, leaving behind the partisan battles of the past four years, and focusing on discipline and pragmatism to help build fiscal stability in the short-term and put the state on the path to a better financial future.

To begin, this administration should strive to balance the budget while accounting for and providing all necessary services to the residents of Illinois. In the short term, state leaders should return to working together across the political spectrum and passing balanced budgets that both invest adequately in current services, and reduce the state's long term accumulated deficit. At the same time, the state needs to think long-term about addressing the growing pension and debt challenges. While any one solution won't fix all of Illinois' fiscal challenges overnight, this administration can start laying the foundation by taking critical steps that will put Illinois on the path toward long-term fiscal stability. This administration will need to be innovative and not shy away from difficult decisions. Effective strategies that are new and innovative as well as tried and true will be needed to solve Illinois' structural fiscal problems.

Illinois Today: Significant fiscal challenges

The state of Illinois faces significant long- and short-term financial challenges that will take years to put behind us. In the short-term, the state must address its significant balance of unpaid bills caused in part by the previous administration's unprecedented 736-day budget impasse. Illinois' failure to pass a budget for fiscal years 2016 and 2017 led the state's backlog of unpaid bills to reach historic heights – exceeding \$16.6 billion in November 2017¹ and with staggering amounts remaining. The Illinois Office of the Comptroller estimated that 7.9 billion in unpaid bills remain.² The state also has an additional \$5.5 billion in backlog borrowing, \$650 million in interfund borrowing and \$500 million in estimated backpay for state workers.

Years of underfunding the state's long-term liabilities has led to severely underfunded pension plans, which in turn has negatively impacted the state's bond ratings. With a collective funded ratio of approximately 39.8 percent, Illinois' five pension funds are in a critical state and are among the most poorly funded pension funds in the nation.³ In addition, unfunded liabilities continue to grow due to recent actuarial adjustments, change in forecasted investment returns, and insufficient state contributions. Already, the state's creditworthiness has been affected (downgraded to Baa3 in mid-2017 as a direct result of the budget impasse and growing pension

¹ Illinois Comptroller's Office, Backlog Voucher Report (<https://illinoiscomptroller.gov/financial-data/backlog-voucher-report-bvr/>)

² <https://illinoiscomptroller.gov/comptroller/assets/file/DTA/current/DTARreport.pdf>

³ <https://www.usnews.com/news/best-states/rankings/fiscal-stability/long-term>

debt, but holding steady in 2018),⁴ making it more expensive to borrow money to both pay down the pension debt and make other critical investments.

An examination of state revenue sources and spending highlights a range of opportunities⁵:

- For FY19, the state projects \$38.0 billion in general fund revenues. Individual income taxes account for \$18.1 billion, or 47 percent of general fund revenues. Sales tax contributes \$8.2 billion, and the remaining revenues come from sources including corporate taxes, federal funds, fees, and gaming revenues. Over the next five years, revenues are expected to grow 1.8 percent per year.
- Total general fund expenditures are projected to be \$38.5 billion. The largest projected expenditures for FY19 are education (\$10.1 billion) and health care & human services (\$13.8 billion), which together are estimated to account for 62 percent of spending for FY19. Over the next five years, expenses are expected to grow 2.9 percent per year.

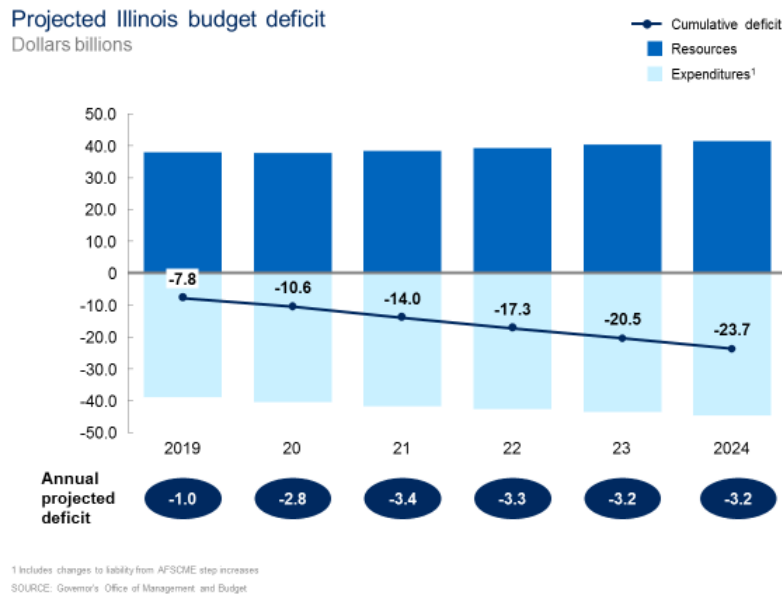
The November Governor's Office of Management and Budget review of the enacted budget for FY19 projected a deficit of approximately \$1 billion (approximately 50 percent from the budget shortfall and 50 percent from projected payments to certain members of expired collective bargaining agreements). That report showed that without intervention, this shortfall could grow in coming years to a total cumulative deficit of more than \$20 billion by 2023⁶ (see Exhibit 1). In order to provide the services that the state's residents expect and deserve, it is necessary that structural reforms are put in place to balance the budget while achieving both short- and long-term goals.

⁴ <https://www.chicagobusiness.com/article/20170601/BLOGS02/170609991/s-p-moody-s-lower-illinois-bond-rating-to-one-level-above-junk; Moody's, July 2018> (https://www.moody.com/research/Moodys-revises-Illinois-outlook-to-stable-affirms-Baa3-GO-rating--PR_904656669)

⁵ <https://www2.illinois.gov/sites/budget/Documents/Economic%20and%20Fiscal%20Policy%20Reports/FY%202018/General-Funds-Financial-Walk-FY19.pdf>

⁶ https://www2.illinois.gov/sites/budget/Documents/Economic%20and%20Reports/FY%202017/Economic_and_Fiscal_Policy_Report_Five-Year_Projection_10.12.17.pdf

Exhibit 1



Path forward: A holistic approach to short- and long-term budget management

We believe Illinois must pursue initiatives from three categories to address these structural budget issues and put the state on a fiscally sustainable path.

- **Increase revenue generation** including strengthening tax collection and compliance, increasing revenues from existing sources, and identifying new sources of revenue.
- **Improve expense management and efficiency** by spending state funds more strategically, decreasing the cost of procured services, enhancing the efficiency of state agencies, and increasing coordination between state and local governments.
- **Address the pension and debt challenge** by increasing the inflow of funds to the system, reshaping the pension payment curve, and improving the performance of the investment engine.

1) Expense management and efficiencies

As Illinois explores a range of options to achieve and maintain a balanced budget, state spending—both in how to be more strategic in spending state dollars as well as qualifying for federal matching funds—offers several levers. While capturing more revenues is an important step in closing the state's budget gap, it should be matched with improved management of state spending. Given the scale of state expenditures, significant savings can be achieved by changing how state government operates—with an emphasis on greater transparency, coordination, and operational efficiency.

Manage spending in key categories

Procured goods and services represents a key area for improvement, and the state could implement best practices to drive down costs. Currently, mandated policies have made the procurement process inefficient. The new administration should evaluate the existing procurement process to understand its flaws in detail and implement steps for improvement. In addition, there are specific procured goods and services that could benefit from a closer analysis of spending. Overall, any changes to procurement processes should strike the right balance between ethics, efficiency, value, needs of Illinois residents, and the interests of small and minority-owned businesses to ensure inclusiveness.

Concentrating efforts on high-cost users of the health care system could offer a significant opportunity for savings. The state also has an ability to improve health care outcomes by focusing spending on preventative care and innovative delivery of service and improved care coordination. Illinois should move to empower local governments to adopt better community-based care programs that will help decrease hospitalization of people for health services. For the residents with the highest need for public health care services, the new administration should proactively educate and provide access to preventative care to reduce costs. The City of Rockford offers a compelling case study: it has identified the most frequent users of 911 EMS services and proactively provided them with support services such as scheduled preventive care appointments.

Improve operational efficiency of state and local agencies

Private-sector organizations use management approaches, technology, and data to enable departments to work together more productively, and Illinois should seek to follow suit. Digital tools should be deployed to simplify and digitize government services and administrative processes such as time and expense reporting and payroll. Mirroring the approaches on tax compliance, Illinois could leverage advanced analytics tools internally to improve cost management and identify redundant spending. Digital tools can be used to improve Illinois residents' experience with government services by both streamlining the processes and re-designing the steps with a resident-centric perspective.

In addition to digital tools to drive efficiency, better collaboration between governmental units and agencies at the state and local levels could eliminate duplicative spending and ensure that programs are achieving the best outcomes.

2) Increase revenue generation

Illinois has a real opportunity to approach revenue generation in a manner which maintains Illinois' competitiveness while distributing the burden fairly among Illinois residents and businesses and positioning the state to get its fair share of funding from the federal government.

Explore new sources of revenue

Illinois should take measures to broaden their tax base by exploring new sources of revenue. This committee believes several areas could be particularly productive. The state could levy a sales or excise tax on products and services that have traditionally been exempted in Illinois but not exempt from taxation in neighboring states. These categories include new products (e.g., e-

cigarettes, cannabis), products that carry a cost to society (e.g., plastic bags), and various services that have been traditionally exempt.

The legalization of untaxed industries — including sports betting, internet gaming, and cannabis usage — would generate additional annual revenues. New sources of revenue should be considered through both a fiscal and a fairness lens, and the state should prioritize progressive taxes that help the middle class and those striving to get there.

Increase existing sources of revenue

Illinois is one of just eight states with a flat income tax⁷. Adopting a fair tax structure, where there is a variable rate structure tied to minimum income levels and increasing the tax rate for larger wage earners would increase revenue for the state and reduce the tax burden for the vast majority of Illinoisans. It would also result in a more equitable tax structure in the state and reduce some of the regressive unfairness in the tax code while keeping Illinois' tax rates competitive.

Currently, corporate income taxes contribute \$2 billion to the state each year. While many Illinois businesses pay their fair share, some companies have used profit shifting and equipment depreciation to significantly reduce their tax burden. Corporations also unfairly benefit from questionable tax rules that the state has automatically incorporated into its own tax code without any vote by the General Assembly. The state should consider new ways to improve the overall business climate in Illinois while at the same time closing unjustified tax loopholes that corporations use to minimize their tax burden.

Also, the new administration should explore ways to maximize revenue from federal match programs that exist for Housing and Urban Development, Medicaid, and Behavioral Health.

Strengthen tax collection and compliance

Strengthening tax compliance processes could ensure that the state collects a higher percentage of funds owed by individuals and corporations. To support this priority, the state should adopt advanced analytics tools for tax administration and enforcement to better identify entities that are committing tax fraud or illegally evade their tax obligations. In the private sector, such tools have helped financial institutions to increase fraud detection significantly while enabling existing staff to cover more ground.

Further, Illinois must find ways to increase tax compliance on e-commerce companies selling to Illinois residents. In 2018, the Supreme Court ruled in *South Dakota vs Wayfair* that states may charge tax on purchases made from out-of-state sellers. It is important to realize this revenue source as the current FY19 budget has already provisioned an inflow of \$372M⁸ from this tax.

3) Pensions and debt management

Illinois must take significant steps to make substantial progress in confronting its unfunded pension liabilities. Concentrating on one area will not be sufficient. Instead, a portfolio of initiatives across different levers will likely be required.

⁷ <http://www.nprillinois.org/post/illinois-issues-why-does-state-have-flat-income-tax#stream/0>

⁸ Governor's Office of Management and Budget FY2019. <https://www2.illinois.gov/sites/budget/Documents/Economic%20and%20Fiscal%20Policy%20Reports/FY%202018/Economic-and-Fiscal-Policy-Report-FY19.pdf>

Increase funding to the pension system

Opportunities exist to find unique and new ways to increase funding. The state could apply a direct revenue stream to help pay down the pension debt. These revenue streams could have provisions to ensure they are only used for payment of pension debt and benefits. Asset transfers could also be used as a means to add value to pension systems. For example, if the state were to move an asset to a pension fund, it could be used to reduce the unfunded liabilities for the pension system and increase the funding ratio, leading to potentially reduced interest costs on pension debt.

Improve the investment engine

The returns that Illinois currently achieves on its pension funds could also be increased by improving the investment engine. To generate higher returns and with the added benefit of enhanced efficiency, Illinois could work with local constituencies to consolidate pension funds for similar systems within verticals (e.g., fire, public safety). This move would help smaller funds not only achieve higher returns but also reduce the cost of fund administration and give managers greater visibility into investment decisions and trade-offs.

While consolidation could take time, there are shorter term opportunities. For one, the state could negotiate a standard “one-price” investment management fee for all Illinois pension funds to eliminate the variance in fund management costs. In addition, the state could revisit pension investment management; asset allocations could be reassessed to ensure that investments are providing the highest possible risk-adjusted returns.

Re-shape the pension payment curve

To put the pension funds on a more sustainable path, the committee discussed whether the state could consider re-shaping the pension payment curve. For instance, the state could create a sustainable amortization schedule combined with other changes to improve the system which could meet short term budget needs while improving the funded ratio in the long term. The goal here is to find a rational payment plan that increases the funded ratio each year while still meeting the cost of paying benefits to current and future retirees. Such action would need to be taken in conjunction with changes that increase funding, improve investments, and/or increase stability such that debt markets see that Illinois is serious about comprehensively solving the pension funding deficiency.

Modernize Bonded Debt Provisions

Illinois should also explore ways to improve its existing bonded indebtedness provisions to provide government officials with more flexibility in managing debt. The state should consider changes including but not limited to: maturity limitations, current statutory refunding and/or restructuring requirements within constitutional limitations, and available security. This could help the state create innovative financial vehicles to manage all of its debt including the pension debt while also strengthening Illinois’ creditworthiness.

Moving into a more stable financial future

Illinois’ growth prospects and its reputation have been affected by the past four decades of unstable fiscal policies. Fortunately, we still have a wide array of actions that could put our fiscal house in order.

Each new administration brings with it a fresh perspective and momentum to change course. By pursuing a robust portfolio of initiatives, Illinois can propel itself towards fiscal stability. It will realistically take many years to address the accumulated deficit, but it is essential that the state immediately identify the path to fiscal stability so that the state can meet strategic priorities and bring Illinois back to the forefront.

Committee on Equality, Equity, and Opportunity

Aspiration

Illinois needs leadership that is committed to using an equity lens to ensure everyone has access to opportunity, human rights, and civil rights. The new administration must set an unambiguous tone and make clear its goal of building an Illinois where everyone has equal and equitable opportunity regardless of race, ethnicity, religion, gender, age, sexual orientation, gender identity, disability status, military status, pregnancy, employment status, family status, returning citizen status, language, housing status, zip code, or income.

The new administration should strive to create an inclusive culture in the state and in government reflecting the full diversity of Illinois, with diverse leaders in decision-making roles. Leadership across state agencies should be focused on protecting human and civil rights, acknowledging, tracking, and eliminating explicit and implicit racial bias against black and brown communities, dismantling systemic oppression, and creating and enforcing anti-discrimination policies.

Illinois today

Illinois has faced a number of challenges that have created or increased inequities. The state's budget impasse and ongoing fiscal challenges led to reduced staffing levels in state agencies that enforce existing human and civil rights laws, causing an increase in the backlog of unheard discrimination claims. Racial and economic inequity in communities across the state has intensified due to reduced funding for community-based human service providers that ensure children, individuals, and families have equitable access to the building blocks of health and opportunity. Inadequate state funding for schools has meant that public education has not offered equitable opportunity to all students. Barriers to health care have increased, leaving thousands of children and adults without appropriate medical care.

Economic opportunity is negatively impacted by systemic inequities in the workplace, including lack of access to good paying jobs, low wages, gender and racial pay gaps, a lack of paid medical and family leave, and inadequate protections for pregnant and parenting workers. Workplace inequities impact black and brown communities more acutely, adding to barriers for economic advancement and mobility. Sexual harassment and gender-based violence in the workplace further reduces equitable opportunity by creating unsafe and retaliatory work environments.

In some cases, the legal and policy protections already written into state law are insufficient to protect the human and civil rights of the people of Illinois. For example, without a private cause of action for people seeking compliance with our human and civil rights laws, people are

without a legal remedy. In other cases, existing legal protections should be expanded to reflect the full intent of state and federal law.

