With Strongest State Budget in Memory, Gov. Pritzker Delivers Fourth Balanced Budget Proposal that Pays Down Debt and Delivers Tax Relief for Families

Press Release - Wednesday, February 02, 2022

Gov. Pritzker Proposes Unprecedented Supplemental Pension Payment, Tripling Rainy Day
Fund

Balanced Budget Provides \$1 Billion in One-Time Relief for Grocery, Gas and Property Taxes

SPRINGFIELD - After years of working with the General Assembly to make fiscally responsible choices, protect working families and pay down Illinois' debt, Governor JB Pritzker today proposed his fourth balanced budget, delivering \$1 billion in relief from grocery, gas and property taxes as well as making unprecedented payments to state pensions and the rainy day fund.

With revenues from corporate taxes, cannabis, online sales taxes and income far exceeding initial projections, the proposed budget provides significant one-time relief to families, while continuing the responsible fiscal decisions that led to two credit upgrades for the state.

Building on the administration's previous efficiencies, the budget invests in critical areas of growth and services, including education, public safety and small businesses.

Select highlights include:

Family Relief Plan

- \$475 million in property tax rebates for families, with a one -time property tax rebate payment to homeowners of 5% of property taxes paid, up to \$300 for those eligible for a state income tax credit
- \$360 million by freezing the state's tax on groceries, one of the most regressive taxes
- \$135 million by freezing the planned increase in the gas tax, which will not jeopardize any planned projects

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- Additional \$500 million directly to the Pension Stabilization Fund, reducing long-term liabilities by \$1.8 billion
- Adds nearly \$900 million to the Rainy Day Fund over FY22 and FY23
- Eliminates the \$898 million owed for employee health insurance
- Saves \$2 billion through strong fiscal management

Investing in Education

- \$350 million increase for Evidence Based Funding for K-12 schools
- \$96 million increase for transportation and special education
- \$54 million increase for Early Childhood Education
- \$300 million to Strengthen and Grow Childcare Grants
- Increase MAP funding to \$600 million, a one year \$122 million increase, increasing the max award to 50% of tuition at public universities and expands eligibility to students enrolled in short-term certificate programs
- Pays off the \$230 million unfunded liability for College Illinois!
- Increases funding for minority teacher scholarships

Strengthening Healthcare

- Waives licensing fees for nearly 470,000 frontline healthcare workers
- \$180 million to preserve and expand the healthcare workforce, through Medicaid providers focusing on underserved and rural areas
- \$140 million to mental health care providers through rate enhancements
- \$70 million to 9-8-8 call centers and crisis response services for mental health issues
- \$25 million to expand the pipeline of nurses through the Illinois Community College Board

Support for Small Businesses and Employers

- One-year waiver of retail liquor license fees to aid restaurants, bars, and liquor license holders
- \$38 million to Employer Training and Investment Program to assist with workforce and employee training efforts
- \$5 million to develop minority entrepreneurship programs and support small, minority owned businesses
- \$35 million in new capital appropriations to Rebuild Main Streets and Downtown Commercial

Corridors to promote new investment and bring jobs to communities

Public Safety & Violence Prevention

- Over \$800 million for violence prevention appropriations, which will more than triple State violence prevention funding since FY19. Includes appropriations for Reimagine Public Safety and R3 grants
- 300 new state troopers, the single largest investment in state history to expand cadet classes
- \$50 million increase directly from cannabis revenues to support communities harmed by violence, excessive incarceration and economic disinvestment
- \$20 million to support Gang Crime Witness Protection Program
- \$20 million for non-profits for security investments to prepare for hate crimes
- \$5.4 million for increased staffing and equipment at new forensic lab in Decatur, after expanding state forensic capacity in Chicago and Joliet

Protecting the Most Vulnerable

- \$2 billion for services for people with developmental disabilities, including implementation of 2nd phase of Guidehouse recommendations
- \$250 million to hire additional DCFS staff, increase rates for private partners and create new residential capacity

The Governor looks forward to continuing to work with the General Assembly to build on Illinois' improving fiscal trajectory.

Click here to review the **Budget in Brief** and the complete FY23 **Budget Book**.