These weaknesses are significant, but present great opportunity for the new administration. The incoming administration should ensure that decision-making authority in the executive branch is held by people who reflect the full diversity of the state. Investments should seek to create equitable opportunity across government functions, from ensuring compliance with the Americans with Disabilities Act to enforcing equitable school funding that gives all children the opportunity to succeed regardless of their background. And state law and resource allocation should be updated to fully protect human and civil rights and to ensure enforcement of existing laws is achieved.

Attacks from the federal level have increased threats to equality and equity, and the new administration should work with the Illinois Attorney General and other states around the country to help create a firewall of protection for Illinoisans against dangerous federal policies that harm people.

An inclusive administration that reflects the diversity of Illinois in leadership positions will be poised to set their sights on an Illinois that has equal and equitable opportunity for everyone.

Path Forward

The committee examined a path forward to safeguard Illinoisans from destructive federal policies and reform Illinois systems that perpetuate inequality and inequity to ensure every resident has equitable opportunity.

Other transition committees worked specifically on the topics of economic development, capital and infrastructure, education, and restorative justice and community safety, and those recommendations are not explicitly included in this report. The administration should utilize an equity lens in the implementation of all transition committee recommendations.

The committee recommends the following priorities and actions:

- 1. The new administration should amend existing law and allocate funding to ensure state agencies can enforce human and civil rights and utilize an equity lens in decision-making and priority setting.**

The new administration should ensure leadership and staff of state agencies reflects the full diversity of Illinois. They should also identify and review the use of automated decision-making systems in all areas of state government to ensure racial bias against black and brown communities is not driving current process.

One area the new administration should focus on is updating and maintaining government data systems that can track equitable resource allocation and outcomes in communities that have experienced disinvestment. With that data in hand, the new administration should integrate

inclusion principles to achieve equality and equity for new and existing policies and resource allocation.

For example, the new administration should support legislation that utilizes data systems to make Illinois a leader in statewide school protections for students by collecting discipline data and tracking disproportionate disciplinary treatment based on race and gender. The new administration should also work with stakeholders to pass legislation to require permanent traffic and pedestrian data collection. This will help ensure that data collected by police is accessible so the state can map inequities. The new administration can use data about voting systems across the state to ensure all communities have equitable opportunity to cast their ballots.

Agencies that protect human and civil rights should be fully funded, including the Illinois Department of Human Rights, Illinois Department of Labor, Illinois Environmental Protection Agency, and the Human Rights Commission. The new administration should develop a plan to eliminate the backlog of unresolved cases in the Department of Human Rights and the Human Rights Commission so people can get justice. Inclusion principles should be incorporated into any capital plan to ensure funding and projects comply with the Minority and Women Owned Business Enterprise program M/WBE, Americans with Disabilities Act, and Illinois Accessibility Code requirements. Finally, there is an opportunity to strengthen and enforce laws like the Americans with Disabilities Act, the Illinois Accessibility Code, the Illinois Human Rights Act, the Illinois Environmental Barriers Act, the Illinois Civil Rights Act, and the Foster Care Bill of Rights.

2. Stand up to federal policies that infringe on the human and civil rights of Illinois residents and advocate for enforcement of federal policies that promote fairness, compassion, representation, and inclusion

The new administration should be a firewall between Illinoisans and dangerous federal policies that hurt and discriminate against the state's residents. The new administration should strengthen state protections against federal legislation and rulemaking that increase barriers to Illinois residents striving to succeed. In some cases, there are proactive steps the state can take to minimize harm, like changing the administration of programs like SNAP (the program formerly known as food stamps) to minimize the harmful impacts of any federally proposed work requirements. The new administration can also speak out publicly against the Trump administration's proposed changes to rules that unfairly target immigrant families by penalizing them for accessing programs like health care and nutrition programs. In other cases, the new administration should work with other governors and Illinois' attorney general to ensure we are creating a legal firewall against policies and programs that diminish civil rights.

One important action the new administration should take is advocating for policies and resources to ensure the decennial census correctly counts every person in the state of Illinois, including people who are incarcerated and hard-to-count people. It is vital that the state's full population is represented in the census to ensure the state receives its fair share of federal

resources and fair legislative representation for all communities. The new administration should invest resources in communities that have experienced disenfranchisement and disinvestment to provide education about the importance of participating in the census.

Finally, the new administration should change the current lens the state uses when it comes to federal consent decrees that protect the civil and human rights of Illinois' residents. Rather than view the consent decrees as an impediment, the state should commit to fulfilling the obligations required in consent decrees and embrace the settlements as a vehicle for transformative change that provide a floor—not a ceiling—for proper resource allocation and policymaking. The new administration should ensure that every state agency is aware of requirements imposed by various federal consent decrees and ensure Illinois is meeting the needs of populations protected by consent decrees. Improved and coordinated communication about the requirements of consent decrees among the agencies and divisions and the attorney general would ensure the state's obligations are being met.

3. Make Illinois a safe state with equitable civic, social, and economic opportunity for all residents.

The new administration should boldly and proactively take steps to support and protect the human and civil rights of all Illinoisans and remove barriers to equitable social and economic opportunity.

The new administration should work with stakeholders to enforce and expand the Trust Act protections and make Illinois a welcoming state for immigrants, refugees, and asylum seekers where everyone is treated with dignity and provided opportunity. To achieve that goal, the new administration should allocate resources to programs that inform immigrant communities of their rights under the law. The new administration should also support legislation that eliminates barriers to state-based financial aid for undocumented immigrant students, and increase language access to government services.

The new administration should create and promote policies that ensure every Illinoisan can live free of discrimination with equitable opportunity regardless of sexual orientation, gender identity, or gender expression. To ensure appropriate representation the new administration should support legislation that requires public education curriculum to cover history of the LGBTQ community. To ensure access to medically accurate and appropriate information, the administration should support legislation that ensures sexual health in public education is LGBTQ-inclusive.

To increase economic and civic opportunity for returning citizens, the new administration should support legislation to “ban the box” in applications to public and private institutions of higher education and remove barriers for returning citizens to access housing and employment and voting. The state can also ensure the provisions of the automatic voter registration law are

fully enforced and protect voting rights for all voters, including returning citizens, incarcerated individuals, and students.

Climate change is a risk to all Illinoisans, and the new administration should utilize an environmental justice lens to mitigate and eliminate systemic inequities that lead to disproportionate impacts of climate change and other environmental risks on communities of color and low-income communities. The new administration should fully fund the Illinois Environmental Protection Agency and ensure it is enforcing laws and regulations that protect communities of color and low-income communities from environmental threats. Principles of climate resiliency should be incorporated into any capital plan.

4. Enact and implement public policies that promote workplace fairness, equity, and sustainable economic opportunity for all Illinoisans

The new administration should support equity in the workplace to ensure every Illinoisan can work with dignity for fair wages in a safe, sustainable work environment. The new administration should work with stakeholders to implement a \$15 minimum wage. The new administration should ensure its own agencies do not perpetuate racial, ethnic, and gender pay gaps and create a working group to identify tangible tactics and strategies to address those inequities across the state.

The impact of sexual harassment and gender-based violence experienced in the workplace creates an unsafe, inequitable, and unproductive work environment. The new administration should lead by example to eliminate the culture of sexual harassment, assault, gender-based violence, and retaliation in the workplace. The new administration should conduct rigorous trainings in the governor's office and across state agencies that include clear examples of sexual harassment and gender-based violence, outline prohibited retaliation, define consequences for retaliation and protections for whistleblowers, enhance empathy for people experiencing harassment, teach tools of bystander intervention, and define proper reporting process for both the victim and the person receiving the report. The administration should also take steps to ensure survivors of gender-based violence that occurs outside the workplace have the supports they need to thrive at work.

To create a stronger workforce where everyone has the opportunity to advance, the new administration should engage stakeholders and work with the General Assembly to address paid family and medical leave for Illinoisans. They should also promote equality for people who are pregnant and parenting and support policies that aid and accommodate employees and job applicants who are pregnant, recovering from childbirth, and/or breastfeeding.

5. Make Illinois a national leader in eliminating barriers so everyone can access to their right to quality, affordable health care coverage

The new administration should increase access to affordable, stable health care in Illinois to eliminate health disparities. The new administration should protect and stabilize the Affordable Care Act to eliminate racial and economic health disparities and prevent discrimination against people with pre-existing conditions. For example, the new administration can implement state law protecting people with pre-existing conditions from junk insurance plans. The new administration can also address Medicaid enrollment issues that leave thousands of children and families without health insurance coverage for months at a time. A Medicaid buy-in program would bring down consumer costs and move Illinois towards a system of universal health care.

The new administration should also extend health care coverage to undocumented adults and reduce disparities and barriers for persons with disabilities in accessing health care and home and community-based services. The administration should ensure people with disabilities have real options that provide them with supports to live independent, meaningful lives that are integrated and included in the community. To ensure access to health care in communities across the state, the new administration should prioritize creating, maintaining, and updating health infrastructure in a capital plan.

The new administration should support investments and policy changes that will reduce new HIV cases and improve health outcomes for people living with HIV. For example, the new administration should reinstate funding for PrEP, a daily prescription drug that prevents HIV infection, that was defunded under the previous administration. To increase fairness and equity for transgender people, the state should require that insurance providers, including Medicaid, cover medically-necessary services, including gender-affirming services for transgender and non-binary people.

The new administration should take action to keep abortion safe, legal, and accessible in Illinois. It should work with lawmakers to repeal the Illinois Abortion Law of 1975 and the Illinois Parental Notice of Abortion act of 1995 and replace it with legislation that keeps abortion safe, legal, and accessible. The new administration should also fully enforce HB 40.

Educational Success

Aspiration: A world-class education for every child

Illinois should be the best place to raise a child in America. Every family, beginning prenatally, should have access to comprehensive health care, information about home-visiting, and access to high-quality, birth-to-five early learning services that prepare their children to enter kindergarten ready to succeed.

Every child should have access to an adequately and equitably funded public school led by high quality, well-compensated educators who are prepared to meet their unique needs. The climate in every school should be healthy, safe, inclusive, and supportive.

Every young adult should have access to affordable college and career training opportunities that are aligned to workforce needs. These opportunities should be available in every region of the state and provide people with a reason to build their future in Illinois.

Our state should provide every student with the best opportunities that it has to offer, regardless of their race and ethnicity, family income, zip code, ability, citizenship status, primary language, or LGBTQ status. In order for this to occur, inequities must be addressed in every phase of a child's life and adequate funding should be established, maintained, and used to ensure all students succeed. This vision of cradle-to-career success is achievable if state leaders, systems, laws, and investments operate with a shared student-centered, equity-focused purpose.

Illinois today:

Illinois' greatest strength is its people, especially our children, who hold the promise of our state's future. Over time, the state has established the foundational elements of educational success. Illinois' educational system is ranked in the top half of states across the country.ⁱ Illinois offers comprehensive, birth-to-five early learning programs. The new evidence-based K-12 funding formula positions the state to provide an equitable and adequate public education to students living in every corner of the state. Illinois is home to internationally recognized universities and has one of the most comprehensive community college systems in the nation.ⁱⁱ With appropriate support, Illinois has the potential to be a national leader in education.

Illinois is home to nearly three million children under the age of 18.ⁱⁱⁱ Just over two million of them attend public schools and approximately 950,000 are 5 years and under.^{iv} There are roughly 465,000 students of all ages attending public colleges and universities, about 27,000 students participating in non-credit community college courses, and another 215,000 attending independent not-for-profit institutions.^v

Although a mountain of empirical evidence suggests that access to high quality birth-to-five programming improves school readiness and life outcomes, Illinois' commitment to early care and education has waned over time. Financial instability and fluctuations in

program eligibility reduced participation in the state's Child Care Assistance Program by approximately 30,000 children.^{vi} While the state ranks fourth in the nation in preschool access for 3-year-olds, it ranks 22nd in preschool access for 4-year-olds.^{vii} Illinois' inadequate investment in early learning, along with other factors, has affected children's preparation for school. New data from Illinois' Kindergarten Individual Developmental Survey shows that only 24 percent of children enter school ready to learn at the kindergarten level.^{viii} Among student subgroups, only 13 percent of Latino children, 19 percent of Black children, and 29 percent of white children were found to be kindergarten ready.

As young children transition from early learning programs to elementary school, too many enroll in schools that are severely underfunded. The state's overreliance on property taxes to fund education created inequities that have persisted for far too long. For years, the state share of the total cost of education has been among the lowest in the nation, at approximately 25 percent with local taxpayers covering nearly 67 percent.^{ix} Nationally, the average share of state funding for education is 47 percent with an average local contribution of 45 percent.

Inadequate and inequitable funding, combined with other factors, has contributed to the achievement gap between low-income students and their more affluent peers. Only 20 percent of low-income students in fourth grade are proficient in reading compared to 55 percent of wealthier students.^x In eighth grade, 18 percent of low-income students are proficient at math compared to 47 percent of their wealthier peers. Gaps in performance persist in high school where 80 percent of low-income students graduate within five years compared to the statewide average of 88 percent.^{xi} If adequately funded, the state's new evidence-based K-12 funding formula will provide a more equitable investment in students across the state and position our schools to reduce the achievement gap between low-income students and their peers.

In addition to well-funded schools, students need educators who are well-trained, appropriately compensated, and recognized for their leadership. Unfortunately, Illinois, like many states, is suffering from a teacher shortage. Over the last ten years, the number of teachers declined by nearly three and a half percent.^{xii} Classroom vacancies are especially prevalent in rural communities and in Chicago Public Schools. Nearly half of the vacant teaching positions are for special education, 36 percent, and bilingual/ESL, 12 percent.^{xiii}

As young adults weigh college and career training options, Illinois has not done enough to provide them with attractive, affordable local opportunities to pursue their dreams. Diminishing state support for public colleges and universities, rising tuition and fees, and insufficient investment in the Monetary Award Program have pushed students out of state or out of college altogether. Today, only 51 percent of adults in Illinois have a postsecondary degree or credential, far short of the 70 percent estimates suggest are needed for the jobs of 2025.^{xiv}

Path forward: Moving towards equity and adequacy

As the administration charts a new course for education from cradle-to-career, it should focus on the following themes:

- Align priorities across systems,
- Ensure equitable and adequate funding,
- Strengthen the pipeline of teachers and child serving-professionals, and
- Ensure that education meets the needs of all learners.

Given the diversity of students attending public schools, policy changes and investments must be responsive to the multifaceted needs of our youth, especially those who are racially and ethnically diverse, low-income, English learners, high school dropouts, students who are undocumented, LGBTQ, rural residents, and students with disabilities. This is essential to achieving a welcoming, safe, and supportive learning environment for all students.

Theme 1: Align priorities across systems

Near-term action for the state - Create a multi-agency, cradle-to-career vision and strategic plan for advancing student and whole person success.

There is a disconnect between the state agencies and governing boards that oversee early learning programs, elementary and secondary education, and post-secondary institutions. State agency leaders rarely work together towards common goals, in part due to different governance structures, funding priorities, and measures of accountability. The lack of alignment hampers student transitions between grade spans, prevents the coordinated use of data systems, and hinders progress towards state goals. The new administration should facilitate the coordination of agency heads and governing boards to develop a shared vision and strategic plan to promote student success from cradle-to-career.

Foster collaboration among all child-serving state agencies to ensure that children and families are provided seamless support aligned to a shared vision for student health, safety, and success.

Establishing a common vision and strategic plan for student success across systems is necessary, but not sufficient to achieve alignment. The new administration should establish a consistent meeting schedule for agency leaders that is focused on advancing agencies' common goals, information sharing, and addressing common challenges. Advisory boards, like the Illinois Early Learning Council and the P-20 Council, should be involved in this effort given their expertise and institutional knowledge about Illinois' programs and services.

Strengthen and utilize data systems to improve decision-making, accountability, and the quality of services provided to young children and their families.

Individual state agencies lack the capacity to produce timely data and they have difficulty utilizing the data they produce to improve services and drive decision-making. Insufficient data limits the ability of service providers and other stakeholders to conduct needs assessments, improve recruitment and enrollment strategies, and foster equity and inclusion. Every strategy for improving educational success would be strengthened

by access to better data. The new administration should create a culture of data use, data-sharing, and accountability among agencies for the production of data.

Theme 2: Ensure equitable and adequate funding

Review, reform, and expand funding for birth-to-five programming and services to increase access and promote equity for children and families.

The state has a fiscal responsibility to support the education, health, and safety of every child. The new administration should examine the funding structures that underpin state investments to ensure that they advance equity and provide sufficient support to achieve the state's vision for early learning. Illinois' early learning programs are funded and administered by multiple state agencies. Programs' funding formulas and model for distributing funding should be reviewed and adjusted in a manner that promotes equity and inclusion.

Fully fund elementary and secondary schools by 2027

The new administration should aggressively fund k-12 schools with the goal of fully funding elementary and secondary schools by 2027, a benchmark recognized by advocates and lawmakers when the state adopted the new evidence-based school funding formula. The state should consistently review and assess the distribution and utilization of resources to ensure that resources are being used to meet state goals.

Establish an equitable, adequate, and stable funding environment for community colleges and public universities that promotes student success and institutional accountability.

The state should reestablish a stable funding environment for community colleges and public universities. The budget impasse diminished the reputation of the state's post-secondary institutions, encouraged more students to leave the state, and weakened the infrastructure of our schools. As the administration expands its investment in higher education, it should review the funding mechanisms that support community colleges and public universities to ensure that they promote equity, inclusion, and accountability for student success. The state should also prioritize funding for post-secondary institutions as it advances a capital plan. Insufficient capital investments at colleges and universities have delayed critical projects, affected schools' operating budgets, and diminished the campus experience for students and professors.

Near-term action for the state - Increase college affordability by investing in need and merit-based programs that give students resources to cover student tuition, fees, and other expenses.

The new administration should prioritize efforts to improve college affordability so that every student has an opportunity to attain a degree or credential in Illinois. The state can pursue this goal by expanding its investment in need and merit-based financial aid programs that help students cover tuition, fees, books, and housing.

Theme 3: Strengthen the pipeline of teachers and child serving-professionals

Strengthen and diversify the early childhood workforce by improving compensation and reducing obstacles to entering the field.

For Illinois to achieve its vision of universal access to high-quality, birth-to-five early learning programs, the field will require many more teachers and child-serving professionals across service-delivery models. As the field expands, it should prioritize the recruitment of Black, Latino, and bilingual teaching candidates. The new administration should examine and address the obstacles that prevent more people of color from entering the field. Insufficient compensation and poor benefit structures also make recruitment and retention in the field very difficult. The new administration should review and increase the rate paid to early learning providers in order to improve the wages of child care workers and other early learning professionals.

Strengthen and expand strategies to increase the racial and ethnic diversity of teachers.

The teaching profession should reflect the demographic population of students. Research suggests that children of color benefit from having high-quality teachers who share their race and culture.^{xv} In Illinois, 83 percent of teachers are White and 51 percent of students are children of color.^{xvi} The new administration should review licensure requirements, strengthen efforts to recruit and retain minority teaching candidates, and make it easier and more affordable for career changers to enter the profession.

Revamp teacher training, teacher placement, and ongoing support to ensure that all students have teachers who are prepared to meet their unique needs.

Teacher preparation programs should be updated and improved to meet the diverse, multidimensional needs of today's students. Illinois' participation in the Council of Chief School State Officers' recent *Diverse and Learner-Ready Teachers Initiative* is encouraging, but more work needs to be done.^{xvii} The new administration should convene officials from the Illinois State Board of Education, teacher preparation programs, and practitioners in the field to examine and strengthen the state's approach to teacher preparation. The state should also strengthen efforts to support teachers in the field through evidence-based teacher mentoring and induction programs.

Near-term action for the state - Develop new strategies to attract people to the teaching profession, especially in high-need areas like special education and bilingual/ESL.

Young potential teaching candidates are pursuing other careers. Data from the Illinois State Board of Education shows that, "between 2010 and 2016, the number of candidates enrolling in and completing teacher preparation programs decreased by 53 percentage points."^{xviii} The new administration should examine and address the reasons why fewer people are entering the field, streamline the teacher licensure process, and reinvest in specialized teacher preparation programs to address the teacher shortage. The state should also increase the compensation of teachers to make the profession more competitive to other industries.

Theme 4: Ensure that education meets the needs of all learners

Evaluate and support the comprehensive needs of children starting at birth.

The identification of developmental delays among infants and toddlers should be discovered and addressed as early as possible. Detecting delays and disabilities early allows families with young children to seek and secure interventions during important periods of a child's development. Although the state has been proactive in improving the connection between Early Intervention and health care providers, the new administration should promote new, innovative approaches to expanding the use of screenings and referrals for services.^{xix}

Ensure that schools are equipped to meet the needs of students who have experienced trauma or have other mental health needs.

Schools funded below adequacy often do not have the staff, e.g. social workers, psychologists, and nurses, to provide sufficient support for students. Insufficient recognition, acknowledgement, and support for students who have experienced trauma or have other mental health needs affects the climate and culture of a school. The new administration should support efforts to expand training on trauma-informed practices for all school personnel. As the state expands k-12 funding through the new evidence-based funding formula, schools will have more resources to hire and train the staff they need to support students who have experienced trauma or have other mental health needs.

Make every school a safe and welcoming environment for LGBTQ students.

Every student should feel safe and supported at school. The new administration should encourage the Illinois State Board of Education to provide affirming, student-centered guidance to school districts on how to support LGBTQ students, with an emphasis on gender expansive and transgender students. This could help school districts across the state create a more welcoming, safe, and supportive learning environment for students.

Near-term action for the state - Develop a new, student-centered strategic plan for higher education.

It's been a decade since the state produced a strategic plan for higher education. As Illinois leaders strive to increase the attractiveness and affordability of Illinois' post-secondary institutions, the new administration should establish a strategic planning process to create a common vision, new goals, and a comprehensive, student-centered plan to guide policy-making and new investments over time.

Incentivize strong partnerships between K-12, higher education, and employers to expand access to vocational education and career pathways.

The state should play a larger role in proactively connecting young people to opportunities that will prepare them for labor market success in every region of the state. There are companies throughout Illinois that have difficulty filling positions because they can't find workers who have the specialized training required to do the job. The new administration should convene the business community, higher education, and high school administrators to promote career pathways, expand vocational education in high schools, and increase access to apprenticeships and pre-apprenticeship opportunities.

Conclusion:

Illinois can lead the nation in student achievement and educational attainment by aligning systems, providing adequate and equitable funding for education, strengthening the pipeline of teachers, and ensuring that teachers are prepared to meet the needs of every child. While it will take years to implement the strategies above, the new administration should pursue progress with a fierce sense of urgency. Children across Illinois are depending on state leaders to put them in the best position to succeed in our global economy.

ⁱ <https://www.usnews.com/news/best-states/rankings/education>

ⁱⁱ https://www.timeshighereducation.com/world-university-rankings/2019/world-ranking#!/page/1/length/25/sort_by/rank/sort_order/asc/cols/stats

ⁱⁱⁱ https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_5_YR_S0101&prodType=table

^{iv} https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_5_YR_S0101&prodType=table

^v Illinois Board of Higher Education (IBHE), *Enrollments & Degrees System 2016*.

<http://legacy.ibhe.org/EnrollmentsDegrees/Search.aspx>

^{vi} http://www.actforchildren.org/wp-content/uploads/2018/02/021418_BudgetAddressResponse_IAFC_Ounce_FINAL.pdf

^{vii} http://nieer.org/wp-content/uploads/2018/04/Illinois_YB2017.pdf

^{viii} https://www.theounce.org/wp-content/uploads/2018/08/KIDS_2018_data_STATE_8-12-18.pdf

^{viii} https://www.theounce.org/wp-content/uploads/2018/08/KIDS_2018_data_STATE_8-12-18.pdf

^{ix} https://nces.ed.gov/programs/digest/d17/tables/dt17_235.20.asp?current=yes

^x <http://www.advanceillinois.org/wp-content/uploads/2016/11/TheStateWereIn-AdvanceIL-113016.pdf>

^{xi} <https://www.illinoisreportcard.com/state.aspx?source=trends&source2=graduationrate&Stateid=IL>

^{xii} <https://www.isbe.net/Documents/Teach-Illinois-Memo.pdf>

^{xiii} <https://www.isbe.net/Documents/Teach-Illinois-Memo.pdf>

^{xiv} Lumina Foundation, “A Stronger Nation: Illinois’ Report 2018,” 2018.

<http://strongernation.luminafoundation.org/report/2018/#state/IL>;

Carnevale, Anthony, et al., Georgetown Center on Education and the Workforce (CEW), “Iowa: Education and Workforce Trends through 2025,” 2015, page 10.

https://1gyhoq479ufd3yna29x7ubjn-wpengine.netdna-ssl.com/wp-content/uploads/Iowa_Wrkfrce2025.pdf (page 10).

^{xv} <https://www.sciencedirect.com/science/article/abs/pii/S0272775715000084>,

<https://www.nytimes.com/2018/09/10/upshot/teacher-diversity-effect-students-learning.html>

^{xvi} <https://www.illinoisreportcard.com/state.aspx?source=teachers&source2=teacherdemographics&Stateid=IL>,

<https://www.illinoisreportcard.com/state.aspx?source=studentcharacteristics&source2=studentdemographics&Stateid=IL> (2017 data)

^{xvii} <https://ccsso.org/blog/ccsso-launches-effort-foster-diverse-and-culturally-responsive-teaching-workforce>

^{xviii} <https://www.isbe.net/Documents/Teach-Illinois-Memo.pdf>

^{xix} <https://www.zerotothree.org/resources/797-illinois-targets-developmental-screening-as-a-model-for-coordinating-services>

Illinois' Emerging Leaders

Aspiration: An Illinois that empowers youth to actively contribute to the policy making process

All youth in Illinois deserve the opportunity to reach their full potential, regardless of gender, the color of their skin, socioeconomic status, or zip code, and youth voices are critical to the creation of policy that meets the needs of Illinois' younger generations. However, the insights and lived experiences of youth are often missing from the tables where policy decisions are made.

This transition committee brought youth to the table to begin a conversation on statewide youth issues and discuss how the new administration can empower youth in their communities. This committee prioritized diversity and was comprised of high school students from across the state, including northern, central, and southern Illinois, reflecting rural, suburban, and urban experiences. This committee also embodied diverse genders, races, sexual orientations, and religions. We developed a set of shared values, identified the issues most pressing for younger generations, and generated recommendations that the new administration should consider in a value-aligned way moving forward.

The transition committee found alignment around three key values: security, responsibility, and social justice. We believe the new administration should address a range of youth issues, and can begin by improving the education system, expanding access to mental health services, and reforming the criminal justice system.

Illinois today: A state with large opportunities but statewide challenges facing youth

The youth of Illinois are the future of Illinois and one of the state's most important assets. Illinois' youth are students, workers, interns, voters, volunteers, and change agents who contribute to their communities in meaningful ways. Many work jobs in addition to attending school, go to college, and begin careers in this state. Youth contribute to the economy, organize their communities, and serve as productive citizens of Illinois.

However, inequities in communities across the state prevent youth from reaching their full potential. Students in suburban Chicago have different education opportunities compared to those in central and southern Illinois. Many individuals witness the effects of neighborhood disinvestment, poor relationships between police and the communities they serve, and lack of economic opportunities. Further, many students struggle with mental health issues, experience a lack of guidance around educational and career options, and are not incentivized to attend college or work in state after high school.

In order to build a state that serves future generations, the state must reimagine the role of students in the policy making process, take an active role in listening to the voices of youth, and incorporate the thoughts and concerns of youth while developing new policy initiatives.

Principles for policies affecting youth

The new administration should evaluate new policy initiatives through the lenses of the following shared values:

- **Security:** Students deserve to feel physically and psychologically safe and secure in their homes, schools, and communities. No one should feel fear while walking from home to school, experience trauma from a school shooter drill, or undergo bullying related to a disability.
- **Responsibility:** Students are community members, family members, citizens, and voters. The new administration should promote policies that preserve and protect the state in the long-term, such as strong environmental protections, affordable college, and adequately funded mental health services.
- **Social justice:** The new administration should begin to address the most pressing civil rights issues affecting youth, including educational, economic, and racial equity.

Priority Issue + Recommendations: Education

The new administration should explore ways to expand economic opportunity for students who complete secondary or post-secondary education. Not every student in Illinois wants to attend college, but many lack guidance and direction around the availability of non-college options. Policy makers could observe the discrepancy in workforce development offerings by visiting schools in different parts of the state and then should explore ways to create pathways for post-secondary opportunities that don't require college, such as the trades. Partnerships between high schools, community colleges, and labor unions would offer students opportunities to learn about these options and explore careers that could be a good fit for their skills and talents.

The new administration should also expand the availability of advanced classes to students statewide. Many students choose to pursue college, and the new administration should assist these students by exploring ways to incentivize students to attend college in state, such as increasing college affordability, streamlining and assisting with college financial aid applications, and investing in institutions of higher education.

Priority Issue + Recommendations: Mental Health

Students in communities across the state face significant pressures and mental health issues, and many high schools do not have adequate mental health resources that give students the tools they need to thrive at school and at home. Many school counselors have unworkable caseloads, and in several areas, a culture of stigma and shame around mental health prevent students from seeking help. Only 58% of this transition committee believes that our schools have sufficient support systems. The new administration should prioritize and invest in mental health resources in schools, regardless of geography. For example, the new administration could make efforts to change campus cultures surrounding mental health, provide increased training for counselors, and expand the number of counselors serving high schools and regions.

Priority Issue + Recommendations: Criminal Justice Reform

The new administration should make efforts to reform the state's criminal justice system, which disproportionately impacts people of color and criminalizes adolescent behavior. This transition committee supports the legalization of recreational marijuana and the expungement of marijuana convictions from the criminal records of offenders. We also recommend that the new administration prioritize rehabilitation services in prisons, re-entry programs, and community investments that keep people out of the criminal justice system in the first place.

Priority Issue + Recommendations: Raise Youth Voices

This transition committee recommends that the new administration make efforts to elevate youth voices across Illinois. It can begin that process by creating and sustaining a standing committee of youth advisors, consisting of a diverse group of students representing each area of the state, who can provide feedback and ideas to the administration on an ongoing basis.

Conclusion: Empower youth across Illinois, beginning with a statewide youth summit

This transition committee believes that youth voices are too often ignored throughout the policymaking process. Leaders and lawmakers should seek to understand the challenges that youth are facing and build a state where youth feel empowered to live up to their full potential and make changes in their communities.

The new administration should take the feedback of this committee and incorporate it into its work by lifting up youth voices and being cognizant of the challenges and opportunities identified by this youth committee. A statewide youth summit spearheaded by the new administration would be an effective next step to continue to gather youth input on policy priorities.

Healthy Children and Families

Aspiration

The people of Illinois are our state's greatest strength and we must invest in the health and well-being of every Illinoisan to reach our greatest potential. We must remove barriers so every child, individual, family, and community in Illinois has access to the tools of health and opportunity that allow them to thrive. We must create and expand equitable, inclusive health systems that eliminate racial and economic disparities across Illinois. And we must recognize mental, emotional, and behavioral health as inseparable from physical well-being and essential to a healthy, productive society.

Children, individuals, and communities thrive when they have access to the tools they need to build healthy foundations. Illinois has a strong history of partnering with community-based agencies that meet children, individuals, and families where they are to help them build healthy lives. However, a number of barriers, including systemic disinvestment, have left some communities without essential building blocks of healthy foundations.

Illinois Today

Years of late payments and non-payments and low service reimbursement rates stemming from the state's budget impasse and fiscal challenges harmed our children, families and communities by weakening our network of human service providers, many of whom were forced to lay off staff or shut their doors. Illinois' child welfare system has been long plagued with a lack of continuity in leadership and inadequate state investment, causing insufficient prevention, intervention, and placement services for children and families involved in or at risk for involvement in the foster care system. As a state, Illinois has lagged behind others in supporting non-institutional care and community-based solutions that give seniors and people with disabilities the tools they need to live integrated, independent lives.

A lack of centralized leadership in the executive branch for the departments and agencies serving children, individuals and families has resulted in a lack of collaboration and strategic vision, and has added to ineffective relationships between state agencies, community-based providers, and the populations they serve.

Opportunity exists to rebuild both the infrastructure for healthy foundations, as well as trust and respect between the state, communities, and providers. Illinois should take steps to ensure every child, individual, and family has access to stable resources that are the foundation of healthy lives.