Below, please find the Governor's remarks as prepared for delivery.

State of the State and Budget Address Wednesday, February 2nd, 2022 *Remarks As Prepared For Delivery*

Leaders, Members, Lt. Governor, First Lady... Joining us today are a special group of distinguished guests... teachers, doctors, nurses and first responders. I want to sincerely thank ALL of you for joining me under the dome of the old Illinois State Capitol building. So many of you have showed

could do as your Governor was brave a snow storm to deliver the State of the State Address.

One year ago, I delivered a speech a few miles from here in the Orr Building at the State Fairgrounds as members of our Illinois National Guard readied the facility to serve as a mass vaccination site. Like all of you, I had hoped that that was the beginning of the end of one of the most challenging times our state and our nation has ever lived through.

But it wasn't the end. We continue even now to battle an invisible enemy that has challenged all our institutions and forced every single Illinoisan to confront deeply held convictions about family, work, education, healthcare, science and our collective responsibility to one another.

It would be the most human of tendencies to obsess during this time over one question: Why? Why are we going through this? Why did it start...why won't it end? Why is <u>this</u> the slice of history we are being asked to carry?

The answers to those questions remain elusive - and we cannot allow their pursuit to distract us from another more essential question: How will we distinguish ourselves and how will history remember us during this time?

According to legend, the famed cultural anthropologist Margaret Mead once delivered a lecture to her students that started with this question to her class: "What was the earliest sign of human civilization?"

The answers her students provided are what you might predict: tools, pots, weapons, iron, agriculture.

But Mead shook her head no to all these answers and instead held up a healed femur - a leg bone that had broken and mended. She explained that this healing was the first sign of true civilization because it meant someone had looked after this person - given them food, shelter and rest at great personal sacrifice. Mead's argument was that true human civilization arrived when our ancestors chose to look out for one another despite personal risk or inconvenience.

The question of what we owe our fellow humans has been front and center in my mind over the last several years - but most especially the last 12 months. And I keep returning to Margaret Mead's simple lesson - that the measure of any society is how willing we are to care for those who need us.

The COVID-19 pandemic has presented us with a challenge the likes of which we have not seen in generations.

It has brought families to their breaking points - with parents especially struggling every day to try and make the right decisions for their children as well as their own parents and grandparents.

COVID has forced a true reckoning about what it means to work and what it means to live - no

matter what kind of job you are holding down. Every worker in every profession is demanding a rethinking right now of the sacrifices they are being asked to make. Every working parent is navigating how to hold Zoom calls with a toddler screaming in the background or facing the impossible choice between going to their hourly job or staying home with a sick child.

And I talk to so many entrepreneurs who want to do right by their workers — at the same time they have to keep up with their competitors in order to survive.

But no one in our state has born a greater burden in the last twelve months than the nurses and doctors and first responders who have had no respite from the unrelenting agony of the most brutal parts of the global pandemic.

TO THE ILLINOIS MEDICAL COMMUNITY: I know that every career in healthcare begins with someone who wants to help sick people get well. I know that during the months and years you practiced and trained for the job you hold now, you had to come to terms with the idea that you couldn't save everyone - that some people would be too sick, some cases too hard to solve.

I know you learned to cope with that inevitability by discovering the balance between joy and grief. I know that underneath that balance you felt the world owed you a promise to never let one side of that scale get too overwhelming.

And I know that you feel like that promise has been broken - that too much grief has robbed the profession you have devoted your life to of all its joy. I know that as you have watched your hospitals fill with patients once again these last two months - that there is a small but persistent voice inside of you asking you how much more you can take.

I wish I could lift this burden from you. I wish it with all my heart.

But in the absence of the ability to do that - I feel it important to stand here, in the most visible public forum I can think of, and say: I see you. Our entire state sees you. And while we can't take away your burden, we can directly acknowledge it and assist you in carrying some of it. And as Governor I can offer you my most deep and heartfelt thanks on behalf of a grateful state.

One thing we can all do right now is continue rising to the challenge of combatting the pandemic head on. And we are.

A larger percentage of Illinoisans have been vaccinated than in any other Midwestern state. Our state has led with equity, with the highest regional vaccination rates for our Black and Brown residents. We are the leader in vaccinating kids 5 to 17 years old. We've held over 7,350 mobile vaccination clinics at churches, senior centers, schools, day camps, and YMCAs to make getting the vaccine easier for every Illinoisan who wants it.

The battle to keep people safe from the virus isn't over, though we are more experienced at managing through it. When the surge came last fall, we put our masks back on - and it helped keep our hospitals from being overrup. To protect the most vulnerable people in our state's care. I

required vaccinations at state-run congregate care facilities, including our veterans' homes and homes for people with developmental disabilities.

Our schools have remained safe and open. Of the more than 850 public school districts in our state, fewer than a dozen have had to take an adaptive pause recently because of COVID-19. That's because we have three tools that we know work: masks, testing and vaccines. And I have not hesitated to use these tools and make them available to schools so they can maintain in-person learning for Illinois' children while protecting parents, teachers, and staff. In fact, we set the national standard for how to safely keep kids in schools when the CDC adopted our Illinois "test-to-stay" model.

The virus has remained a threat for far longer than any of us would like, but we continue to find ways to live our lives AND protect the vulnerable all at the same time.

The pandemic recession has taken an enormous financial toll on workers and businesses. Government must continue to do everything possible to help people recover. With all our efforts over the last two years — city, county, state, federal — we're seeing signs of progress every single day. Our investments in working families and small businesses are paying off.

Since the bottom of the pandemic recession in April of 2020, we have added 600,000 jobs and grown the overall state GDP beyond pre-pandemic levels. Illinois job growth now outpaces the national job growth. Wages have increased for working class families, and jobs are available for workers of nearly every skill. Workers have bargaining power like never before. And businesses have applied ingenuity and creativity to rebuild and grow and are making Illinois one of the best places to do business in the country.

Our recovery is happening because our people have an unmatched work ethic and our employers an incredible commitment to workers and the communities they serve. It's also happening because we've focused on providing as much stability as possible for small businesses and workers and families here in Illinois.

To succeed we've had to acknowledge that working parents need childcare. In the early months of the pandemic, we launched a childcare support program that is now nationally recognized — delivering relief grants to provide a safe work environment for caregivers, and allowing childcare providers to stay afloat during the worst of this global health crisis. We've been awarding retention bonuses to Illinois' childcare workers. We're providing out-of-work parents with three months of low-cost or free childcare so they can look for a job without worrying about their kids.

Then we partnered with the General Assembly to award nearly \$1 billion in grants to more than 12,000 small businesses - covering every sector of the Illinois economy, especially those that were left out of the federal PPP program. Because of it, tens of thousands of jobs in every part of our state were saved.

We also needed to keep struggling families from being forced out of their homes by the pandemic

recession. So with the help of Representative Delia Ramirez and Senator Omar Aquino, the Illinois Housing Development Authority went to work, providing some of the fastest relief for landlords and tenants among all the states. More than \$1 billion has kept renters and homeowners from losing their housing, with hundreds of millions more to support them in the first half of 2022. A prohibition on COVID-related evictions, utility shutoffs, and vehicle repossessions protected those suffering pandemic-related hardships.

Throughout this deadly pandemic, I've governed with a consistent philosophy: protect the most vulnerable, offer simple and straightforward help through the hard times, and make Illinois an example for the rest of the country for how to manage through the crisis.

Because of the amazing residents of this state, we've been able to do that.

Within weeks of being sworn in as governor in 2019, I appeared in the front of the General Assembly for the very first time with a dire report on the state of the state's finances and an overview of the true fiscal wreckage left for us to clean up. Back then we had a \$3.2 billion deficit. We had \$7.9 billion owed in unpaid bills. The state had doled out over \$1.2 billion in late payment penalties. We had suffered an astonishing eight credit rating downgrades in the years 2015 to 2017, and our credit hovered at just one notch above junk status.

I made a promise that day. I said: "Budgeting will not be done any more by taking the state hostage, or by court orders, consent decrees and continuing appropriations but instead by debate and compromise and a return to regular order. We will work together earnestly to solve the state's problems. We will disagree at times on important things, but the work we all came here to do will get done."