Health systems present another challenge to the incoming administration, but with those challenges comes great opportunity to meet the health care needs of the entire state. Health care is a right, not a privilege, and Illinois came closer to ensuring that right for everyone with the passage of the Affordable Care Act and its Medicaid expansion option. Before the ACA, 14.5% of Illinoisans were uninsured.¹ After ACA implementation, the uninsured population of Illinois shrunk to 7.5%.² But that trend has reversed

¹ <https://www.kff.org/uninsured/fact-sheet/key-facts-about-the-uninsured-population/>

² <https://www.kff.org/uninsured/fact-sheet/key-facts-about-the-uninsured-population/>

during recent attacks on the ACA, and between 2016 and 2017, 37,000 fewer Illinoisans were enrolled in health insurance.³

Inefficiencies and failures in the state's Medicaid system have led to an 8.1% drop in Medicaid enrollment⁴ since 2015, including a reduction in the number of children enrolled. Enrollment declines are the result, in part, of delays from increased hurdles enrollees face because of the added barriers of new verification procedures for application and redetermination processing. Failure to enroll and re-enroll people in a timely manner has created a cycle of "churn" in enrollment, leaving thousands of people without insurance for months at a time. In addition, low reimbursement rates and confusion during the transition to managed care threaten the stability of provider organizations and reduce the number of medical professionals available to serve patients with Medicaid coverage. Underinvestment in community-based health providers has added to the lack of stability in care for individuals, including those with complex medical needs, including substance use, addictions, and mental health challenges.

Affordable health insurance is key to ensuring people—including those with pre-existing conditions—receive the health care they need without going into debt from medical bills. Illinois has the opportunity to stabilize health systems to ensure every Illinoisan has affordable, accessible and comprehensive health care that meets their individual health needs. By ensuring that health systems are designed to eliminate racial and economic disparities with a full continuum of care, parity, innovation and accountability, we can meet the evolving health care needs of the people of Illinois.

Path Forward

Despite significant challenges, Illinois has a renewed opportunity to establish quality, accessible, person-centered health systems for children, individuals, and families across the state. We can rebuild systems to eliminate disparities and increase access to affordable health care and preventative services. This starts with policy and process changes along with innovative approaches to service delivery that focus on eliminating barriers to health and opportunity for children, individuals, and families. Eliminating obstacles in data sharing across health systems and human services will lead to better policy decisions and coordination.

We must also foster and nurture partnerships with our communities, providers and the private sector. Communities impacted by policy decisions should be included in the process, and we should prioritize listening to varied perspectives and ideas to ensure voices across the state are heard as we develop solutions help build strong foundations for all Illinoisans.

- 1. The new administration should break down racial and economic barriers to ensure every child, individual, family and community has the tools they need to build healthy lives, so all Illinoisans may reach their full potential.**

The new administration should provide a centralized strategic vision that utilizes a racial equity lens to improve health systems and healthy foundations. The state should prioritize investment in community-

³ <https://www.kff.org/uninsured/fact-sheet/key-facts-about-the-uninsured-population/>

⁴ <https://www.civicfed.org/iifs/blog/illinois-medicaid-enrollment-continues-drop-2018>

based prevention and intervention services that seek to eliminate racial and economic disparities and provide children, youth, families, seniors, returning citizens, people with disabilities, refugees, and immigrants with strong foundations to build healthy lives. A person's health and well-being are influenced by the conditions present where they live, go to school, and work. Those conditions, called social determinants of health, include factors like education, nutrition, housing, employment, and economic stability.

Across agencies that serve children, individuals, and families, the new administration should prioritize improving the equity of social determinants of health in communities to improve health and well-being outcomes for all Illinoisans. The state should maximize and strengthen programs that utilize state and federal funds to eliminate poverty, health disparities, and hunger. To improve the well-being of all Illinoisans the state should make strategic investments in housing and homelessness prevention. The new administration should work to remove barriers and make housing safe, healthy, accessible, affordable, and stable for every Illinoisan regardless of race, ethnicity, gender, age, returning citizen status, criminal record, disability status, immigrant status, family status, source of income, employment status, or sexual orientation. One way to create affordable housing and modernize state and community facilities is to include those infrastructure improvements in a capital bill.

The new administration should commit to strengthening, rebuilding, and stabilizing the health and human services workforce in Illinois within state government, and for human service provider agencies statewide. Following years of instability, trust needs to be rebuilt between the state, agencies, providers, and communities. Within state agencies, the new administration should prioritize cultivating a workforce with policy expertise in and knowledge about the program areas they administer. Breaking down silos and establishing central policy oversight in the new administration will provide a shared vision of success and allow agencies and providers to coordinate services.

In communities, the new administration should partner with human service providers to create policies that help them attract, train, and retain skilled, quality workers. That means increasing reimbursement rates so providers can pay workers living wages, and increasing opportunities for training and professional development.

The administration should implement inclusive, transparent and accountable long-term fiscal planning between state agencies and providers, like long-term contracts or multi-year budgeting, to promote predictability, stability and effectiveness. Ensuring human service providers receive regular and reliable payments for services, and working with them to renew contracts, will help them stabilize their internal workforces and improve their ability to serve populations.

2. The new administration should eliminate health disparities by increasing access to affordable health care and preventive services, including mental health and substance use treatment, in every community across Illinois.

To achieve this goal, the state can work to improve existing systems to give more people access to health care. The state can improve Medicaid access, quality, and service delivery by increasing oversight, transparency, outcome reporting, and enforcement of Managed Care Organization (MCO) contracts. To allow for growth in access to care across specialties in all areas of the state and ensure a sustainable network, the state can increase Medicaid reimbursement rates across all services. Improved care

coordination between providers and MCOs will improve patient outcomes and increase efficiencies. For Illinoisans who use Medicaid as their health insurance provider, the state can ensure continuity of care by improving determination and redetermination processes to prevent children and individuals from getting kicked out of coverage.

The new administration should prioritize breaking down the stigmas around mental health and ensure health treatment for the brain is treated the same as health treatment for the body. In addition to enforcing existing mental health parity laws, the new administration should require health insurance companies to cover treatment aimed at early intervention for serious mental illnesses that reduce long-term costs for mental health treatments and connect patients with the care they need. By investing in and expanding access to integrated, community-based services, improving the service array in communities, and embracing innovative solutions like telehealth, individuals receive the right care, at the right time, in the right venue of care. To ensure continuity of care, the administration should prioritize stable housing for people who are in recovery. Encouraging better coordination among behavioral health, mental health, substance use, addiction programs, and other human services will also improve patient outcomes and increase efficiencies across sectors.

In the long-term, the new administration should be bold in exploring a Medicaid buy-in option to bring down consumer costs and move towards a system of universal healthcare. Allowing higher-income Illinoisans to enroll in Medicaid through a buy-in program provides opportunity to control insurance costs, stabilize health insurance markets and provide consumers with more coverage options. The new administration should also explore federal Medicaid match opportunities we are not currently leveraging to connect more people with the individualized, community-based care they need.

In the short term, the new administration should protect Illinoisans from impacts of a weakened ACA by improving state law to protect consumers. The state can stabilize the health insurance marketplace by investing state funds in community-based navigators to conduct outreach, public education and enrollment assistance about the availability of comprehensive and affordable plans offered through the Marketplace and Medicaid.

To protect people with pre-existing conditions, the new administration can prevent health insurance companies from varying premiums within a geographic area based on age, gender, health status, or other factors, and can prohibit discrimination based on pre-existing conditions in state law. The state can also take steps to protect health insurance consumers by enforcing protections for people with pre-existing conditions by implementing the new Short-Term Limited Duration Health Insurance Coverage Act ([SB 1737/ PA 100-1118](#)) to begin to regulate junk plans in IL and to educate consumers about them. In addition, the administration can regulate so-called “association health plans” and “health care sharing ministries” that limit access to comprehensive health care to ensure consumers are receiving a product that allows them to access the health care they need.

3. The new administration should stabilize and transform prevention and intervention services for children and families to better support families and care for children and youth.

The new administration should prioritize effective reform of the child welfare system. They should establish new department leadership that recognizes the challenges and historical shortcomings that must be overcome, and has a strategic vision for improvement. To resolve the current crisis in the child

welfare system, the administration should readily and willingly work with new court appointed special master overseeing the BH consent decree to ensure Illinois is keeping children and youth safe and stable where there are allegations of abuse or neglect. In the short term, the new administration should remediate current inappropriate placements of children and youth.

The administration should prioritize the proper collaborative planning and implementation of the Family First Prevention Services Act (FFPSA) to support prevention and stability, and to promote permanency in placement. Proper implementation will allow the state to provide additional, needed preventative services to children and families who are at risk of entering the child welfare system. Moving forward, the state should value interdepartmental-and-agency collaboration to ensure children, youth, and families are receiving coordinated support. Coordinated support will ensure children, youth, and families who need intervention are identified, protected, strengthened, and supported.

The new administration should create a plan to effectively utilize state and federal funds to provide enhanced trauma-informed support to prevent placement of children and youth into the foster care system. To reduce the likelihood that youth will be involved in the child welfare or juvenile justice systems, the administration should invest in prevention and positive youth development and support services. Permanency for children in care should be a priority, and the administration should ensure children and youth receive appropriate, supportive placement when placement is necessary.

Restoring Illinois' Infrastructure

Aspiration: Modern infrastructure for economic strength and equity

Infrastructure is essential to building a thriving Illinois. From investing in our airports, roads, waterways, and public transit to building the broadband infrastructure a 21st century economy demands, this a critical moment for the future of infrastructure in our state. We believe the new administration can meet the state's infrastructure needs, begin reversing decades of neglect, and improve accessibility for every Illinoisan.

Our aspiration is to address the backlog of projects, surpass the national average for state infrastructure, and create rigorous and efficient capital strategies and delivery processes. Addressing longstanding infrastructure needs should spur urban and rural development, stimulate business and job growth (especially for minority-owned businesses), and ensure residents' access to jobs and services.

Illinois today: Infrastructure at the crossroads

Illinois has a unique competitive economic advantage sitting at the center of America's rail, air, roadway, and waterway systems. In fact, Illinois is the only state in which all major freight railroads operate.¹ Illinois houses the 2nd largest public transportation system in the U.S.² and its waterways connect the agricultural Midwest to major U.S. and international markets. Many industries rely on Illinois' intermodal infrastructure – rail, air, waterways, roads, transit – to move people and goods. Similarly, digital infrastructure, such as broadband, has emerged as a critical need for families, entrepreneurs, and industries because of its ability to facilitate economic growth and development in today's economy. In addition, Illinois hosts one of the country's largest urban centers in Chicago and statewide is home to several top public universities all with unique infrastructure needs. These assets combine to make Illinois an economic and cultural engine. But even with these advantages, the state's approach to infrastructure requires renewed direction and investment across major areas.

The state lacks a sustainable approach to infrastructure investments and a comprehensive strategy for prioritizing and addressing even its most basic infrastructure needs. Nearly a decade has passed since the last capital bill was enacted in 2009, and intermittent and insufficient funding has resulted in neglected infrastructure. The result has been a haphazard approach to long-term priority-setting for infrastructure investments. A new capital funding bill would be the first step toward addressing many of the state's most pressing infrastructure needs.

¹ Scott Arends et al., *Report Card for Illinois Infrastructure 2018*, American Society of Civil Engineers, 2018, <https://www.infrastructurereportcard.org/state-item/illinois/>

² CTA, <https://www.transitchicago.com/facts/>

In the absence of leadership, neglected infrastructure continues to be a problem. In Illinois, 2,303 bridges (8.6 percent of the statewide total) are classified as structurally deficient.³ Illinois roadways, ranked 47th in the nation⁴, are also prone to congestion causing travel delays. The state's waterways also carry significant risk, with many locks exceeding their design life where potential failure could lead to the loss of billions of dollars in economic activity. With respect to public transit, Chicago ranks just fifth in capital spending per area resident among peer cities⁵, indicating that the state is not keeping up with other peer regions as transit usage increases. Similarly, freight rail anticipates 30% future growth in shipments over the next 30 years which will necessitate continued investment.⁶

In terms of state-owned facilities, deferred maintenance totals just under \$7.4 billion for FY 2019, a figure that has been growing on average by \$550 million each year since FY 2012.⁷ At public universities and community colleges, the backlog of deferred maintenance projects is over \$4 billion. The Illinois Board of Higher Education has stressed the importance of addressing the most urgent facility needs on Illinois campuses, which could bring down campus facility fees⁸. Investing in campus infrastructure could also help the state attract and retain students. Beyond physical infrastructure, almost ten percent of Illinois residents do not have reliable access to digital broadband.⁹

Internal processes designed to improve supplier diversity throughout procurement are also in need of modernization and reform. Redundant and difficult procurement processes delay project delivery. Current practices fall woefully short on achieving equity in contracting. Only 16 percent of Illinois infrastructure projects satisfied diversity sourcing criteria in 2017, below the state's own goal of 20 percent.¹⁰

Recent efforts to support the state's infrastructure should be sustained. One example is the Chicago Region Environmental and Transportation Efficiency Program (CREATE) that aims to reduce congestion on the rail infrastructure in northeastern Illinois. Encompassing approximately 70 projects, CREATE addresses both passenger and freight rail needs. However, individual projects such as these are not enough.

Path forward: Principles for capital infrastructure investment

The new administration has an opportunity to reshape Illinois' infrastructure. This committee has identified three priorities for this work.

- *Support statewide infrastructure* by enabling a stable and consistent funding stream for both vertical and horizontal infrastructure projects, with greater transparency in the planning process. Passing a capital bill would be the first step toward this goal and will

³ 2017 structurally deficient bridges, ranked by total number of deficient bridges, American Road & Transportation Builders Association, January 2018, [LINK](#).

⁴ Scott Arends et al., *Report Card for Illinois Infrastructure 2018*, American Society of Civil Engineers, 2018, <https://www.infrastructurereportcard.org/state-item/illinois/>.

⁵ Regional Transport Authority, Performance Measures, March 2017, <https://www.rtachicago.org/sites/default/files/documents/plansandprograms/Performance%20Highlights%202017pgs.pdf>

⁶ Scott Arends et al., *Report Card for Illinois Infrastructure 2018*, American Society of Civil Engineers, 2018, <https://www.infrastructurereportcard.org/state-item/illinois/>.

⁷ Illinois Capital Budget, FY 2019, [LINK](#).

⁸ State of Illinois Board of Higher Education, FY 2019 Higher Education Budget Recommendations, [LINK](#)

⁹ <https://broadbandnow.com/illinois>

¹⁰ Illinois Exec. Order No. 07,2018, C.F.R. (2018), <https://www2.illinois.gov>.

ensure investments are being guided by key priorities. In addition to financing a capital bill, an objective approach to project selection and prioritization is critical.

- *Develop foundational digital infrastructure* by allocating necessary funding to match demand and supply of digital services and anticipating the effects of emerging technologies on infrastructure.
- *Expand procurement and supplier diversity* by making it easier for minority stakeholders to participate in infrastructure projects. Attention to this area will promote incentives that foster supplier diversity and reduce barriers to entry for minority stakeholders.

1) Support statewide infrastructure

Illinois' infrastructure challenges are broad and systemic. Across all asset classes there is an opportunity to overhaul the infrastructure funding process and improve the approach to project delivery. To do so, we believe there are some key strategies to consider.

Consider guiding principles for a capital bill

A capital bill will be most effective if it invests funding based on areas of the highest need. "Need" should be evaluated by both project-based needs (e.g., road repairs) and residents' needs (e.g., ability to promote inclusive growth or accessibility to accommodate people of different abilities).

Important guiding principles for an effective capital bill should include the following:

- Structure the project and investment portfolio to appropriately prioritize both fixing deficient infrastructure and capitalizing on opportunities to drive economic growth. This means the state should develop a sound methodology to pick the right projects—recommendations to which have been detailed further in this report
- Prioritize addressing health and safety risks to promote equity through infrastructure (e.g., water contamination, residents without basic housing, deficient bridges)
- Secure sustained funding for sound projects that are already well underway or are "shovel-ready"
- Ensure adequate funding for local needs and regional priorities, including the needs of rural areas
- Account for building and maintaining the "last mile" transportation (e.g., local roads to a transit hub or airport) in total project funding
- Consider end-to-end resident experience (e.g., bike-friendliness, congestion-reduction focused intermodal efforts, and accessibility for people with disabilities)

Most importantly, it is vital to ensure that all infrastructure classes—including road, rail, mass transit, water, vertical, and digital infrastructure—receive specific consideration for funding. This integrated approach can also help decision makers think about current and future infrastructure needs.