I believe that if we are ever going to fix what is broken in the American political system, it starts with politicians keeping their word.

So let me offer an update on the promise of fiscal responsibility I made to you three years ago.

After decades of credit downgrades, by the end of my second full fiscal year in office, Illinois received two credit <u>upgrades</u> - the first upgrades the state has received in over 20 years. The massive bill backlog that contained bills past due for as long as 500 days, now contains only unpaid General Funds bills averaging 15 days old.

And that \$3.2 billion structural deficit? Well today I'm pleased to announce Illinois will end this fiscal year with a \$1.7 billion surplus, the first of its kind in more than 25 years.

Now, I know that the same tired old characters who are always so desperate to bad-mouth Illinois will falsely attribute our fiscal success to the federal American Rescue Plan Act. As usual, they're wrong.

Let me set the record straight for you — our state budget surpluses would exist even without the money we received from the federal government. Painstaking work has been done in coordination with the General Assembly and Comptroller Susana Mendoza over the last 3 years to diligently and meticulously reverse the irresponsible decisions of the past and ensure that responsible budgeting would become the rule, not the exception.

What a self-indulgent position the cynics take, always opposing what's in the best interest of the people of Illinois if they think it will advance their own political standing. It's a curious position - but then again, there have long been people in Illinois state politics who have cared more about promoting their own propaganda than they do about what's best for your pocketbooks. During this budget cycle especially, seats at the grown-up table will be off limits to those who aren't working in the public's best interests.

Back in 2019, I promised you that we would not allow political posturing by those people to again take the state's finances hostage. I ran for Governor to move beyond that. And we have. If you don't believe me, take it from the credit rating agency S&P. In their announcement last year of Illinois's credit upgrade they said: "The political gridlock that stymied governance a few fiscal years ago has dissipated."

Look, the actual work of managing Illinois' state finances is decidedly unglamorous. It is hours of hammering away at calcified problems of the past, persistently reducing liabilities on our state's balance sheet, finding and implementing efficiencies and savings, upgrading systems that track expenditures, and asking every government employee to be a partner in smart budgeting. It's not **partisan** work, it's not **political** work...it's just <u>hard</u> work. It requires resisting the temptation to let political expediency take over our budget process, and it demands discipline and a commitment to do what's right.

And that is what my administration and a majority of the General Assembly have been committed to doing — no matter how difficult the circumstances or how unprecedented the times.

So let's talk about good governance and what fiscal responsibility looks like.

During those first few terrible months of the COVID crisis - when it was unclear whether the bottom would completely fall out of state revenues — we borrowed \$3.2 billion from the federal government so we wouldn't wonder if the state could meet the needs of people who were suffering. Not a chance I was going to allow an interruption of vital services by our hospitals or let our schools close for lack of PPE. And as soon as our state revenues rebounded, paying down our borrowing was among my highest priorities. We paid our debt back nearly 2 years early, saving taxpayers \$82 million in interest costs.

Then there were the short-term borrowings that date back to the budget crisis five years ago. The bill backlog, that at its height reached nearly \$17 billion, and the \$1.5 billion borrowed from the state treasury, have now been paid down.

I believe in paying our debts.

Each year I've served as Governor, our state has met its pension payment obligations. But when we are able, I think we ought to do more than just pay the minimum. That's why I propose making not only our minimum pension payment this year but also an additional half a billion dollars.

If approved by the General Assembly, this will be the first time since the beginning of 1994 pension funding ramp that we will reduce our pension debt by more than our required contribution. I am asking Democrats and Republicans to work together with me to get this done because it will save taxpayers \$1.8 billion in interest payments over the coming years.

For longer than I can remember, the pension naysayers have told us we should ignore the constitution and the protections it provides and instead break our promises to retirees. I won't do that. Instead we are tackling our pension problem with responsible pension investment decisions, solid investment returns, and expansion of the pension buyout program. As a result, pension liabilities are down, and pension assets are <u>up</u>. There's more work to do, but pension payments as a percentage of our budget have finally flattened and are projected to decline. Great news for pensioners and taxpayers alike.

For years, Illinois has been without any financial cushion in the event of a downturn, and 22 months ago we experienced how debilitating that could be. Now that we've paid down our bill backlog and consistently balanced the budget, it's time to begin restoring our state's long neglected Budget Stabilization Fund, also known as the Rainy Day Fund. Right now the average state can run for 29 days on its Rainy Day Fund. In Illinois, we can run for 15 minutes. I'm proposing that we set aside \$600 million for the fund this year plus another \$279 million next year. The past few years have shown us that rainy days do actually arrive, and it's time to begin rebuilding protections from future fiscal calamities.

At the beginning of my term, I tasked Illinois Central Management Services with taking a comprehensive look at ALL real estate holdings that Illinois has accumulated over the years - and to make an honest effort to eliminate the waste and inefficiency that had previously been overlooked.

As a result of their work, I made the decision to consolidate multiple long term leases in downtown Chicago - saving taxpayers an average of approximately \$20 million a year, for the next 30 years.

Then there's the James R. Thompson Center, the least efficient building owned by the state. For twenty years governors have talked about selling the building — one even pretended to sell it in two of his budget proposals. I decided I would just get to work and actually sell it in real life. A private buyer now has offered to purchase it by assuming several hundred million dollars in liabilities and paying the state \$70 million in cash. Altogether, the net savings for state taxpayers approaches three quarters of a billion dollars — and the city of Chicago will get a brand-new, revenue-producing, renovated property in the heart of downtown.

Overall, with this real estate restructuring we will have reduced Illinois government office space by over 640,000 square feet by 2024 and lowered the cost of leasing Chicago office space from \$41 a square foot to just \$20 a square foot.

This is an example of how we're bringing operational improvements to state government to reduce waste, inefficiency, and liabilities.

Here's another example of past mismanagement we're repairing. College Illinois was a program started in the 1990's to help parents pay for college for their children. The idea seemed simple - Illinois residents could purchase college tuition at current rates and that money would be invested and grow to cover the eventual costs of their children's college education. Over 70,000 Illinois families took advantage of this opportunity. But 25 years later, the program was underfunded by nearly 30%, leaving parents holding the bag for a promise unfulfilled by state government. That's not right. So my budget proposes to pay off that unfunded state liability in full. Parents will sleep better at night, and it saves an additional \$75 million dollars in future taxpayer liabilities.

Responsible fiscal management is yielding substantial savings, unburdening our state from the anchor that has weighed us down for far too long.

So, as we move on to tackle the questions of what vital current priorities our government should fund, know that we start from a place where our bills are paid, our most pressing short-term debts are nearly gone and our most critical long term financial liabilities are in the best fiscal shape they have been in since the turn of the century.

The proposed 2023 budget I have submitted today includes substantial increases in the highest yielding investments we can make: early childhood, K-12 and higher education. Notably, there is a \$350 million increase for the K-12 Evidence Based Funding Formula, driving critical resources to our state's most underfunded schools. I have also increased early childhood education by \$54 million, which together with the \$200 million investment in upskilling our early childhood workforce will go a long way toward meeting our goal of making Illinois the best state in the nation to raise young children.

In years past, higher education had become an afterthought in our state budgets. Because of the disinvestment, post-secondary education became more and more expensive for students and their families. That's why at the beginning of my term I pledged to do three things to address this problem: Increase MAP scholarships by \$200 million, get more Pell Grants and low cost federal loans for Illinois students, and increase direct support for institutions of higher learning. With this FY23 budget proposal, we will have achieved all three during my first term in office, with substantial increases in MAP grants, community college and university operational support, and job training investments. The cost of pursuing higher education in Illinois is finally going down, and we're opening the door to a brighter future for more Illinoisans.

I'm also asking the General Assembly to broaden the allowable uses of MAP scholarships for career training programs in critical industries like healthcare. This small change will open more training

and education opportunities for thousands of Illinoisans, and it will put people to work addressing the critical healthcare workforce shortage.

Our healthcare institutions and healthcare workers need help. That's why this proposed budget creates the Pipeline for the Advancement of the Healthcare Workforce — or PATH — program. The goal is to model this program after the highly successful Workforce Equity Initiative championed by State Representative Jehan Gordon-Booth. The PATH program will invest \$25 million in our community colleges to remove barriers for recruitment and training of new front-line healthcare workers. My budget also proposes to invest new resources in nursing scholarships and loan forgiveness programs.