Implement more transparent and objective project selection

Illinois needs a more transparent and objective project prioritization process for capital funding. In addition to project cost and other existing measures, prioritizations should more clearly focus on factors such as resident impact (e.g., safety, congestion reduction, or usage), economic impact (e.g., measures of inclusive growth such as increased mobility for disconnected communities, improving higher education institutions, or stimulating industrial growth), and climate impact and resiliency. A transparent process, executed in close coordination with local

governments, could provide the legislators with the proper tools for long-term decision making to drive robust growth and fix deficient infrastructure.

Stabilize capital funding and make it more sustainable

The lack of a steady funding source has impeded long-term planning and allowed existing infrastructure to fall into disrepair. The state can smooth capital funding by accessing private and public funding sources and funding projects in more innovative ways. These methods may include maximizing federal financing opportunities and grants, critical funding Illinois has often missed out on, especially compared to states with more aggressive and organized approaches.

Public-private partnerships can also uncover funding opportunities and use public money more efficiently. In addition, Illinois should supplement bond-funded projects with pay-as-you-go project payment plans and realize additional funds from considering new user fees or increasing existing sources where appropriate. Lastly, the state could undertake a review of the “legacy” accounting structure for infrastructure, which often constricts sources and uses of funds in a very rigid way. Creating more flexibility here could help the state with redirection of funds during times of need. Making the funding sustainable will be critical to avoid large build-ups in deferred maintenance.

Appoint a senior official focused on improving data-sharing, coordination, and planning across asset classes and regional/local needs

Illinois currently lacks an infrastructure advocate who can drive better planning, coordination, and collaboration across the many infrastructure agencies, both state and local. A senior-level official who serves as the face of Illinois infrastructure and coordinates federal, state, and local agency efforts can help Illinois improve infrastructure outcomes. This person can also direct efforts to collect and share data among infrastructure agencies to enable business and operational analytics. To improve project performance and outcomes, the infrastructure leader can also help create technical taskforces of public- and private-sector experts who can provide input throughout project lifecycles.

Simplify processes and implement more flexible approaches

Illinois should update policies and processes to streamline the delivery of infrastructure projects and open processes to outside ideas. For instance, we can promote alternative project-delivery methods to supplement the traditional design-bid-build model. Examples include alternative technical concepts that can potentially be more efficient and cost-effective than the state’s existing approaches. Furthermore, increased public-private partnerships could increase the efficiency of project delivery.

To expedite projects, Illinois can reduce redundant steps and streamline the review and permitting processes by conducting certain reviews in parallel versus sequentially. Where necessary, the state can also reevaluate procurement processes to reduce obstacles to prompt and appropriate purchasing, such as ensuring the appropriate level of required vendor follow-ups with additional procurement officials and conducting the appropriate amount of public hearings. Such changes will also make it easier for smaller vendors to participate in competitive selection.

Engage stakeholders throughout the infrastructure lifecycle

Illinois should do a better job of engaging residents, the engineering and design community, businesses, and other stakeholders across the infrastructure lifecycle. This could include setting and communicating clear goals for how infrastructure investments can foster inclusive economic

growth and accessibility; coordinated communications with the public on infrastructure value, needs, and challenges; and ongoing communication during project execution. When residents are made aware of the benefits from infrastructure investments, public support grows and even user fees can increase. Similarly, Illinois could consider creating better channels for listening to residents and their needs.

In addition to the above, the state can involve the engineering community earlier in the process and tap its expertise to improve planning and execution. Not only will earlier and deeper involvement with engineers result in quicker “shovel-readiness,” project outcomes could be expected to improve as the result of broad input from engineers.

2) Develop foundational digital infrastructure

Widely available high-speed broadband is critical to attract economic development and foster digital literacy. Furthering that goal requires action in several areas.

Enable foundational digital infrastructure

Illinois can do more to support digital infrastructure by investing in high-speed internet access in all state buildings, including public hospitals and universities. To spread the reach of broadband, Illinois should identify priority areas for broadband delivery and channel service through a designated office such as the Department of Commerce and Economic Opportunity. In the process, the state can help telecommunications providers overcome public right-of-way regulations that make it more difficult for digital conduits to be included during road construction.

Furthermore, improved digital accessibility in state infrastructure—such as audible websites and accessible screen readers in state buildings—can make public spaces more inclusive. Beyond the economic and structural advantages that come from expanded digital infrastructure, these investments also increase accessibility for residents of all abilities.

Drive adoption of digital services

Supporting digital infrastructure across Illinois should include supporting suppliers and purchasers in areas of the state that may be hard to do business. For example, the state could create a cooperative purchasing program for rural broadband providers to decrease the cost of digitization in certain regions. In addition, the state could look into provide matching infrastructure funding (in addition to the FCC grants) to cover underserved and rural areas.

Prepare infrastructure for emerging technologies

The whole world is seeing significant shifts across the digital ecosystem and Illinois must fight to keep up. The state should consider updating policies to reduce hurdles to test and build emerging technologies such as 5G internet and autonomous vehicles. Digital labs supported by public-private partnerships can test new technologies and help the state plan for future infrastructure needs.

3) Expand procurement and supplier diversity

While an equitable procurement and supplier diversity process should be the norm for our state, it is clear Illinois continues to fall short. It is essential that this administration commits to an inclusive process and will make key changes that are long overdue. These initiatives include a few key approaches.

Eliminate barriers to entry for minorities

Minority-owned vendors can be stymied by policy and processes when looking for opportunities to work with the state. Illinois can support minority vendors by updating policies to standardize and simplify the Business Enterprise Program (BEP) certification process. The current process is cumbersome for too many and should be inclusive to Illinoisans of all races, ethnicities, genders, and abilities. To increase the success of BEP, the state should provide education and training on the bidding and delivery processes to vendors.

Illinois can also make contracts more accessible to minority vendors by updating the traditional bidding process to include vendor diversity as a criterion. Because minority vendors are often small, the state should unbundle infrastructure contracts where appropriate to create more opportunities for smaller companies to contribute.

Prioritize diversity with leadership support and a commitment to goals

With strong leadership support, the state and procurement leaders can motivate vendors to participate in its efforts to diversify its vendor pool. Tactics could include encouraging vendors to adopt inclusive programs (e.g., apprenticeships and on-the-job training) and consistently enforcing programmatic orders around vendor diversity, which includes diversity and inclusion along dimensions of race, ethnicity, gender, and ability. Incorporating diversity and inclusion goals in request-for-proposal (RFP) evaluations can also signal a commitment to vendor diversity and incorporate equity of opportunity into the evaluation process.

Guiding Illinois infrastructure toward modernization and equity

We have identified top priorities to finance and maintain Illinois' existing infrastructure, strengthen the foundations of the state's digital infrastructure, and encourage economic equity through infrastructure accessibility and supplier diversity. In particular, the new administration could consider launching a few initiatives in the near-term that could serve as important first steps:

- Develop and pass a principled capital bill to provide funding for infrastructure needs
- Review procurement processes to identify areas for simplification
- Improve enforcement of diversity goals in the state procurement processes
- Create goals and metrics to track infrastructure investments and their impact on inclusive growth

If Illinois can design its infrastructure investments and processes to be competitive on a national and global level, it will pave the way to a higher quality of life for our residents, increase economic prosperity, and establish Illinois as an economic leader across the nation.

Job Creation & Economic Opportunity

Aspiration: A more prosperous and equitable future

Illinois has the talent, business base, and the motivation to create better and more opportunities for its residents. We envision Illinois can be a state that maintains its population, ensuring that all residents, particularly young people, stay in the state. In addition, Illinois has the opportunity to focus on improving the livelihood of workers and families, including improving the workforce readiness of everyone in the state. At the same time, the state can attract and retain more businesses. A focus on growing companies could mean augmenting R&D activity and small business growth. The powerful result of resolving these challenges is that Illinois can brand itself as the economic hub of the Midwest, taking a place among the leading states in the country. With the right approach, we believe Illinois should strive to return the state to above average growth in employment and wages and ensure shared prosperity, with inclusive growth among residents and across geographies.

Illinois today: Lagging economic growth

Illinois offers many meaningful advantages as a place to live and thrive. It is the sixth largest U.S. state by population, with 12.8 million residents, and fifth by GDP, of \$800 billion.¹ It is also the commercial center of the Midwest, with 32 Fortune 500 companies headquartered within its borders, fourth among all states.² A wide range of industries, from agriculture and manufacturing to professional services and health care, have a robust presence in Illinois. Industry in Illinois benefits from a qualified workforce: 33 percent of residents have a bachelor's degree or higher relative to the national average of 30 percent.³ New talent emerges consistently from the state's globally recognized institutions of education such as the University of Illinois, Northwestern University, and the University of Chicago, which produce cutting-edge research. Meanwhile, graduates from throughout the Midwest come to Illinois and the Chicago metro area, the third largest in the U.S.

Yet despite its advantages, Illinois' economy has been underperforming: Both GDP growth, 0.5 percent per year, and labor productivity growth, 0.4 percent per year, between 2007 and 2017 lag behind national averages in the same time frame 1.5 and 0.8 percent, respectively.⁴ There are a number of challenges that may be driving this issue. For example, Illinois has experienced the highest levels of outbound domestic migration in the U.S., particularly among young people—the state ranked 49th in millennial population growth from 2010 to 2017 at a rate of -2.3 percent. From an employment standpoint, there is a lack of qualified candidates for available roles in middle- and high-skill occupations, e.g. health care services, computer/software, first-line supervisors of service workers, truck drivers.⁵ In addition, young companies across the nation are some of the most important job creators.⁶ However, Illinois lags most states across the innovation funnel, from research-and-development, R&D, funding, 35th on university R&D as

¹ U.S. Census Bureau, 2017; Bureau of Economic Analysis, 2017; <https://www.census.gov/quickfacts/fact/table/il/PST045218>

² <https://www.ceo.com/miscellaneous/states-with-the-most-fortune-500-companies>

³ US News Best States 2017

⁴ Bureau of Economic Analysis; Bureau of Labor Statistics

⁵ Bureau of Labor Statistics; Bureau of Economic Analysis; Moody's Analytics

⁶ Bureau of Labor Statistics; Business Employment Dynamics

a percent of GDP,⁷ to the rate of new entrepreneurs, ranked 19th for large states.⁸ Complicating the issue, Illinois is home to high economic inequality across regions and populations. It is the U.S. state with the tenth highest economic inequality.⁹

Path forward: A principled approach to support workers and businesses

It will take a concerted effort and a holistic approach to address the full scope of challenges and revitalize the state's economy. This report highlights several themes.

- **Ensure economic inclusion and equity** so that all residents, including those who are currently underserved, such as women, people of color, people with disabilities, veterans, and rural or semi-rural residents, benefit from the state's prosperity.
- **Support a skilled workforce** to take advantage of opportunities. This work could include increasing awareness and accessibility of new and existing opportunities and career paths and supporting residents and workers in finding and maintaining fairly-compensated vocations.
- **Prioritize key industry clusters** that can stimulate economic growth for the state, including both traditional industries (e.g. transportation, manufacturing) and emerging ones (e.g. life sciences, technology, industries).
- **Spur innovation and entrepreneurship** to strengthen the global competitiveness of Illinois businesses. The state can improve funding, supportive infrastructure, and technical assistance for innovators and entrepreneurs.
- **Foster an attractive business climate** that is supportive of a wide range of businesses. Considerations include ease and cost of doing business, consistent support for small businesses, and improved state branding.
- **Drive inclusive statewide economic growth** that builds on unique strengths and addresses the challenges of each region, county, and town.

Theme 1: Ensure inclusion and equity

An important goal for the state to consider is inclusive economic growth. Illinois should focus on underrepresented groups and regions to ensure that everyone in the state can reach their potential.

This effort could include improving underserved populations' access to the state economy. For example, Illinois could expand educational and training programs for youth, rural residents, veterans, women, black and brown communities, and people with disabilities. Because immigrants start a disproportionate number of businesses, the state could also consider expanding governmental support for immigrant business activity.¹⁰ In addition, all regions of the

⁷ National Science Foundation 2017

⁸ Kauffman Index; Measured as rate of new entrepreneurs per month per 100,000

⁹ As measured by the Gini coefficient, a common tool to measure economic inequality. U.S. Census Bureau; American Community Survey, 2018

¹⁰ <https://hbr.org/2016/10/immigrants-play-a-disproportionate-role-in-american-entrepreneurship>

state could be prioritized and considered to reduce regional inequality, both across the state and within urban centers. Beyond facilitating access, Illinois can also directly provide opportunities to Black, Latino, and women-owned businesses. The state should increase the distribution of contracts with these businesses and improve compliance with the state's purchasing diversity programs at the same time.

As it acts on its values of economic inclusion and equity, the new administration should do more to communicate and celebrate these efforts. Public communications about this work can motivate even more minority business owners to participate and brand Illinois as a state in which everyone shares in economic prosperity.

Theme 2: Support a skilled workforce

Fostering greater awareness of industry-specific opportunities and career pathways.

Investing in talent is essential to building and maintaining economic opportunities in the state. The first step can be promoting greater awareness of existing opportunities and pathways across the state. These efforts could include both public and private work that educates job seekers about opportunities. Public work could include promoting statewide platforms to connect job seekers and potential jobs, such as new or existing websites that map real-time opportunities and resources.

Ensuring that education and training are closely linked to job opportunities.

For students and workers, Illinois could encourage more tightly linking education and compatible careers. The state could formalize clear pipelines from existing and new job-readiness programs to specific jobs and careers. For example, the administration could consider establishing regional workforce training centers that are affiliated with specific career pathways, including sector-specific programming, such as ones focused on hospitality, health care, or manufacturing. In addition, the state could support workers at all stages of the vocational development process by improving the accessibility of vocational certificates and increasing the level of transparency around certification requirements for prospective workers. There could be an important focus on demystifying on-the-job expectations, encouraging creativity and innovation, and developing individuals' "soft skills," e.g., "pre-apprenticeship" training.

The state can also ease new workers' entrance into the workforce with incentives for research and implementation of workforce development initiatives, including tax credits for employers who provide internships and apprenticeships, particularly for high-need populations. Finally, the state can support new workers by easing the cost of education through financial aid, particularly for workers who stay in Illinois and work in industries underserved by the labor market.

Supporting workers to reach their professional goals.

Throughout workers' careers, the state can help them reach their personal and professional goals. The incoming administration has highlighted the need to raise the minimum wage to \$15 per hour. Beyond this, the state could sponsor initiatives to support families, such as through paid parental and family leave and affordable early childhood learning opportunities, and increase career mobility and enable skill acquisition across the career pathway.

Theme 3: Prioritize key industry clusters

Supporting the evolution of Illinois's established industries.

To move Illinois toward a more prosperous future and maintain its competitive edge, the state needs to focus resources and attention on the highest-potential sectors. Illinois can support the

evolution of some of its historically important industries as they evolve. For example, the state could capitalize its central location and diverse transportation infrastructure to develop into an innovative, multimodal transportation hub. Other important sectors to consider could include industrials, advanced manufacturing, and financial services, e.g., insurance sector.

Continuing investment in growth industries.

At the same time, Illinois can continue to invest in growth industries. One initiative could be to create a biotechnology and life sciences district. This center could build on the diversity of biotechnology companies in the state and become a hub that would be integrated with regional life sciences organizations throughout the state. Other growth industries that could also be developed include financial and software technology.

Investing in all regions of the state.

Outside of technology, the state can leverage and integrate existing sectors across regions. The agricultural sector can benefit from diversifying production with tools such as agricultural technology and specialty crop production. The state can also support rural communities working to grow the clean energy industry, explore industrial hemp, and attract data center companies.

Theme 4: Spur innovation and entrepreneurship

Broadening opportunities to fund innovation.

The first opportunity to encourage Illinois-based innovation and entrepreneurship could be increasing investments for research and innovation, which includes corporate, university, small business, and federal efforts. Examples could include awarding state matching grants for federal research awards, or creating a statewide Small Business Innovation Research (SBIR) program. As research insights and ideas become commercialized through start-ups, Illinois could consider creating a seed fund to co-invest in start-ups and help new businesses survive the first few years of operation.

Expanding and establishing physical infrastructure for research and innovation.

Illinois entrepreneurs also need infrastructure that supports research and innovation. One potential avenue may be to make use of existing and building new laboratory spaces in which to pursue early-stage research and workspaces for entrepreneurs and growth-stage companies.