And finally, I'm proposing to eliminate licensure fees for 470,000 nurses, physicians, pharmacists, pharmacy technicians, respiratory care workers, social workers and others in the coming fiscal year. Let's recognize the burden our healthcare workers have borne and give them a much-needed reprieve.

Aggressively protecting and supporting vulnerable children and families is a high priority for us all. Since coming into office, I've substantially increased the budget at the Department of Children and Family Services to reverse the damage of the prior administration, bringing on hundreds of new staff, retraining every DCFS worker and manager, allowing our private partners to increase wages, and helping them make a dent in the hundreds of shelter beds lost under the prior administration. This year, as the agency continues to battle pandemic-era worker shortages and increased caseload, I propose we add another \$250 million to hire more child welfare workers, and increase the number of safe and supportive settings available to care for vulnerable children.

Nobody has escaped the isolation, burn out, and trauma of the past two years. Now more than ever, it's important to invest in behavioral health. That's why I will be appointing a Chief Behavioral Health Officer to oversee and coordinate behavioral health services directly with the Governor's Office. Behavioral health is an area where Representative Deb Conroy is a real leader, and with partners across the rotunda like Senators Sara Feigenholtz and Laura Fine, I'm confident the Chief Behavioral Health Officer will succeed in streamlining and coordinating these services across state agencies.

And we can't talk about health in this state without recognizing the tremendous leadership of Lt. Governor Stratton to expand Alzheimer's awareness and bring the world closer to eradicating this heart-breaking disease. Over the summer, we made Illinois the first state in the nation to require regular Alzheimer's diagnosis training for all licensed, adult-serving healthcare professionals. Building on that progress, today I'm proposing an expansion of Illinois' Alzheimer's outreach, research, care and support.

With the state and the nation experiencing a rise in violent crime, addressing public safety requires major investments. But too often those elected officials yelling the loudest about public safety concerns are also those voting to defund government budgets. Crime is a complex and multifaceted problem to tackle, and it's cynical and counter-productive to simply shout "Lock them up"

while providing fewer resources to the people and programs that prevent crime in the first place.

A truly effective approach to tackling crime involves both short term and long-term investments and a commitment to see those investments through.

Let's start with this: If we want to reduce crime, we have to solve crimes. That's why I reestablished the Division of Criminal Investigations when I first took office. It's why we are building a new, state-of-the-art crime lab near Joliet and opening another in Decatur. My proposed budget continues to increase the number of Illinois State Police forensic scientists and evidence technicians. And we're already succeeding in one important arena — we've substantially reduced the backlog of DNA and other analyses on evidence in sexual assault cases. As a result, victims and survivors will finally get the justice they deserve.

On the front lines, I've been growing our state police every year since I took office, but they need even more support. Under my predecessor their ranks had been severely depleted to only 1,625 troopers, down 31% from its peak. So every year I've worked with the majority in the General Assembly to rebuild the ISP. On top of the hundreds of sworn officers we've hired already, the FY23 budget provides resources to add largest number of state police cadets in any single year.

Victims and witnesses need to feel safe if they're going to be willing to come forward and identify violent criminals. Nearly a decade ago, Speaker Welch and Senator Van Pelt led the creation of the Gang Crime Witness Protection Program. It was intended to provide resources to prosecutors and the Attorney General to pay for the protection of victims and witnesses who are assisting in the prosecution of gang violence perpetrators. Disappointingly, the program was never funded. Today I'm proposing we immediately authorize a \$20 million investment in it. If we want people to speak up without fear of intimidation, we need to give law enforcement the resources they need to protect victims and witnesses that want to do the right thing.

To prevent violent crime and reduce the direct burden on police, Illinois is awarding grants to organizations that implement data-driven, community-driven violence prevention efforts. This budget proposal advances our \$250 million multi-year investment in crime prevention in the Reimagine Public Safety Act. From the time I became Governor until this current fiscal year, we more than doubled the funding for violence interruption, diversion, and youth employment programs to \$517 million. I'm proposing we increase that appropriation to \$832 million. And as an additional relief for police departments, this budget provides greater funding for police body cameras.

Smart investments in front line personnel, in protecting witnesses, in community renewal, in mental health, in economic opportunities, and in solving crimes are the best ways to reduce violence on our streets.

The 2023 budget continues providing direct grants for thousands more small businesses supporting their recovery. We're extending the Rebuild Downtowns and Main Streets program to revitalize community business districts across Illinois. On top of that, I propose suspending license

fees for more than 23,000 restaurants and bars, bringing some additional relief to an industry hard hit by the pandemic.

Along with this small business support, I am calling on the General Assembly to renew the Economic Development for a Growing Economy, or EDGE, Tax Credit Program which is set to expire in June. EDGE is one of our most effective tools to grow and attract jobs.

Right now, everyone is feeling the crunch of rising prices for goods and services. The higher cost of even basic necessities is making it harder to make ends meet. Whether it's supply chain interruptions or increasing oil prices, inflation is squeezing Illinois families. Government ought to do more to ease the pain and put more money back in the pockets of hardworking Illinoisans. Our budget success gives us the opportunity to do just that.

Therefore, today I am proposing the Illinois Family Relief Plan — to provide immediate assistance to help families fight inflation.

First, let's freeze the gas tax for the coming fiscal year. Back in 2019, working with the General Assembly, we passed a historic bipartisan infrastructure improvement plan. Since then, countless roads and bridges across the state have been repaired and improved to the benefit of local communities and businesses, and the federal infrastructure bill passed last year in Congress has provided additional funding. Because the Illinois Department of Transportation has been efficiently completing projects on time and on budget, it has collected enough infrastructure dollars already to allow us to freeze the gas tax for a year without affecting any of our road projects. It will bring immediate relief at the gas pump and still allow us to upgrade our infrastructure.

Another place where families are getting hit hard by rising costs is at the grocery store. Access to affordable food is fundamental to the American promise, but with the price of milk and eggs and bread going up, pocketbooks are being pinched. We can afford to suspend the state tax on groceries in the coming year, and have the state make up any lost revenue to local governments, so we can bring some relief to families at the check-out counter.

Finally, local property taxes have long been an unsustainable burden for homeowners across Illinois. Local governments, who <u>impose</u> property taxes, have received an unprecedented influx of cash from the federal government in the last year, and an additional \$1.1 billion in annual support due to actions taken by the state. It's time for every local taxing district to take a long hard look at reducing the burden of high property taxes they impose on their local residents.

At the state level, we can also take action. I propose immediate property tax relief funded by the state surplus. If we double the property tax deduction for Illinois homeowners, we can bring relief to nearly 2 million Illinois taxpayers.

The Family Relief Plan can't solve all the challenges of global inflation, but we can do our part to alleviate some pressure on working families.

When I was first elected, I pledged to budget responsibly and with a focus on reducing burdens on working families. I'm proud to say this proposed fiscal year 2023 budget plan does just that.

With all the challenges we have overcome, with all the work it took to get here, with all the things we may face in the future - here's one thing I know for sure: Illinois is the best place to live in the entire country.

Our history is more interesting, our food more flavorful, our businesses more innovative, our workers more industrious, our schools more distinguished, our culture more illuminating and our people more diverse and intelligent and creative than any other state in this great wide country of ours.

Contrary to those folks who spend their time orbiting Illinois politics just spelunking for misery, our state has a lot to be proud of.

We are modernizing our roads, our bridges, our schools and our broadband. Thanks to Rebuild Illinois, we've repaired over 3,300 miles of roads and 320 bridges in just the last two and a half years. We now have the number one ranked infrastructure in the country.

We have become a national leader in addressing climate change, even being recognized on the world stage at the United Nations climate conference in Scotland last year, when Illinois became the first Midwest state to require 100 percent carbon-free energy by 2045.

We acted swiftly and boldly last fall to reap the potential financial benefits of the new energy economy by passing the REV Act, providing attractive incentives for electric car manufacturers to set up shop in Illinois and bring new jobs to our communities. We have also made it less expensive for consumers to buy and drive an electric vehicle by offering \$4,000 rebates to consumers and incentivizing the buildout of charging stations statewide.