Improving support and assistance for entrepreneurs and start-ups.

Because many entrepreneurs need to learn a wide range of skills as business owners, Illinois could better support them with training and assistance. The state could provide mentorship and technical assistance through incubators that support all entrepreneurial activities, including non-technological start-ups. Support could also include initiatives such as funding for a life sciences accelerator and grants to support training workshops. In addition, Illinois could explore ways to make it easier for young people to become entrepreneurs. An innovation work-study internship program could connect Illinois youth with young companies to match skills with labor needs.

Theme 5: Foster an attractive business climate

Ensure funding and support and streamline bureaucratic processes for small businesses.

Illinois can adjust its business climate to make it more attractive for companies to invest in the state. The new administration can ensure streamlined funding and support for businesses of all sizes in the state. The state can identify opportunities and simplify the process to start, fund, and maintain a business in Illinois. Improvements include redesigning state processes to make

them more accessible—for instance, language in state publications and reference material can be rewritten to be easier to consume.

Enable and encourage testing of new goods and services.

Longer-term, Illinois could renew focus on creating a competitive and stable economic environment that encourages employers and entrepreneurs to invest in the state. For example, the state could create “sandboxes” for businesses.¹¹ Expanded policies will allow businesses in high-growth industries to partner with the state to test new goods and services. The state can further support these partnerships by creating a platform to encourage public discussion and input on new technologies, products, and services being tested and give regional and local leaders potentially useful insights.

Develop and implement state branding.

State-led initiatives could improve Illinois businesses’ prospects, but the state also needs to improve its reputation for being beneficial to businesses – both on a state-wide and region-specific level. The state should achieve this in collaboration with business, labor, and the government. To coordinate efforts, the new administration should consider building on existing efforts and streamlining efforts to work alongside corporate ambassadors to showcase the state and communicate aspirations. The state could also convene CEO and community roundtables to further common goals.

Theme 6: Drive inclusive statewide economic growth

Leveraging Opportunity Zones as a tool to drive increased investment.

Economic growth for Illinois must include all regions across the state, not just the northeastern urban centers. A near-term priority may be to support the development of federally-designated Opportunity Zones in Illinois, which aim to attract resources and new investment to economically distressed communities.¹² The administration could identify even more opportunities to drive resources for Opportunity Zones by exploring federal and private-sector funding, including private-public partnerships.

Better connecting underserved communities to share ideas.

In addition to creating hubs of new investment and economic activity, the state should better connect underserved communities, to facilitate the spread of good ideas and create a way for community leaders to solve problems together. For example, the new administration could create an entity with regionally-focused offices throughout the state. Local offices can serve as full-service sources of technical assistance to entities involved with community economic development. Furthermore, the state could promote and consolidate statewide inventory databases showing existing and potential Opportunity Zones, Enterprise Zones, and other high potential zones, enabling stakeholders to see a full picture of opportunities Illinois offers and be able to fill gaps.

Revitalizing and maintaining economic activity in town centers.

Illinois can invest in Illinois towns’ traditional downtowns to revitalize and sustain economic activity in town centers. For example, the state can renew funding for Main Street, a nationwide program that partners with community businesses to revitalize traditional downtowns and local

¹¹ Regulatory sandboxes allow companies to test new products and services without full state licensure or approval.

¹² Opportunity Zones are state-nominated economically distressed communities where certain new investments may be eligible for tax advantages.

business districts.¹³ As it rebuilds traditional town centers and local business districts, the state can work with local and program leaders to attract and retain residents to revitalized areas.

Conclusion: Moving into a more stable economic future

Together, we believe these are some of the most important priorities for the new administration to consider as it creates better and more numerous economic opportunities for both workers and businesses. A few near-term priorities may be:

- Creating a database of existing career pathway programs to better coordinate and identify gaps
- Performing a review of state policies on starting, funding, and maintaining a business to identify barriers and opportunities for simplification
- Reviewing existing landscape of opportunity areas, including Opportunity Zones, Enterprise Zones, and developing strategy for expansion

If Illinois leaders consistently work toward the state's economic development goals, the result will be inclusive, equitable economic prosperity.

¹³ <https://www2.illinois.gov/sites/MainStreet/Pages/default.aspx>

Powering Illinois' Future

Aspiration: Illinois as the Midwest's leader in clean energy

The transition to a clean energy economy is underway, and Illinois is uniquely positioned to demonstrate to the nation what a fair, equitable, and effective transition can look like. The new administration should create a shared vision for clean energy investments that value and protect Illinois' land, water, and air quality while building upon the state's recent energy advancements. The state should commit to 100 percent clean and renewable energy and ensure a just transition to that goal, so that rural and black and brown communities are not burdened by new policies and left behind in the transition to a clean energy economy. The new administration should invest in clean water infrastructure, expand energy efficiency and energy storage efforts, and electrify the state's public transportation sector.

Illinois has the opportunity to utilize clean energy to advance economic development, improve public health, and create good-paying jobs. The new administration should lead by example by partnering with local union labor to provide enhanced support for state-of-the-art energy efficiency measures at state-owned facilities, including offices and schools, where there has been insufficient investment driving energy efficiency adoption. The new administration should continue to successfully bridge energy, labor, and environmental stakeholders by focusing on shared goals around capital, infrastructure, and energy investments that respect state environmental priorities.

The new administration should consider recommendations across water infrastructure and climate resiliency, electrification, and energy efficiency, all in the context of proposals that are appropriate to include in a capital plan.

Illinois today: An energy leader in need of bold, equitable clean energy advancements

The Prairie State is home to forests, farmland, prairies, and wetlands. It borders Lake Michigan and draws energy from a variety of sources. Illinois is home to leading national research laboratories and is one of the country's leaders in energy storage research and development. Education institutions are leading on clean energy across the state. The state will soon begin pilot programs to replace diesel engines with cleaner alternatives like electric transit, cleaner-burning buses, and electric car charging stations.ⁱ

Illinois has a diverse electricity generation mix. The state draws its power from coal-fired plants, natural gas plants, six nuclear power plants, and renewable resources, like wind and solar.ⁱⁱ Our state is first in the nation for nuclear power generation, fifth for wind generation, and a leader in recoverable coal reserves and ethanol production.ⁱⁱⁱ Illinois generates more energy than it consumes,^{iv} and our current energy market has promoted opportunities for clean energy innovation. Illinois is a central transportation hub for natural gas and crude oil moving throughout the country.^v

Our state is on the precipice of widespread economic growth and innovation in clean energy development. With the passage of the Future Energy Jobs Act (FEJA), the state has one of the top energy efficiency programs in the nation and is on track to meet Paris Agreement targets.

Through this law, ComEd and Ameren are working toward the goal of 25 percent of their energy from renewable energy sources by 2025. FEJA's community solar program allows consumers to benefit from solar energy,^{vi} while FEJA as a whole commits money for low-income communities, is creating tens of thousands of jobs, and has positioned Illinois as a leader in zero-carbon electricity.^{vii} Additionally, communities across the state are taking even more aggressive climate actions by targeting carbon neutrality and using renewable energy to power buildings.

The state has a ready supply of highly skilled local union labor who can do the work required to transition Illinois to a clean energy economy. Illinois is home to 119,377 clean energy jobs and leads the Midwest in energy efficiency jobs with 86,916.^{viii} Union apprenticeship programs present opportunities to train the future workforce in renewables jobs like solar panel installation.

Meanwhile, Illinoisans still suffer from pollution, lead in water, and a lack of environmental leadership. The budget crisis defunded state agencies dedicated to the protection of our environment. The Illinois Department of Natural Resources and Environmental Protection Agency have witnessed a decrease in staff and expertise. Aquatic invasive species like Asian Carp are moving up the Mississippi and Illinois rivers and threaten to invade the Great Lakes and destabilize Illinois' marine economy.^{ix} Historically coal-dependent communities struggle with plant closures and the question of how to protect jobs amidst the transition to a clean energy economy, and communities of color are disproportionately suffering the effects of climate change and pollution.

The presence of lead pipes and Legionella pose public health threats for households with children and seniors, and Chicago's worsening air quality is putting residents at risk for lung-related diseases like asthma.^x These problems are exacerbated by a federal abdication of environmental and energy leadership. Denial of climate science, withdrawal from the Paris Agreement, and active plans to weaken limits on pollution threaten environmental safeguards and the health of Illinoisans, forcing the state to take even more aggressive action to transition to a clean energy economy.

The state needs bold leadership to advance toward a clean energy economy that works for everyone from Galena to Cairo. Illinoisans deserve clean air, clean water, and a safe environment where all communities can thrive. The new administration has the capacity to innovate around clean energy and leverage opportunities like a capital bill to make advancements. The state can simultaneously create jobs and protect the health and well-being of all Illinoisans through clean energy and strong environmental governance.

Principles for clean energy projects

The new administration should prioritize clean energy projects in a state capital bill. The committee recommends focusing on two primary project areas:

- Improve the health and safety of the state through equitable, responsible environmental capital investments.
- Catalyze clean energy expansion.

The committee outlines our central recommendations below.

Theme 1: Improve the Health and Safety of the State Through Equitable, Responsible Environmental Capital Investments

The new administration should utilize clean energy projects to address environmental health threats and invest in infrastructure and property improvements that increase the state's resiliency to climate change. Specific recommendations include:

Address Legionella and other waterborne pathogens in the state water system

The state should work with local union labor to initiate testing, identification, and remediation of Legionella and other waterborne pathogens. This would include upgrading aged plumbing and piping to address the public health needs of people working and living in state-run facilities and decrease susceptibility to Legionella and other waterborne pathogens for children, seniors, and low-income populations. The new administration could also create a maintenance program to consistently review water quality across state-run facilities, perform additional upgrades, and prevent future outbreaks. The state could also work with local municipalities, communities, and semi-private facilities to transfer lessons learned to other non-state, aging facilities.

Prioritize lead pipe replacement in critical areas

The new administration should explore ways, including cost-sharing, to replace lead service lines across the state in order to address public health issues associated with lead contamination in drinking water. The state should test water supplies across the state to determine exposure to lead and then work with local union labor to prioritize replacements in low-income residences and facilities serving children, which have increased exposure to lead pipes and require state-level assistance in remediation efforts. The state could also develop and enforce a set of construction codes that require lead piping, when found during road or utility work, to be replaced.

Prevent Asian Carp migration by supporting Army Corps recommendations

In order to address the threat posed by Asian Carp to Illinois' boating industry, fisheries, wetlands, and marine ecosystem, the new administration should consider deterrent measures at Brandon Road Lock and Dam as outlined by the Army Corps of Engineers and should utilize local union labor for the measures.^{xi} The new administration should work to gain financial commitments from neighboring Great Lakes partners for the non-federal sponsor 35 percent share of the costs associated with the project.

Improve storm and wastewater management systems

The new administration should invest in storm and wastewater infrastructure projects that help protect against property damage, limit soil erosion, and improve climate resiliency, particularly in communities that disproportionately suffer from the impacts of climate change. The state should also ensure there is an equitable distribution of funds across environmental justice communities. The state could leverage State Revolving Loan Funds for these efforts. There are two types of infrastructure projects that the state should prioritize:

- Gray infrastructure projects: improve stormwater and wastewater treatment plants to remove nitrogen and phosphorus.
- Green infrastructure projects: implement the Illinois Nutrient Loss Reduction Strategy, work with conservation districts to drive on-the-ground projects, cost share with conservation entities on edge-of-field practices, and use existing state funds to purchase land for conservation.

Make housing stock ready for energy efficiency upgrades

The new administration should work with local union labor to address fundamental deficiencies in housing stock, such as public health and safety violations that make energy efficiency upgrades difficult. This initiative should prioritize older housing stock in low-income communities that might be left out of energy efficiency and clean energy upgrades. This program could be administered alongside existing income-eligible energy efficiency programs, like Solar for All.

Create community clean energy empowerment zones

The new administration should prioritize the creation of clean energy empowerment zones in rural communities, transitioning communities, and communities of color to ensure all communities share in the economic and environmental benefits of Illinois' shift to a clean energy economy. Through these zones, the state could provide community empowerment grants to facilitate locally-designed, community-directed clean energy initiatives, such as electric transit, wind and solar, and clean energy workforce development.

Theme 2: Catalyze clean energy expansion

Expand electric vehicle charging infrastructure

In order to address the leading source of carbon pollution in Illinois – the transportation sector – the new administration should expand access to electric vehicle (EV) charging infrastructure installed by qualified local union labor. The state should authorize funding for this infrastructure and support for electric distribution infrastructure to meet EV grid demands. The state could provide incentives for conversion of public transit and school buses, offer special rates to school districts that adopt EV buses, and encourage utilities to build out make-ready work as called for and provide EV supply equipment in communities without access. The new administration could expand this initiative by leveraging capital funds available through the VW settlement and reallocating those funds to clean technologies.

Expand Illinois' energy storage leadership

Energy storage is key to a future where the world is powered by renewable energy. The new administration should leverage Illinois' position as a leader in energy storage and help facilitate incubation of energy storage-related businesses growing out of research conducted across the state. The state could integrate R&D efforts with business creation and compete for federal and private sector clean energy storage investments in Illinois. The state could also incentivize projects that propose locating at retired or soon-to-be retired coal plants in order to spur economic development in those transitioning communities.

Support shovel ready solar projects for schools and state-owned properties

The new administration should implement the Solar for All program by initiating an additional 100 projects at publicly-owned properties in low-income communities. This would bring an additional 200MW of community solar to Illinois, create local union labor jobs, and generate electricity savings for buildings like public schools.

Conclusion: Guiding Illinois toward a clean energy economy

The state has opportunities to protect the health of Illinoisans, invest in infrastructure upgrades, kickstart expansion of clean energy in all areas of the state, and lead in workforce development to encourage increased focus on job training. These recommendations should be considered top priorities to include in a state capital plan. Near-term priorities include:

- Address Legionella and other waterborne pathogens in the state water system
- Prioritize lead pipe replacement in critical areas
- Prevent Asian Carp migration through state investment in the Brandon Road Lock and Dam
- Expand public electric vehicle charging infrastructure by leveraging funds available through the VW settlement

Illinois can lead the Midwest on clean energy by protecting the health and property of state residents and supporting innovative projects that capitalize on the transition to a clean energy economy.

ⁱ <https://news.wttw.com/2018/12/04/vw-settlement-illinois-awards-19m-cleaner-bus-and-train-engines>

ⁱⁱ <https://www.eia.gov/state/analysis.php?sid=IL#24>

ⁱⁱⁱ <https://ilenviro.org/energy/>

^{iv} <https://ilenviro.org/energy/>

^v <https://www.eia.gov/state/analysis.php?sid=IL#5>

^{vi} <https://citizensutilityboard.org/future-energy-jobs-act/>

^{vii} <https://www.futureenergyjobsact.com/about>

^{viii} <https://www.cleanjobsmidwest.com/state/illinois>

^{ix} <https://chicago.suntimes.com/opinion/asian-carp-illinois-brandon-road-joliet/>

^x <https://news.wttw.com/2018/04/20/chicago-gets-f-grade-2018-air-pollution-report>

^{xi} http://glmris.anl.gov/documents/docs/glmrisreport/GLMRIS_Report.pdf

Restorative Justice & Safer Communities

Aspiration: Towards restorative justice

Illinois has the opportunity to become a national leader in the restorative justice movement. The Centre for Justice and Reconciliation “views crime as more than breaking the law – it also recognizes the harm caused to the people, relationships, and the community. So, a just response must address those harms as well as the wrongdoing.”¹ This approach to justice reform, equity, and opportunity creation can help avoid the entry of individuals into the criminal justice system, utilize alternatives to incarceration, effectively re-integrate formerly incarcerated persons into society, rebuild trust, and repair damage to affected communities.

With the new administration utilizing a restorative justice approach, we have the opportunity for transformational reform. This administration, with the establishment of an office focused on restorative justice, can better align services and programming and transform coordination of justice related programs across the state.

Illinois today: Need for transformational reform

Justice reform and public safety have become a growing concern at the local, state, and federal levels due to high levels of incarcerated individuals, high rates of recidivism, and the significant economic burden the current system imposes. In Illinois, the picture is a complicated one. Between 2014 and 2017, the state’s violent crime rate per capita increased by 18 percent, translating to an average of 154 violent crimes a day in 2016, 15 percent higher than the national average². In addition, Illinois courts hear over 2.6 million cases³, incarcerating thousands of individuals every year. Today, there are approximately 50,000 adults⁴ incarcerated in Illinois jails and prisons in addition to the almost 600 juveniles⁵ in detention – a disproportionate number of whom are black and Latino individuals⁶.