At a time when people need reliable healthcare more than they ever have before, we provided \$3.8 billion to hospitals serving Medicaid patients to increase access in underserved communities. We made Illinois among the first states in the nation to require that insurers cover substance use programs and mental health treatment. We made pandemic-era telehealth access permanent. We capped out-of-pocket insulin costs. And we made it harder for insurance companies to discriminate against those seeking fertility treatments.

And at a time when politicians in some places have dipped their toes into the waters of sedition, or pulled chairs up for the ghosts of Jim Crow, or spurned the fires of educational curiosity in favor of book banning, or are telling women you have to take your reproductive health choices back to the 1950's...at a time when some would question the very foundations of science and medicine...at a time when some would condemn simple acts of courtesy and kindness like wearing a mask so that fewer people die...

THIS government in THIS state said...Not Here.

In Illinois, our elections are protected because we're not scared of more people voting.

In Illinois, we care about expanding the freedoms and opportunities for our Black and brown residents.

In Illinois, we built a firewall around the freedoms of every woman in this state, protecting the right to choose in our laws and prohibiting the Supreme Court from taking it away.

In Illinois, we believe all workers deserve a real living wage and the right to organize.

In Illinois, we are not afraid of our history...after all, this country's past, some of its lowest and its highest moments, runs straight through this state Capitol. Abraham Lincoln, who once stood on this very spot under this dome, once said: "We cannot escape history. The fiery trial through which we pass, will light us down, in honor or dishonor, to the latest generation."

In Illinois, we believe that the best thing we can do in difficult times is look out for one another.

Leadership in times like these does not dance idly wherever the wind might blow. Leadership in times like these means having the courage to stand on deck while the waves crash around you and you keep the ship pointing toward home.

The din of a crisis is when a carnival barker's shout becomes a whisper soft enough to find the ears of the sick or worried or grieving or scared...and the poison they worm into the hearts of the vulnerable is that it's "those people" ...the ones who live in that city, the ones who worship at that altar, the ones who were born in that place...who are responsible for the hard times.

It's a playbook as old as the play. And it's that kind of thinking I am asking you to reject in this moment.

I KNOW how hard everything feels right now. I know that for the last two years it seems like we have all been reaching for the shadow of a former life.

You've been asked to sacrifice more than is fair, and we are all worried our hearts have forgotten how to find hope ...but I am here to tell you that they haven't.

I know that — because Illinois reminds me every single day of her kindness and her hope. I see it in tired smiles, in tidy laughs, in the faces of parents protecting their children and in children protecting their parents. I glimpse it in the eyes that peek out over masks nodding at me quietly, or pulling me aside to tell me about a food kitchen they're trying to help or a blood drive they're trying to publicize or a family they're trying to lift up.

I told you when I was elected that I would be a relentless optimist for this wonderful place that we call home. I didn't tell you I would be an optimist only if times weren't hard. I didn't tell you I would

be an optimist only if the challenges were easy.

I didn't tell you that there was a limit to the hope I could find for this state. Because there's not.

Illinois has never let me down. Not once. Not even in some of her darkest hours.

Maybe the clarity that grief and struggle bring will allow us to cast off the old parts of our lives that never served us well to begin with. Maybe the resilience we've found facing a once in a generation challenge has opened a path to new and better things.

Maybe it's time we remember what Margaret Mead was trying to teach her class during that lecture long ago: that who we are is measured by how we care for those who need us. And that we wouldn't be standing here today if that simple ancient value wasn't deeply ingrained into our very existence.

Illinois...the state of our great state is STRONG...unbreakable...and enduring. It is sustained every day by the deep, overwhelming kindness of its people, by the hopes of its leaders and by our common commitment to face an uncertain tomorrow with the strength built by surviving our yesterdays.

Thank you and God bless you.

Press Releases

- Governor Pritzker Launches Initiative to Improve Behavioral Health Services for Children
 Friday, March 18
- Governor Pritzker, Senate President Harmon, Speaker Welch Issue Joint Statement on Ukraine Friday, March 18
- Public Health Officials Announce 7,467 New Cases of Coronavirus Disease Over the Past Week
 Friday, March 18

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