Illinois has made strides in recent years, reducing its prison population by 15 percent in just the last three years. In the latest five-year period, recidivism in prisons dropped by over ten percentage points (FY10 exits to FY15 exits)⁷. Potentially contributing to that reduction are recent bail reforms — for example, Cook County significantly reduced pre-trial detention by over

¹ <http://restorativejustice.org/restorative-justice/about-restorative-justice/tutorial-intro-to-restorative-justice/lesson-1-what-is-restorative-justice/#sthash.bchrkrN.dpbs>

² Illinois Crime Rates 1960–2016, Disaster Center; “Crime in the US”, FBI, 2017

³ http://www.illinoiscourts.gov/SupremeCourt/AnnualReport/2016/2016_Statistical_Summary.pdf

⁴ Illinois Department of Corrections, Annual Report FY2017

⁵ Illinois Juvenile Justice Commission, Illinois Juvenile Detention Data Report, 2016

⁶ Illinois Department of Corrections, Annual Report FY2017; Approximately 70% of inmates are Black or Hispanic, as of June 30, 2017

⁷ From 51.7% to 39.9%

https://www2.illinois.gov/idoc/reportsandstatistics/Documents/Recidivism%20FY10_FY15_Trends.pdf

twenty percent in 2017⁸ — and a shift to evidence-based programming targeting people with the highest needs.

Even with these improvements, there is still more work to be done to tackle the underlying challenges. Approximately 90 percent of those detained in jail statewide have not been convicted of a crime and are presumed innocent, translating to more than 250,000 pre-trial jail detainees every year.⁹ Nationally, it is estimated that of 100 individuals who have bail bond hearings, 34 are detained pre-trial due to an inability to pay cash bail.¹⁰ Additionally, while 96 percent of incarcerated individuals will return to their communities,¹¹ almost 40 percent of them are expected to be reincarcerated in the following three years. Such high levels of incarceration create a burden on the state's resources. On average, incarceration costs taxpayers \$30,000 to \$50,000 per person each year.¹² When considering the opportunity cost of Illinois' prison population of 40,000 individuals and parolee population of approximately 25,000 individuals, the costs to the state's GDP can be even more significant. Beyond the monetary impact, when considering the impact on the individuals, especially incarcerated youth, there is a need for significant shifts toward restorative justice.

The path forward

A more compassionate and empathetic approach to addressing the challenges facing the state's criminal justice system can significantly improve outcomes. We've identified several crucial components:

- Illinois can focus its justice reform on **public safety, courts, and rehabilitation**:
 - Coping with and preventing violence by treating gun violence as a public health concern, building skills in stakeholders (e.g., law enforcement, correctional officers, violence interrupters) who interact with youth and other high-need individuals, and rebuilding trust in law enforcement within the communities.
 - Modernize courts and sentencing to divert people away from incarceration toward treatment, particularly youth, and focusing on repairing harm to victims.
 - *Focusing on evidence-based rehabilitation* efforts at prisons, jails and in communities to rehabilitate individuals and eventually reduce recidivism
- As the state considers moving towards **cannabis legalization**, we have an obligation to restore rights for individuals with legacy cannabis convictions while repairing harm to communities who have been disproportionately impacted by the unfair application of drug laws. Facilitating equitable access to business opportunities and economic prosperity arising from legalizing cannabis for underserved populations will be absolutely critical.
- As discussed by the incoming administration, **establishing an office to advocate for restorative justice and economic opportunity** (which could be called the Office of Justice, Equity and Opportunity). This office can set the long-term direction for state agencies in

⁸ <https://www.chicagotribune.com/news/local/breaking/ct-met-cook-county-jail-under-6000-inmates-20171221-story.html>

⁹ [An Examination of Illinois and National Pretrial Practices, Detention, and Reform Efforts](#), ICJIA

¹⁰ Rabury, B., & Kopf, D. (2016). Detaining the poor: How money bail perpetuates an endless cycle of poverty and jail time. Northampton, MA: Prison Policy Initiative.

¹¹ *Illinois results first*, Illinois Sentencing Policy Advisory Council.

¹² *The Price of Prisons: What Incarceration Costs Taxpayers*, Vera Institute for Justice, February 2012, vera.org.

restorative justice, promote inter-agency collaboration, and help remove barriers to economic participation for individuals returning from incarceration.

This report outlines the committee's recommendations in each of the areas of focus below.

Public safety, courts, and rehabilitation

There are multiple components to the criminal justice system – from law enforcement, courts, jails, correctional facilities, to re-entry in the community – that must all work cohesively together to achieve these goals. There are several potential areas of focus.

Coping with and preventing violence

The state can help reduce violence in communities by strengthening existing safeguards towards gun violence prevention efforts, pursuing new safeguards, and investing in community resources to prevent crime. For example, increased regulations on gun dealers, stricter reporting requirements for lost firearms, and establishing stronger Firearm Owners Identification card (FOID) requirements (accounting for hate crimes, animal abuse, and domestic violence and expanding requirements to cover 3D-printed and “ghost” guns) could keep guns out of the hands of people likely to use them illegally. The state could also convene a multi-state task force to reduce the illegal flow of weapons across state borders. In addition, measures such as better allocation of police resources to every zip code and expedited forensics tasks such as DNA-evidence processing, rape kit administration, and ballistics testing could significantly improve violence prevention and resolution.

The state could promote grassroots efforts to reduce crime and prevent gun violence, such as expanding prevention programs and resources in the neighborhoods at highest risk for gun violence (e.g., funding grassroots non-profit violence prevention programs). Resources could be allocated to transformative “Community Justice Centers” to provide civilian responses to violent incidents, including giving civilians access to resources and referrals, and offering holistic support. Trust can also be strengthened between law enforcement and the communities they serve if Illinois State Police take a larger role in investigating “use of force” incidents.

Community-based organizations should also be supported by the state in their work to provide mentoring, tutoring, and job-search support. The state could empower local organizations to support people returning from incarceration, helping them meet their needs for housing, mental health counseling, job placement, and other social services.

Modernizing courts and sentencing reform

Through thoughtful court and sentence reform, the state could move towards a system that reserves incarceration primarily for those who commit very serious offenses. The reform could focus on treatment and rehabilitation, while diverting individuals to alternative treatment centers (e.g., over 40 percent of admissions to Cook County jails were for drug offenses, many of whom could have been diverted to community drug treatment resources) and ensuring fairness and equity before and after trial.

To start, the state can increase felony thresholds for drug (e.g., Class 3 and 4 drug offenses diverted to drug treatment) and retail-theft offenses (e.g., raise retail theft threshold from \$300 to a higher level), which can mitigate the punitive nature of current sentencing guidelines and decrease the number of incarcerated individuals. For those already incarcerated, the state can

re-evaluate early-release eligibility to focus on rehabilitation. Potential initiatives could include bypassing parole and auto-expunging criminal cases for eligible cases (e.g., certain Class 4 felonies), using clemency power to commute certain sentences (e.g., incarcerated people in need of hospice care), and expanding eligibility for discretionary and reduced parole.

Prison population reduction strategies may be more effective when partnered with treatment through supportive transition programs that include housing and job placements. The state could mandate restorative justice as a holistic rehabilitative substitute for incarceration (e.g., pre-trial referrals to community centers for certain offense types). State agencies can support transformational alternatives to incarcerations by engaging community-based resources such as mental health and substance abuse treatment centers. As part of this transformation, key actors (e.g., judges, community residents, law enforcement, social workers) could be convened in working groups to recommend actions to protect and heal communities.

To ensure fairness and equity before and during trials, the state should facilitate equitable access to and adequate funding for resources such as public defenders. In addition, Illinois should reexamine current juvenile detention practices through trauma-informed ways (e.g., end detention for children under the age of 15) and end trial tax incentivizing pleas. The state could also examine current monetary bond practices and reduce or eliminate the use of fines and fees for offenses such as driving infractions. Finally, the state could eliminate automatic driver's license suspensions for court debt and make probation and parole less punitive and more rehabilitative by eliminating reincarceration for technical parole violations. These changes would significantly reduce the burden on affected individuals.

Focusing on evidence-based rehabilitation

The state can improve recidivism outcomes by focusing on rehabilitation of incarcerated individuals and empowering relevant stakeholders to improve their interactions with high-need populations.

Rehabilitation based treatment across jails and prisons offers better outcomes for affected individuals. First, there could be focus on better access to rehabilitative programs for affected individuals in the system, particularly for incarcerated youth. Creating access to Medicaid and privately-funded substance abuse treatment and providing such access pre-release could ensure continuity of care. In addition, overall capabilities could be improved to diagnose and treat mental health and substance abuse issues. Programs could focus on behavior modification, workforce skill development and life skills support to promote effective re-integration post-release. For example, offering vocational skills training and employment placement opportunities while in prison could set up individuals returning to their families and communities for success. The state should also provide stable housing options, employment placement opportunities, and state IDs or driver's licenses, for all affected individuals upon release to enable better re-entry to community.

Rehabilitation efforts should be trauma informed and exist before, during, and after incarceration. Stakeholders (e.g., school officials, correctional officers, counselors) who work with populations with the highest need of rehabilitative interventions can benefit from efforts such as de-escalation training to improve interactions with individuals who have mental health and substance-use challenges. First, capabilities could be improved across the system in how we deal with populations with highest need of rehabilitative interventions, including building on existing gender affirming training in women's correctional facilities and education for law enforcement on firearm restraining order laws. Second, state employees can rebuild trust with

communities by taking courses such as social emotional learning (SEL) or racial culture awareness and applying them to their work in communities. Finally, IDOC can consider initiatives like creating a workforce development board that focuses on creating economic opportunities in local communities for previously incarcerated individuals.

Cannabis legalization

With medical cannabis already legal, Illinois is considering moving towards cannabis legalization. The state can work to repair the harm to individuals and communities affected by a history of over-policing and unequal sentencing for drug offenses. There are several key initiatives that the state should consider.

Restoring the rights of affected individuals

For individuals with cannabis convictions, the state could explore automatically expunging records to ensure everyone affected is reached. The state should also undertake the task of identifying the downstream effects of cannabis convictions and undoing their impact. The state could leverage the new Office of Justice, Equity and Opportunity (detailed further in this report) to identify and work to reverse eligible cases (e.g., more severe convictions that took into account a prior legacy drug charge), as well as prioritizing these individuals for treatment.

Equitable access to the legal cannabis industry

The opportunity for black and brown communities to benefit from the legal cannabis industry is central to the next phase of cannabis legalization. The state can provide equitable access to the industry by fostering business and entrepreneurial equity with a licensing system that encourages diversity. Interested community members could develop their skills through business incubators that provide training, certifications, and other business resources for setting up and running a cannabis business.

Because black and brown communities can lack access to capital — especially for cannabis-related businesses — the state could offer financing and technical training to help under-represented communities participate more fully in the legal cannabis industry, potentially through community-based incubators. This administration should lead the development of these incubators and ensure the technical support and capital participation of existing medical growers and dispensaries as a condition for expanded recreational licensing.

Repairing damage to communities

The state can repair some of the harm to communities that have experienced systemic disinvestment and rebuild trust by creating a local community task force that reinvests funds in the community (e.g., grants for black and brown business owners). Leveraging state and local committees that represent the perspectives and interests of marginalized communities could provide valuable input on how funds should be used. To encourage responsible cannabis use, the state can develop community-based programs to discourage underage use and implement cannabis abuse rehabilitation programs. Training and education for law enforcement officers on ways to address the legal use of cannabis could improve the way they respond to frontline incidents.

The Office of Justice, Equity and Opportunity

The state could define and support adoption of a set of unified principles on how Illinois will address restorative justice holistically. A newly established Office of Justice, Equity and Opportunity could work across agencies and use data to support this vision, improve inter-agency collaboration, and remove barriers to full economic participation for affected stakeholders. There are several key initiatives that the state should consider.

Setting the tone with key principles

The office could define a set of principles for itself and the entire state. Some of these principles could include:

- Treating violence as a public health issue that affects economic opportunities for individuals and communities
- Supporting collaboration, transparency, and equity statewide
- Committing to collaborating with communities of the highest need and ensuring their voice informs the actions taken
- Making evidence-based decisions and evaluations

Convening entities across the State to foster collaboration

The office's first task could be to convene a group of local and state agencies that work in restorative justice including IDOC, DJJ, DHS, DPH, and county police departments. Convening power by itself may not be enough and this administration could consider providing additional funding authority through this office to drive accountability. The office should consider initiatives like creating a seamless case management system between local, state, and community-based organizations for better handoff, championing standardizing processes and systems across different agencies, coordinating research of evidence-based practices to support new policies and laws, and creating a central team that maximizes federal and grant based funding available to Illinois.

Build better capabilities across all criminal justice agencies

Since this office is focused on outcomes, it could help ensure decisions across all criminal justice agencies are evidence based, data-driven, and leverage lessons learned from the past. To enable this reform, the office can help create a central data repository that promotes cross-agency collaboration through more frequent contact, information sharing, and visibility of opportunities for improvement. Over time, this data can be used for better decision-making through advanced analytics and to measure effectiveness of programs being delivered. In addition, the office can work with community-based organizations and provide technical assistance and mission support.

Toward restorative justice, equity, and opportunity

There is a path forward to move criminal justice in Illinois from one of retribution to one of economic and community restoration. These efforts can enhance resource allocation, lower recidivism, and improve outcomes for incarcerated individuals. The state could consider launching a few initiatives in the near-term which could serve as important first steps:

- Increased regulation on gun dealers and establishing a multi-state task force to reduce illegal weapons
- Medicaid access to ensure continuity of care and targeted employment and housing support provided to all individuals pre-release from IDOC
- Creating a workforce development and vocational training programs to support rehabilitation at IDOC
- Mandating training courses (e.g., social emotional learning) for stakeholders (e.g., law enforcement, correctional staff) dealing with high risk population
- Increasing certain felony thresholds (e.g., for drug offenses, retail theft)
- Evaluate and recommend changes to monetary bond policies
- Create a data repository to be used across all state and local agencies

The work ahead will be challenging, but could help shift Illinois away from mass incarceration, allowing people to contribute to their communities, and repairing harm caused in marginalized neighborhoods.

Serving Illinois' Heroes

Aspiration: Improving veterans' lives through a holistic approach

Illinois should adopt a new mentality and creative strategic approaches for veterans' services that are grounded in the principle of serving the "whole veteran"—including the veteran's family—during all stages of their lives. Veterans deserve continuity of services and care, no matter what part of the state they call home, and no matter their race, gender, or sexual orientation. This care should begin before a service member is discharged as part of comprehensive, state-led transition services.

Once home, all veterans should be connected to the benefits to which they are entitled and receive assistance navigating the many services and programs available throughout the state. This should be facilitated by trained personnel and access to an up-to-date online information portal. In addition, concerted and innovative efforts should be made to contact veterans who do not opt-in to services and programs to make sure they are aware of what is available.

As a state, we must live up to our responsibilities to provide access to quality healthcare and secure housing throughout a veteran's lifetime, ensuring that all state-run veterans' facilities are safe and meet Illinois' health code requirements. Additionally, we have a duty to create the business and economic environment for veterans to thrive—not just survive—by reducing barriers to higher education, increasing workforce development training that prepares veterans for employment in a trade, and working to eliminate veteran underemployment through paths to sustainable careers.

Realizing these aspirations would help us achieve our ultimate goal of becoming the Midwest's leader on veterans' issues, and making Illinois the best place for veterans and their families to put down roots and build their lives after serving their country.

Illinois Today: Strong foundations but missed opportunities

Illinois has a proud history of support for those who keep our country safe. The state boasts a large community of supporters for veterans, including active duty military members, reservists, and fellow veterans. In addition to the Illinois National Guard, Illinois is home to prominent national military stations, including Naval Station Great Lakes, Scott Air Force Base, and the Rock Island Arsenal. As of Fiscal Year 2016, the U.S. Department of Veterans Affairs estimated that nearly 650,000 veterans lived in Illinois, making us one of the top ten states that veterans and their families call home.¹

Illinois has many educational centers, including colleges, universities, and trade programs that are committed to welcoming veterans. The Illinois Veterans Grant program provides the state's veterans with educational opportunities beyond those provided by the federal GI Bills.

Our state has an extensive network of Veteran Service Offices through the Illinois Department of Veterans' Affairs (IDVA), with over 60 offices at over 80 locations to help veterans obtain the benefits they have earned,² as well as multiple Veterans Assistance Commissions (VACs), which

¹ U.S. Dep't of Veterans Affairs, "Veteran Population" (last updated Nov. 12, 2018), https://www.va.gov/vetdata/veteran_population.asp.

² Ill. Dep't of Veterans Affairs, "Service Offices" (accessed Jan. 2, 2019), <https://www2.illinois.gov/veterans/pages/serviceoffices.aspx>.

are distinct units of local government established under the Military Veterans Assistance Act and funded by counties throughout the state.³ In addition, there is a strong state library system that can serve as a hub and facilitator of veterans programs in communities throughout Illinois.

Illinois offers a number of benefits to veterans to show our gratitude for their service and improve their quality of life, including a veteran's designation on Illinois drivers licenses and license plates; free hunting, fishing, and camping licenses; and property tax exemptions for disabled veterans. The State of Illinois also has a set-aside program with the goal of having at least three percent of the government's contracts awarded to veteran-owned businesses.⁴

In addition to the resources offered by the state, there are many innovative private and nonprofit organizations located throughout Illinois that are devoted to serving veterans and providing them with dignity, care, and upward mobility.

Despite these strengths, Illinois veterans still face a number of significant barriers. Although there are many public and private resources and services available in Illinois, they are not effectively communicated to the veteran community and are thus underutilized. Departments and services are operated in silos—many veterans are unaware that they exist, and even those that do are frustrated by the number of hurdles that must be cleared to have all of their needs addressed.

Additionally, Illinois has fallen short in seeking federal funds to assist veterans, potentially leaving millions of dollars on the table every year. Indeed, we rank second to last in the U.S. Department of Veterans' Affairs list of states by veteran compensation and pension expenditures per capita.⁵

Some of these challenges have been caused by failures of the government to protect our veterans' interests. For instance, construction of a new VA home in Chicago was delayed over three years due to the state budget impasse, despite being two-thirds funded by the federal government.⁶ Even more concerning, the tragic deaths of fourteen veterans living in the Quincy veterans' home were met with continued mismanagement and a failure to act with urgency.⁷ Our state can, and must, do better.

Unnavigable bureaucracy, coupled with high-profile cases of failing our veterans, has left the community lacking trust and looking for leadership. The new administration has an opportunity to help right these wrongs and recommit the government to better serving our veterans. More importantly, however, it has the opportunity to restore trust with our community's veterans and their families, who should never have to experience such disappointment from the democratic institutions they fought to protect.

Key Issues for Illinois' Veterans

Veterans face many overlapping and interconnected challenges. The new administration has the opportunity to address these concerns and should focus on the following critical issue areas:

³ 330 ILCS 45/0.01 *et seq.*

⁴ 30 ILCS 500/45-57.

⁵ Geographic Distribution of VA Expenditures for Fiscal Year 2017, the National Center for Veterans Analysis and Statistics, Department of Veterans Affairs.

⁶ "Dunning Veterans Home To Open in 2019 More Than 3 Years Late, Rauner Says," DNA Info (Feb. 15, 2017), <https://www.dnainfo.com/chicago/20170215/dunning/dunning-veterans-home-open-2019-more-than-2-years-late-rauner-says/>.

⁷ See "Lawsuit Alleges State Was Negligent in Veteran's Death After Outbreak of Legionnaires' Disease," Chi. Trib. (July 20, 2018), <http://www.chicagotribune.com/news/local/breaking/ct-met-quincy-veterans-home-legionnaires-complaint-20180720-story.html>.

Theme 1: Redefining the role of the IDVA

The role of the IDVA should be redefined and modernized to best serve today's veterans, who have a wide and diverse array of backgrounds and needs. Over the past two decades, the IDVA has lost the trust of veterans and those who care for them for reasons both within and beyond the agency's control, including budget constraints and the budget impasse, excessive bureaucracy, ineffectiveness, lack of transparency, and scandal. While some of these issues cannot be changed by the IDVA or the executive branch alone, there are a number of reforms that can be undertaken to begin the process of earning back veterans' trust and transforming the agency into a proactive and dynamic champion for Illinois veterans.

Immediate recommendations include:

- Charging the IDVA with the mission of being a proactive and dynamic convener of information and organizations.
- Establish the Director of the IDVA as not only an institutional leader, but also as a spokesperson and voice for veterans throughout the state.
- Use properly collected state-level data to drive decision-making, and when appropriate, establish data-sharing practices with local government entities and other organizations that work in tandem with the state to serve veterans. Make appropriate data publicly available via accessible online tools while preserving the privacy of veterans' information.
- Improve the state online portal so it is a "one-stop-shop" of all information veterans need.

Theme 2: Augmenting service coordination and delivery

Service coordination and delivery is the lynchpin of veterans' care, and any one missed connection can cause cascading effects for veterans across the state. One critical issue is the lack of communication between the IDVA, the county VACs, and veterans service organizations, and other state agencies, all of which provide services to veterans. Not only does the work being done in these silos need to end, but Illinois veterans desperately need one, centralized online portal to access up-to-date information on the services, care, and programs that are available in Illinois. The IDVA also should be able to effectively use social media as a communication tool to reach veterans in real time without unnecessary bureaucratic constraints.

To complement information available online, the IDVA should prioritize case management to connect veterans to services related education, employment and learning to market skills gained in the military, healthcare, housing, childcare services, custody assistance that prioritizes family reunification, disputing incorrect claims, and other needs. Case managers should be trained to recognize signs of distress, including risk of suicide, and informed of how to help in crisis situations. They can also be resources for the IDVA to gain greater understanding of the everyday issues veterans are facing and increase the state's responsiveness.

To further improve coordination of services, the IDVA can designate liaisons to help eliminate government silos and work across state agencies to coordinate services for veterans related to employment, licensure and credentialing, healthcare, housing, and education. The IDVA should also conduct a statewide service assessment to identify clusters of veterans who do not have access to services within an hour's drive in order to better understand how to optimize service delivery.

As much as we need to improve coordination within the state, the new administration should also prioritize working with our federal partners to bring funds back to Illinois. We currently rank 52 out of 53 states and territories for per capita compensation for veterans' issues from the federal government, which means we're potentially leaving millions of dollars on the table every year.⁸ Accordingly, the state should designate a federal liaison role within the IDVA in charge of working with federal partners on new funding and program opportunities.

As the new administration considers improvement to service coordination and delivery, there are three important sub-categories that should also be included:

Transition services: When service members return home, there is a significant lack of planning and coordination on the state's part to re-orient them to civilian life and take into account the variety of challenges returning service members face, including continuing their education, finding a job and building a career, reintegrating with partners and children, securing housing, and managing their physical and mental health. The state has an important role to play in both delivering some of these services and facilitating access to other existing services and programs, first when a service member initially returns home, but also later as they transition through different stages of their lives.

Currently, the state does not have a reliable way to contact returning service members. The new administration should coordinate with federal partners to work with the Department of Defense to receive contact information for returning service members sooner, ideally ninety days prior to discharge. This information should include emails and phone numbers, not home addresses, which are often inaccurate.

The IDVA should also be a resource for the families of veterans and be able to direct family members to programs and organizations that support them through the transition that they undergo when their veteran returns home.

Health care: The state's role in providing access to healthcare is primarily as a facilitator. Federally accredited and state trained Veteran Service Officers (VSOs) located throughout the state assist veterans in filing claims for federal benefits, which include health insurance and access to healthcare at VA hospitals. However, there are major disparities between access to care in rural versus urban parts of the state, and many existing services in central and southern Illinois are not strategically co-located with veterans. There are additional transportation challenges that impede access to care and discourage veterans from seeking it in the first place.

Actions by the new administration can include: seeking federal funding to increase the number of VSOs in the state to better serve veterans regionally; expanding the use of telehealth through existing federal programs that provide internet tablets to veterans, and working with federal partners to increase medical reimbursement rates to allow veterans access to civilian healthcare, which is sometimes closer to where veterans live.

Suicide is also a serious concern for veterans. Veterans are twice as likely to die of suicide compared to non-veterans, with female veterans dying by suicide at six times the rate of female non-veterans.⁹ This issue continues at varying rates long after veterans return home and is known to spike at different junctures for men and for women. Understanding that veteran suicide is a

⁸ Id. at n.5.

⁹ Illinois General Assembly Veteran Suicide Task Force Final Report at 12 (Dec. 1, 2016), available at http://www.ildistrict84.com/uploads/6/7/1/1/6711327/final_report_vst_pdf.pdf.

complex issue with no easy answers, it is imperative that Illinois take a proactive approach, grounded in empathy and raising public awareness, that works to show our veterans that they are not alone and provide them with the help they need.

Housing: All veterans deserve to live in safe and secure permanent housing. This means eliminating veteran homelessness and completing construction of the Chicago Dunning Veterans' Home. The state should also expand permanent supportive housing with a greater focus on keeping families together, and make sure veterans know how to access these and other housing assistance options. It is equally important to support veterans' long-term financial health by creating pathways to home ownership.

Finally, the new administration should take responsibility for ensuring that all state-run veterans' facilities are up to code and safe for residents so that these veterans can live happy and fulfilled lives there without relatives fearing for their wellbeing. To do so, the state should assess the health and safety of current state-run veteran's facilities and determine a timely remediation plan.

Theme 3: Creating and supporting economic opportunity for veterans

Creating and supporting economic opportunity for veterans is one of the most important ways we have to welcome veterans home and reintegrate them into civilian life. The new administration's goal should be to make Illinois a top-ranking choice for veterans to gain additional education, learn trades, start careers, and build businesses. Right now, there are barriers in place that hamper veterans' economic potential, such as a difficult-to-navigate college credit system that has different rules at each state university or community college; workforce development training that does not always strategically align with growing and/or sustainable industries that have permanence and longevity; and limited resources for veteran entrepreneurs. Reducing these barriers and creating opportunities for veterans to mentor, support, and hire other veterans should be top priorities going forward.

To increase educational opportunities, the new administration should work with state universities to strengthen the Illinois Veteran Grant and explore ways for veterans to share the benefits of the grant with dependents. The administration should also work with state universities, community colleges, the Board of Higher Education, and the Illinois Community College Board to transfer military experience to college credit consistently across institutions. Additionally, the state should work with post-secondary institutions to offer programs for graduating veterans on what to expect post-college.

To improve employment outcomes for veterans and decrease veteran under-employment, the IDVA should work with employers to create pipelines to key industries with sustainable jobs that can grow into careers. These include the building trades, manufacturing, logistics, cannabis, clean energy, and agriculture. Workforce development opportunities should be brought to Illinois, including ones that receive federal support, and the state should work with employers to educate them on the benefits—financial and otherwise—of hiring veterans. The state should also promote existing programs that fast-track licenses and certifications for CNAs, EMRs, EMTs, CDLs, state police, and firefighters and track how many veterans take advantage of these options.

Illinois should encourage veteran entrepreneurship by revisiting the state procurement goals for hiring veterans to narrow exemptions, including for professional services, and hold Chief Procurement Officers accountable for these requirements, including through ending the overuse of emergency procurements. The IDVA can also encourage entrepreneurship by promoting small

business incubators and connecting veteran business owners to each other and to aspiring veteran entrepreneurs.

Theme 4: Thoughtfully supporting historically underserved veterans

Supporting historically underserved veterans should be a core mission for the new administration. Underserved veterans include minority, women, and LGBTQ veterans, undocumented veterans, incarcerated veterans, and veterans with an Other than Honorable discharge. Minority, women, and LGBTQ veterans are more likely to experience discriminatory violence, trauma, and military sexual trauma, which subsequently contributes to behavior that leads to receiving an Other than Honorable discharge, substance use, job loss, homelessness, and incarceration.

A service member can be discharged with an Other than Honorable discharge, otherwise known as having "bad paper," for a wide range of behavior, including assault and felonies, but also DUI's, drug use, identifying as LGBTQ under Don't Ask Don't Tell, and even mental trauma from being the victim of a sexual assault.¹⁰ Regardless of the crime, once a veteran has "bad paper," they are permanently cut off from the benefits and services to which other veterans are entitled. The only recourse they have is to request and be granted an upgrade to their discharge status, which is a challenging legal process. The result is that people suffer for decades from both stigma and lack of services because of personal identities that have no bearing on their professional conduct or decisions they made in their youth that are often linked to PTSD, traumatic brain injury, or military sexual assault. Furthermore, we know that minority veterans are more likely to receive less than honorable discharges, and veterans with bad paper are at higher risk for homelessness and suicide.¹¹ Under the Illinois Human Rights Act, Illinois is one of the few states that has prohibited by law hiring discrimination based on military discharge status.¹² However, this alone does not address the root causes for these individuals.

To ensure the dignity of all of our state's veterans, Illinois should assist qualifying veterans to upgrade their discharge statuses and act boldly to provide vital services to all veterans, regardless of discharge status. The new administration should establish a program with the Attorney General's office in conjunction with programs at Illinois law schools to assist veterans looking to upgrade their discharge status. Additionally, Illinois should consider becoming the first state after Connecticut to adopt a trailblazing program in which veterans whose other than honorable discharge is linked to PTSD, brain injury, or sexual assault would newly qualify for state health care and benefits, including tuition to state schools.¹³ Not only would adopting such a program dramatically impact the lives of veterans whose bad paper can be linked to experiencing prior trauma, but it would signal that Illinois is taking a national leadership role on veterans issues. Along these lines, the state should also consider allowing veterans with other than honorable

¹⁰ "What Happens When a Veteran's Discharge is Less than Honorable?," Nat'l Veterans Foundation (Jan. 25, 2017), <https://nvf.org/less-than-honorable-discharge/> (citing that, although the military has recently implemented reforms, "[o]ver a period of years, male and female victims of MST (military sexual trauma) have received Other than Honorable discharges or diagnoses of mental illness.").

¹¹ "How to Find an Ex-Military Discharge Status," Houston Chron. (June 29, 2018), <https://work.chron.com/exmilitary-discharge-status-20063.html>; "Bad Discharges=Homeless Veterans?," San Diego Union-Trib. (Aug. 26, 2015), <https://www.sandiegouniontribune.com/military/sdut-homeless-veterans-discharge-study-2015aug26-story.html> ("Among VA patients who served in Iraq or Afghanistan between 2001 and 2011, 5.6% were discharged for misconduct. Yet these patients accounted for 28.1% of veterans who had been homeless within their first year out of the military, the analysis found.").

¹² 775 ILCS 5/1-101 *et seq.*

¹³ See Connecticut Public Act 18-47, *available at* <https://www.cga.ct.gov/2018/act/pa/pdf/2018PA-00047-R00SB-00284-PA.pdf>.

discharges to become VSOs, which would increase employment opportunities for veterans with bad paper and allow them to be a greater part of the larger veterans' community.

Other veteran populations also need assistance. Undocumented veterans should receive help gaining citizenship because no person who has served our country in the military should ever be deported. Illinois should continue to strengthen protections for undocumented residents as a welcoming state, and the new administration should work with our federal partners to achieve comprehensive immigration reform.

Incarcerated veterans are also historically underserved. Veterans who are transitioning out of prison become eligible for their benefits upon release but often need help applying for them during the re-entry process. Case managers are needed to coordinate incarcerated veteran reentry and mental health services with parole officers, the IDVA, VSOs, and social service organizations to put these veterans on a good path and prevent recidivism.

Women and LGBTQ veterans face unique challenges related to being accepted, respected, and valued by the veteran community and at veteran events. This ostracization can compound other underlying issues and lead these veterans to experience depression or harm themselves. The new administration has an opportunity to highlight these individuals and let their stories be heard as equally deserving of our state's recognition and gratitude. The state should also strengthen VSO recruitment and training to reflect the diversity of the veteran population they serve and improve interactions.

Conclusion: Setting veterans up for success

Illinois veterans deserve the best from us, and we have outlined recommendations that we believe would make Illinois' veterans services among the highest quality in the nation. In particular, we have identified the following areas as urgent priorities:

- Improve information-sharing with veterans via VSOs, case managers, and better online resources.
- Create better economic opportunities for veterans by increasing access to education, workforce development, and building pipelines to sustainable jobs.
- Prioritize extending vital services to all historically underserved veterans.

Taken together, these actions will make Illinois an ideal home for returning service members to come back to and build healthy and happy lives with their families.